

CONTRACT SUPPLEMENT  
SP-37 Rev. 01/02

Purchasing Contact:  
Elizabeth Basso, AFAO

Telephone Number:  
(860) 622-2037

**STATE OF CONNECTICUT**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**  
**CONTRACTS & PURCHASING DIVISION**  
101 EAST RIVER DRIVE, 4<sup>th</sup> Floor  
EAST HARTFORD, CT 06108-3274

Contract Award Number <b>08ITZ0074</b>
Contract Award Date <b>October 22, 2008</b>
SUPPLEMENT DATE <b>October 22, 2008</b>

**CONTRACT AWARD SUPPLEMENT # 1**

**IMPORTANT:** This is NOT a Purchase Order. Do NOT Produce or Ship without an Agency Purchase Order.

**COMMODITY CLASS/SUBCLASS & DESCRIPTION: 5022 - Data Capture, CT Income Tax Return Forms**

FOR: **Department of Information Technology, All  
Using State Agencies, Municipalities, Political  
Subdivisions, Non-Profits and Education  
101 East River Drive  
East Hartford, CT 06108**

TERM OF CONTRACT:  
**10/22/08 - 12/31/11**

*"All other Terms and Conditions remain the same."*

AGENCY REQUISITION NUMBER:

**NOTICE TO CONTRACTORS:** This Contract Award Supplement is not an order to ship. The using agency or agencies on whose behalf the contract is made will furnish purchase orders against contracts. Send invoices directly to the using/ordering agency per instructions on the purchase order.

**Supplement # 1 Changes / Updates the following:**

- **Corrects Contract Award end date to 12/31/2011**

**APPROVED**

Date Issued: **October 22, 2008**

**Jacqueline Shirley**  
**Director of Contract & Purchasing Division**  
(Original Signature on Document in Procurement Files)

CONTRACT AWARD  
SP-38 Rev. 01/08

**STATE OF CONNECTICUT**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**  
**CONTRACTS & PURCHASING DIVISION**  
**101 EAST RIVER DRIVE, 4<sup>th</sup> Floor**  
**EAST HARTFORD, CT 06108-3274**

Purchasing Contact:  
**Elizabeth Basso, AFAO**

Telephone Number:  
**(860) 622-2037**

<b>Contract Award #</b> <b>08ITZ0074</b>
<b>Contract Award Date</b> <b>October 22, 2008</b>
<b>Expiration Date</b> <b>October 21, 2011</b>

**CONTRACT AWARD**

**IMPORTANT:** THIS IS NOT A PURCHASE ORDER. DO NOT PRODUCE OR SHIP WITHOUT AN AGENCY PURCHASE ORDER.

COMMODITY CLASS/SUBCLASS & DESCRIPTION: 5022, Data Capture, CT Income Tax Return Forms

FOR:	<b>Department of Revenue Services</b> <b>25 Sighouny Street</b> <b>Hartford, CT 06106-5032</b>	DELIVERY DATE REQ'D: As Required	
		TERM OF CONTRACT: October 22, 2008 – October 21, 2011	
		AGENCY REQUISITION NUMBER: <b>DRS00000245</b>	
IN STATE (NON-SB) CONTRACT VALUE	DAS CERTIFIED SMALL BUSINESS CONTRACT VALUE	OUT OF STATE CONTRACT VALUE	TOTAL CONTRACT AWARD VALUE
<b>Est. \$1,057,050.00</b>	<b>\$</b>	<b>\$</b>	<b>Est. \$1,057,050.00</b>

**NOTICE TO CONTRACTORS:** This notice of award is not an order to ship. The using agency or agencies on whose behalf the contract is made will furnish purchase orders against contracts. Send invoices directly to the using/ordering agency per instructions on purchase order.

**NOTE:** Dollar amounts listed next to each contractor are possible award amounts, however, they do not reflect any expected purchase amounts (actual or implied). They are for CHRO use only.

**NOTICE TO AGENCIES:** A complete explanatory report shall be furnished promptly to the Director concerning items delivered and/or services rendered on orders placed against awards listed herein which are found not to comply with the specifications or which are otherwise unsatisfactory from the agency's viewpoint, as well as failure of the contractor to deliver within a reasonable period of time specified. Please issue orders and process invoices promptly.

- ▶ **CASH DISCOUNTS:** Cash discounts, if any, shall be given SPECIAL ATTENTION, but such cash discount shall not be taken unless payment is made within the discount period.
- ▶ **PRICE BASIS:** Unless otherwise noted, prices include delivery and transportation charges fully prepaid f.o.b. agency. No extra charge is to be made for packing or packages.

**CONTRACTOR INFORMATION:**

Company Name: **Scan-Optics, LLC**

Address: **169 Progress Drive, Manchester, CT 06040**

Tel. No.: **860.645.7878 or 800.745.6001**

Fax No.: **860.645.7995**

Contract Value: **\$1,057,050.00**

Contact Person: **Richard Lieberfarb**

Vendor ID #: **0000079921**

Delivery: **As Required**

Certification Type: **none**  
(SBE, MBE, WBE or None)

Terms: **Net 45 Days**

Supply to Political Sub-Divisions: **YES (on a per form basis)**

Company E-mail Address: **[rlieberfarb@scanoptics.com](mailto:rlieberfarb@scanoptics.com)**

**[www.scanoptics.com](http://www.scanoptics.com)**

**APPROVED**

**Elizabeth Basso**  
**Associate Fiscal Administrative Officer**  
**IT Contracts & Purchasing Division**  
(Original Signature on Document in Procurement Files)

**APPROVED**

**Richard R. Bailey**  
**Deputy Chief Information Officer**  
(Original Signature on Document in Procurement Files)

**Date Issued: October 21, 2008**

**STATE OF CONNECTICUT**  
**DOIT - CONTRACTS & PURCHASING DIVISION**

<b>Award Number</b> <b>08ITZ0074</b>
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Purchasing Contact:  
**Elizabeth Basso, AFAO**

Telephone Number:  
**(860) 622-2037**

E-Mail Address:  
[elizabeth.basso@ct.gov](mailto:elizabeth.basso@ct.gov)

<b>CONTRACT AWARD SCHEDULE</b>  <b>08ITZ0074</b>
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CONTRACT AWARD DATE <b>October 22, 2008</b>	
DELIVERY <b>As Required</b>	
PAYMENT TERMS <b>Net 45 Days</b>	CASH DISCOUNT -- % -- Days

**Pricing includes all transportation charges FOB State Agency.**

**Page 1 OF 2**

VENDOR NAME:  
**Scan-Optics, LLC**

VENDOR ID#: **0000079921**

**Department of Information Technology is issuing this contract award for  
The Department of Revenue Services  
for**

**Data Capture, CT Income Tax Return Forms**

*Price includes network startup costs, programming costs, ongoing network costs, electronic file transfer of image, index and data files, transportation charges, communication expenses, overtime or other expenses incurred in connection with any work done for the Department of Revenue Services.*

ITEM #	DESCRIPTION OF COMMODITY AND/OR SERVICE	ESTIMATED ANNUAL QTY	UNIT OF MEASURE	UNIT PRICE	ESTIMATED ANNUAL COST	ESTIMATED TOTAL COST (3 YRS.)
NOTE: Estimated YEARLY quantities of returns outsourced are based on historical information and should not necessarily be considered actual volumes						
1	Manual Data Capture from image and verification CT-1040 Estimated ANNUAL quantity 100,000	100,000	Tax return from image	\$1.55	\$155,000.00	\$465,000.00
2	Manual Data Capture from image and verification CT-1040EZ Estimated ANNUAL quantity 75,000	75,000	Tax return from image	\$1.09	\$81,750.00	\$245,250.00
3	Manual Data Capture from image and verification CT-1040NR/PY Estimated ANNUAL quantity 20,000	20,000	Tax return from image	\$1.48	\$29,600.00	\$88,800.00
4	Manual Data Capture from image and verification CT-1041 Estimated ANNUAL quantity 50,000	50,000	Tax return from image	\$1.72	\$86,000.00	\$258,000.00

**Estimated Total Award of \$1,057,050.00**

**Vendor Contact: Richard Lieberfarb**

Address: 169 Progress Drive, Manchester, CT 06040

Phone: 860.645.7878

Fax: 860.645.7995

E-mail: [rlieberfarb@scanoptics.com](mailto:rlieberfarb@scanoptics.com)

**NOTES:**

1. Vendor must comply with the Agency Specifications and the Standard & Special Bid and Contract Terms and Conditions
2. Prices include network startup costs, programming costs, ongoing network costs, electronic file transfer of image, index and data files, transportation charges, communication expenses, overtime or other expenses incurred in connection with any work done for the Department of Revenue Services.

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**All correspondence regarding this contract award must be in writing and submitted to:**

Elizabeth Basso, AFAO, Contract Award # **08ITZ0074**  
DOIT - Contract & Purchasing Division  
101 East River Drive, 4<sup>th</sup> Floor  
East Hartford, CT 06108

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## AGENCY SPECIFICATIONS

### SCOPE:

- 1.1 This invitation to bid requests manual data capture from image and verification services for a contract period: contract award date (approximately September 2008) thru December 31, 2011 for Connecticut income tax returns listed in section 2.20, which the Department of Revenue Services (DRS) elects to outsource.
- 1.2 As part of the evaluation process for this bid, vendors must demonstrate their ability to data enter and verify from image the volumes describes in section 2.20. For the purposes of this bid, data entry is defined as manual keying and verification is manual double keying. Any other means of data capture will only be considered after an award and must be approved by the Agency prior to implementation.
- 1.3 The vendor must comply with the data capture instructions as specified by the Agency. The Agency reserves the right to change the instructions as necessary.
- 1.4 Vendor questions regarding this bid must be e-mailed to: [Elizabeth.Basso@po.state.ct.us](mailto:Elizabeth.Basso@po.state.ct.us) by **September 4, 2008**. The Agency will answer all questions in writing via a bid addendum. However, no additional questions will be answered after that date.
- 1.5 The State reserves the right to add new forms or schedules on an as needed basis. The vendor will be expected to offer a rate for said new forms or schedules commensurate with their original offers based on comparable keystrokes and content.
- 1.6 Time Line:
  - August 14, 2008** = Bid posted
  - August 26, 2008** = Deadline to request sample forms and instructions. See Section 2.21
  - September 4, 2008** = Deadline on questions. See Section 1.4
  - September 11, 2008** = Answers to all questions will be posted via a Bid Addendum
  - September 22, 2008** = Bid due date

### BID REQUIREMENTS:

- 2.1 All prices quoted shall include network startup costs, programming costs, ongoing network costs, electronic file transfer of image, index and data files, transportation charges, communication expenses, overtime or other expenses incurred in connection with any work done for the Department of Revenue Services.
- 2.2 Data files will be transmitted to DRS or other designated location, in a format to be provided by DRS, via a secure VPN connection provided by the Department of Information Technology for data file transmission to DRS. Data, image and index files must be archived for a 45-day period on a secured server. Back-ups created by the vendor must be maintained by the vendor in a secure location.
- 2.3 Data transmission schedules will be supplied by the Department of Revenue Services.
- 2.4 Minimum transmission of source data requirement will be one (1) per day. The Department of Revenue Services reserves the right to prioritize work.
- 2.5 The designated method of data delivery is electronic. The vendor must have a high speed internet connection, T-1 or better, in place and working at time of inspection, capable of transmitting the data files multiple times a day in a reasonable amount of time and with good reliability. A secure VPN connection will be provided to the vendor for the purpose of delivering data files to our network.

- 2.6 Files must be delivered to our network with a naming convention designated by the Agency.
- 2.7 The contractor must provide a detailed document outlining quality control measures that are in place to ensure return reconciliation prior to the start of this contract and maintained throughout the contract. This plan must be approved by DRS and maintained by the vendor.
- 2.8 All data capture must take place in a secure location within the Continental United States.
- 2.9 Insurance - Vendor shall not commence work under this contract until it has provided evidence of all insurance required under this section to DRS, nor shall the vendor allow any approved subcontractor to commence work on its subcontract until all similar insurance required of the subcontractor has been obtained.
- A) Commercial General Liability  
\$1,000,000 Combined Single Limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability and Board Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply either separately to the project or the general aggregate limit shall be twice the occurrence amount.
- B) Workers' Compensation and Employers Liability  
Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 disease-policy limit, \$100,000 each employee.
- C) Automobile Liability  
\$1,000,000 Combined Single Limit Automobile Liability insurance shall be maintained against claims for damages resulting from bodily injury, including wrongful death, and property damage which may arise from the operations of any owned, hired or non-owned automobiles used by or for the vendor in any capacity in connection with carrying out this contract.
- D) Minimum Scope of Insurance  
All Liability insurance policies shall be written on an "occurrence" basis only. All insurance coverage is to be placed with insurers authorized to do business in the State of Connecticut and must be placed with an insurer that has an A.M. Best's Rating of no less and A-, VII. All certificates of insurance shall be filed with the Department of Revenue Services on the standard Accord Certificate of Insurance form showing the specified insurance and limits within 30 days of the contract award. The State of Connecticut Department of Revenue Services shall be named as an Additional Insured. The vendor's insurer shall have no right of recovery of subrogation against the State and the vendor's insurance shall be primary coverage.
- 2.10 The contractor will pay for losses that are sustained as a result of acts committed by the contractor, the contractors' staff or its subcontractors. The contractor will pay for losses resulting from dishonesty acts committed by the contractor, the contractors' staff or its subcontractors. It is the contractors' responsibility to safeguard DRS information while it is in the contractors' possession. If there is a security breach that affects DRS information while that information is in the possession of the contractor, the contractor will pay for all costs incurred with that security breach. This will include but not be limited to credit protection for all affected taxpayers for a minimum of 2 years and all expenses incurred by the State of Connecticut in connection with the security breach. It is the contractor's responsibility to immediately notify the Department of Information Technology @ (860) 622-2300, the Department of Revenue Services @ (860) 297-4900 and James Norton (860) 297-5608 as soon as a loss or breach of DRS information is suspected.

- 2.11 The vendor must have the capability to process at least 50,000 tax returns per week. Past history shows peak volumes are reached during a 4 to 6 consecutive week period. See the attached file named "Exhibit A – Outsourcing History Document." Failure to meet this quota will be considered as a basis for contract termination and monetary penalties as outlined in section 7.3. The vendor will be allowed to reduce the weekly quota by 20% production for weeks with a federal holiday.
- 2.12 The vendor must currently be in the data capture business for a minimum of three (3) years. Vendor must demonstrate experience in processing comparable volumes, form complexity, time constraints and the ability to data capture from image outlined herein.
- 2.13 The vendor is to supply the company names and addresses of no less than three (3) major data capture accounts with which they are currently doing business. These accounts must be of comparable volumes, form complexity and time constraints.
- 2.14 The vendor must be in good standing with the State of Connecticut and DRS throughout the contract period.
- 2.15 All vendor and subcontractor employees, on-site or off-site, who perform functions that put them in contact with State of Connecticut tax returns or tax return information, must sign a Department of Revenue Services confidentiality statement. In addition, a background check must be performed on anyone who has access to the tax returns or tax return information. The background checks are the responsibility of the vendor and the subcontractor including all costs associated there with. If the vendor's process is determined by DRS to be sufficient to protect the identity and confidentiality of the taxpayer the vendor may request that some of the background check requirements be waived. This must be approved in writing by DRS. DRS has the right to inspect the personnel files and any aspect of the background check. Notwithstanding the aforementioned provisions of this paragraph, any vendor, subcontractor or employee of the vendor or subcontractor who has been convicted of a tax crime, embezzlement, forgery or other financial crimes or offences that pertain to or involve a fiduciary trust or responsibility is prohibited or ineligible from working with any part of this contract.
- 2.16 The vendor will comply with the DRS "Contractor Policies" that pertain to the safeguarding of tax information published by the DRS and DRS Policy Compliance Officer. Copies of these policies are attached. See Exhibit B.
- 2.17 The vendor will be required to provide annual statistical reports. These reports must reflect the following: a) Average number of key strokes per form, b) average number of key strokes per line on each form.
- 2.18 The vendor will submit a completed monthly "Security Measures Checklist" to the DRS Policy Compliance Officer. The checklist will be developed by DRS once the company's facility is inspected and process for completing the contract is approved.
- 2.19 The vendor must submit the original bid along with two copies and one electronic copy in a PDF format on CD.
- 2.20 The vendor must submit a price quote for the following estimated **YEARLY** quantities of returns outsourced based on historical information and should not necessarily be considered actual volumes. Due to changing budgetary priorities, the Agency reserves the right to utilize in-house staff to perform portions of this work.
- A) CT-1040 estimated yearly quantity = 100,000
  - B) CT-1040EZ estimated yearly quantity = 75,000
  - C) CT-1040NR/PY estimated yearly quantity = 20,000
  - D) CT-1041 estimated yearly quantity = 50,000

- 2.21 The contractor must comply with the data capture instructions and sample forms, which can be obtained by submitting an e-mail request to: [Don.Knybel@po.state.ct.us](mailto:Don.Knybel@po.state.ct.us) Include bid number, your name, company name, mailing address and telephone number. IMPORTANT: You must request the sample forms and keypunch instructions. Your bid will be disqualified if you did not request the sample forms and keypunch instructions.
- 2.22 The Department of Revenue Services will require a performance bond equal to one-third (1/3) of the total dollar value of the contract award. Performance bond shall hereby be defined as a performance surety binding the contractor faithfully to fulfill the obligations of their bid as accepted. Such surety may be submitted in the form of a performance bond of a licensed surety company, certified check or irrevocable letter of credit from a Connecticut banking institution naming the Department of Revenue Services as the primary beneficiary. The performance bond must be received within 30 days of contract award. Failure to do so will be grounds for contract termination.

**ERRORS:**

- 3.1 Errors created by the vendor shall be corrected by the vendor at no cost to the State. Identified errors must be researched immediately, and a written explanation supplied to the Agency within 24 hours along with steps undertaken by the vendor to prevent such errors in the future.

**INSPECTION/PERFORMANCE:**

- 4.1 The Department requires that all materials in the possession of the vendor be maintained in a secure manner that is approved by the Department of Revenue Services.
- 4.2 The State reserves the right to inspect the facility of the vendor and/or subcontractor(s) approved by DRS before an award is made and anytime during the contract period. The vendor must have appropriate equipment and personnel to meet the contract requirements. If it is found that the vendor is not qualified to perform the work as specified, the State has the right to seek reimbursement from the vendor for the inspection. This includes ALL costs, such as airfare, car rental, hotel, meals and the salary of the individuals(s) performing the site inspection. The right is also reserved to inspect work in progress at any time. Part of the inspection will require the vendor to show its ability to maintain security of all materials in a manner satisfactory to the Department of Revenue Services.
- 4.3 The vendor and any subcontractor(s) approved by DRS must have working fire suppressant and security systems on-site, which must meet the approval of the Agency at the time of the initial inspection, and be maintained throughout the contract period. The vendor must submit proof, such as inspection certificates, in regards to working fire and security systems.
- 4.4 The State requires a performance test of data capture and electronic transmission before making an award. Test to be completed within ten business days of DRS request.
- 4.5 The vendor must complete all required testing to the satisfaction of the Agency and be ready for live production within 15 business days of the contract award date.

In the event of format changes, the vendor must complete all required programming and testing to the satisfaction of the Agency within ten business days of such changes.

**SOURCE DATA:**

- 5.1 The vendor agrees that all tax return images, data and/or reproduction thereof are the property of the State.

- 5.2 The vendor agrees that should tax return images, or data be destroyed, inaccessible or damaged while in the possession of the vendor, the vendor will be required to pay the cost for the re-creation of such material and any interest and expenses incurred by the State.

**PENALTIES / DEFAULTING CONTRACTOR:**

- 6.1 Should the vendor default on the accepted schedule, the State shall recover all source data and be given immediate possession of any data captured/verified work that has been accomplished as of the date of recovery. Regular contract price will be paid (subject to Section 6.3) for completed work recovered, provided such work is acceptable to the Department of Revenue Services.
- 6.2 In the event that a vendor defaults, the defaulting vendor will be required to pay the additional cost, if any, of having the work completed elsewhere.
- 6.3 The State reserves the right to reduce the invoice percentage of material not processed as stated in section 2.11 of this bid; i.e., 50,000 per week required, and only 40,000 per week delivered means that 20% has not been delivered. Therefore, the State would reduce the invoice and payment by 20%. In the event that the State is unable to deliver 50,000 tax returns for processing, the amount available will be considered as the base and the deduction, if necessary, will be made accordingly. For instance, if 25,000 tax returns are made available to the vendor and 18,000 tax returns are data captured, the invoice will be reduced by 28%.
- 6.4 Failure of a vendor to maintain the file transmission schedules of tax return data acceptable to the Department of Revenue Services or maintain a reasonable degree of accuracy will result in the cancellation of the contract.
- 6.5 Should the vendor fail to electronically transmit the data, the State reserves the right to invoice the vendor for time and expenses incurred to achieve the required result.
- 6.6 The State reserves the right to bill the vendor for travel expenses related to on-site problem resolution.
- 6.7 The Department of Information Technology, IT Contracts & Purchasing Division, or their duly authorized representative, reserves the right to remove from the mailing list for future bids for an undetermined period the name of any vendor for unsatisfactory performance of the contract.
- 6.8 The State may cancel the contract with thirty- (30) days' prior written notice at any time. The State may also cancel the contract with five- (5) days' prior written notice due to non-compliance per the terms of the contract.
- 6.9 The vendor will be required to notify the Department of Information Technology and the Department of Revenue Services immediately in the event of a change in ownership. Failure to do so is cause for cancellation of the contract.

**SUBCONTRACT:**

- 7.1 While subcontracting may be permitted, it is understood and agreed that the vendor shall not assign, transfer, convey, sublet or otherwise dispose of their contract or their right of title, or portion thereof, to any person, firm or corporation without previous written consent of the Department of Revenue Services. Failure to do so is cause for cancellation of the contract.

**INVOICING:**

- 8.1 Invoices must be itemized, referencing file name, box numbers, form type, return count and cost per box. In addition, an electronic breakdown (spreadsheet) must be submitted to correspond with each invoice submitted.
- 8.2 The vendor must submit invoices on a bi-weekly basis, in arrears, to the Business Office of the Department of Revenue Services. The vendor must also provide a corrected invoice if there are any changes, additions and/or deletions.
- 8.3 All invoices must be sent to the Department of Revenue Services, Attn: Business Office, 25 Sigourney Street, Hartford, CT 06106-5032.

**VENDOR PERFORMANCE REQUIREMENTS:**

- 9.1 Unreadable tax returns shall be returned to the Agency for clarification, correction or recreation, whichever is deemed necessary by the Agency.
- 9.2 All jobs require 100% verification. The vendor must provide a verification process deemed acceptable by the Agency. This process must ensure 100% verification. The required degree of accuracy is defined as 99.7% at the field level. Should the vendor fail to meet the stated degree of accuracy, the State reserves the right to invoice the vendor for time and expenses incurred to investigate and correct the data. Sight verification is not acceptable and will be grounds for immediate termination of this contract.
- 9.3 The Department of Revenue Services will make available an encrypted CD with the current income tax name and address file to the contractor for data capture programming. Any alternate method to capture the name and address must be separately identified upon bidding of the contract and shall be implemented only upon approval by DRS.

**Exhibit A - Outsourcing History Document**  
**Returns Outsourced - Calendar Years 2007 and 2008**  
**Calendar Year 2007**

	CT-1040		CT-1040EZ		CT-1040NRPY		CT-1041		Total	
	Batch Count	Return Count								
01/01/07 - 01/05/07	0	0	0	0	0	0	0	0	0	0
01/08/07 - 01/12/07	0	0	0	0	0	0	0	0	0	0
01/15/07 - 01/19/07	0	0	0	0	0	0	0	0	0	0
01/22/07 - 01/26/07	0	0	0	0	0	0	0	0	0	0
01/29/07 - 02/02/07	68	2,048	22	1,039	15	134	0	0	105	3,221
02/05/07 - 02/09/07	200	12,383	59	4,123	50	2,212	0	0	309	18,718
02/12/07 - 02/16/07	174	11,070	41	2,652	51	1,716	0	0	266	15,438
02/19/07 - 02/23/07	245	14,411	61	3,853	84	3,455	0	0	390	21,719
02/26/07 - 03/02/07	346	21,463	57	4,135	104	4,371	0	0	507	29,969
03/05/07 - 03/09/07	92	4,946	58	3,431	46	2,105	0	0	196	10,482
03/12/07 - 03/16/07	70	3,931	55	4,002	8	133	0	0	133	8,066
03/19/07 - 03/23/07	59	3,239	59	3,601	37	1,348	0	0	155	8,188
03/26/07 - 03/30/07	63	3,557	39	2,654	26	1,142	0	0	128	7,353
04/02/07 - 04/06/07	57	3,230	46	3,141	23	1,090	485	16,270	611	23,731
04/09/07 - 04/13/07	72	4,324	56	3,921	21	951	167	6,268	316	15,464
04/16/07 - 04/20/07	82	4,998	1	8	14	731	86	3,013	183	8,750
04/23/07 - 04/27/07	65	4,117	39	3,043	5	313	112	4,114	221	11,587
04/30/07 - 05/04/07	215	14,490	215	16,538	93	5,069	105	3,710	628	39,807
05/07/07 - 05/11/07	85	5,143	97	7,122	27	1,500	184	8,875	393	22,640
05/14/07 - 05/18/07	67	3,130	41	2,185	41	1,468	33	608	182	7,391
05/21/07 - 05/25/07	0	0	0	0	0	0	0	0	0	0
05/28/07 - 06/01/07	21	316	17	282	15	164	28	341	81	1,103
06/04/07 - 06/08/07	4	43	6	125	4	54	12	187	26	409
06/11/07 - 06/15/07	10	212	2	26	6	113	5	91	23	442
06/18/07 - 06/22/07	2	50	2	42	2	31	9	319	15	442
06/25/07 - 06/29/07	10	191	6	129	6	106	17	393	39	819
07/02/07 - 07/06/07	6	37	3	46	3	23	9	144	21	250
07/09/07 - 07/13/07	3	29	1	15	2	20	3	70	9	134
07/16/07 - 07/20/07	2	14	0	0	1	1	12	186	15	201
07/23/07 - 07/27/07	3	21	3	27	3	23	10	117	19	188
07/30/07 - 08/03/07	1	37	1	26	1	15	0	0	3	78
08/06/07 - 08/10/07	8	190	1	38	16	410	11	297	36	935
08/13/07 - 08/17/07	3	37	1	10	3	11	8	167	15	225
08/20/07 - 08/24/07	0	0	0	0	0	0	0	0	0	0
08/27/07 - 08/31/07	0	0	0	0	0	0	0	0	0	0
09/03/07 - 09/07/07	0	0	0	0	0	0	0	0	0	0
09/10/07 - 09/14/07	0	0	0	0	0	0	0	0	0	0
09/17/07 - 09/21/07	0	0	0	0	0	0	0	0	0	0
09/24/07 - 09/28/07	89	2,163	7	99	28	646	18	418	142	3,326
10/01/07 - 10/05/07	28	507	0	0	9	195	0	0	37	702
10/08/07 - 10/12/07	0	0	0	0	0	0	4	169	4	169
10/15/07 - 10/19/07	112	3,100	0	0	39	1,130	37	864	188	5,094
10/22/07 - 10/26/07	0	0	0	0	0	0	15	344	15	344
10/29/07 - 11/02/07	0	0	9	324	0	0	55	1,336	64	1,660
11/05/07 - 11/09/07	0	0	5	175	0	0	51	1,468	56	1,643
11/12/07 - 11/16/07	0	0	6	267	0	0	21	707	27	974
11/19/07 - 11/23/07	0	0	0	0	0	0	0	0	0	0
11/26/07 - 11/30/07	0	0	0	0	0	0	0	0	0	0
12/03/07 - 12/07/07	0	0	0	0	0	0	0	0	0	0
12/10/07 - 12/14/07	0	0	0	0	0	0	0	0	0	0
12/17/07 - 12/21/07	0	0	0	0	0	0	0	0	0	0
12/24/07 - 12/28/07	0	0	0	0	0	0	0	0	0	0
Total	2,262	123,427	1,016	67,079	783	30,680	1,497	50,476	5,558	271,662

**Exhibit A - Outsourcing History Document**  
**Returns Outsourced - Calendar Years 2007 and 2008**  
**Calendar Year 2008**

	CT-1040		CT-1040EZ		CT-1040NRPY		CT-1041		Total	
	Batch Count	Return Count	Batch Count	Return Count	Batch Count	Return Count	Batch Count	Return Count	Batch Count	Return Count
12/31/07 - 01/04/08	0	0	0	0	0	0	0	0	0	0
01/07/08 - 01/11/08	0	0	0	0	0	0	0	0	0	0
01/14/08 - 01/18/08	0	0	0	0	0	0	0	0	0	0
01/21/08 - 01/25/08	0	0	0	0	0	0	0	0	0	0
01/28/08 - 02/01/08	9	278	17	1,063	1	6	2	8	29	1,355
02/04/08 - 02/08/08	7	268	41	2,739	4	138	0	0	52	3,145
02/11/08 - 02/15/08	49	2,534	63	4,020	11	374	0	0	123	6,928
02/18/08 - 02/22/08	16	883	51	3,478	10	481	0	0	77	4,842
02/25/08 - 02/29/08	71	3,950	67	4,580	19	906	0	0	157	9,436
03/03/08 - 03/07/08	74	4,224	72	4,880	28	1,253	0	0	174	10,357
03/10/08 - 03/14/08	62	3,382	64	4,505	33	1,678	0	0	159	9,565
03/17/08 - 03/21/08	16	852	29	1,978	4	144	2	66	51	3,040
03/24/08 - 03/28/08	84	5,052	73	4,937	26	1,555	0	0	183	11,544
03/31/08 - 04/04/08	80	4,292	61	4,297	14	867	0	0	155	9,456
04/07/08 - 04/11/08	73	4,103	69	4,611	35	1,707	280	11,385	457	21,806
04/14/08 - 04/18/08	45	2,163	44	2,993	13	680	53	2,134	155	7,970
04/21/08 - 04/25/08	20	959	35	2,537	3	41	29	918	87	4,455
04/28/08 - 05/02/08	163	9,773	209	14,603	79	4,892	348	13,222	799	42,490
05/05/08 - 05/09/08	177	10,044	120	8,439	61	3,084	350	13,554	708	35,121
05/12/08 - 05/16/08	33	1,184	22	1,076	10	198	65	1,341	130	3,799
05/19/08 - 05/23/08	1	5	1	7	1	6	10	325	13	343
05/26/08 - 05/30/08	9	242	1	7	2	5	10	261	22	515
06/02/08 - 06/06/08	5	121	10	463	7	144	43	2,826	65	3,554
06/09/08 - 06/13/08	0	0	0	0	0	0	5	211	5	211
06/16/08 - 06/20/08	0	0	0	0	0	0	0	0	0	0
06/23/08 - 06/27/08	0	0	0	0	0	0	0	0	0	0
06/30/08 - 07/04/08	0	0	0	0	0	0	0	0	0	0
07/07/08 - 07/11/08	0	0	0	0	0	0	0	0	0	0
07/14/08 - 07/18/08	0	0	0	0	0	0	0	0	0	0
07/21/08 - 07/25/08	0	0	0	0	0	0	0	0	0	0
07/28/08 - 08/01/08	0	0	0	0	0	0	0	0	0	0
08/04/08 - 08/08/08	0	0	0	0	0	0	0	0	0	0
08/11/08 - 08/15/08	0	0	0	0	0	0	0	0	0	0
08/18/08 - 08/22/08	0	0	0	0	0	0	0	0	0	0
08/25/08 - 08/29/08	0	0	0	0	0	0	0	0	0	0
09/01/08 - 09/05/08	0	0	0	0	0	0	0	0	0	0
09/08/08 - 09/12/08	0	0	0	0	0	0	0	0	0	0
09/15/08 - 09/19/08	0	0	0	0	0	0	0	0	0	0
09/22/08 - 09/26/08	0	0	0	0	0	0	0	0	0	0
09/29/08 - 10/03/08	0	0	0	0	0	0	0	0	0	0
10/06/08 - 10/10/08	0	0	0	0	0	0	0	0	0	0
10/13/08 - 10/17/08	0	0	0	0	0	0	0	0	0	0
10/20/08 - 10/24/08	0	0	0	0	0	0	0	0	0	0
10/27/08 - 10/31/08	0	0	0	0	0	0	0	0	0	0
11/03/08 - 11/07/08	0	0	0	0	0	0	0	0	0	0
11/10/08 - 11/14/08	0	0	0	0	0	0	0	0	0	0
11/17/08 - 11/21/08	0	0	0	0	0	0	0	0	0	0
11/24/08 - 11/28/08	0	0	0	0	0	0	0	0	0	0
12/01/08 - 12/05/08	0	0	0	0	0	0	0	0	0	0
12/08/08 - 12/12/08	0	0	0	0	0	0	0	0	0	0
12/15/08 - 12/19/08	0	0	0	0	0	0	0	0	0	0
12/22/08 - 12/26/08	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>994</b>	<b>54,309</b>	<b>1,049</b>	<b>71,213</b>	<b>361</b>	<b>18,159</b>	<b>1,197</b>	<b>46,251</b>	<b>3,601</b>	<b>189,932</b>

<b>SPECIAL TERMS AND CONDITIONS</b> Rev. 01/08	<p style="text-align: center;"><b>STATE OF CONNECTICUT</b>  <b>DEPARTMENT OF INFORMATION TECHNOLOGY</b>  <b>CONTRACTS &amp; PURCHASING DIVISION</b>  <b>101 EAST RIVER DRIVE, 4<sup>th</sup> Floor</b>    <b>EAST HARTFORD, CT 06108-3274</b></p>	<b>Award Number</b> <b>08ITZ0074</b>
Purchasing Contact: <b>Elizabeth Basso, AFAO</b>		
Telephone Number: <b>(860) 622-2037</b>		

**SPECIAL TERMS AND CONDITIONS**  
**(Page 1 of 4)**

**SPECIAL TERMS AND CONDITIONS**

1. The state reserves the right to award to one or more vendors
2. Bidders must include all ancillary costs associated with the acquisition of a product or service in their bid. Failure to include specific reference to an applicable cost will be interpreted as that cost being included in the product or service price.
3. Bidders must be able, at the State's option, to demonstrate any/all proposed hardware/software products. Any required benchmark demonstration must be provided at a site approved by the State and without cost to the State.
4. Bidders must certify that their bid is good for the term of the contract award.
5. The State reserves the right to request complete documentation for any item proposed. Failure to provide said documentation upon request might result in disqualification from an award.

**6. TANGIBLE PERSONAL PROPERTY PROVISION**

For the entire term of the Agreement and any and all of its extensions, the Contractor, on its own behalf and on behalf of all of its Affiliates, shall comply fully with the provisions of Conn. Gen. Stat. §12-411b, including, but not limited to, the following:

(1) The Contractor and its Affiliates shall collect and remit to the State of Connecticut, Department of Revenue Services, on behalf of its customers any Connecticut use tax due under the provisions of Chapter 219 of the Connecticut General Statutes for items of tangible personal property sold by the Contractor or by any of its Affiliates in the same manner as if the Contractor and such Affiliates were engaged in the business of selling tangible personal property for use in Connecticut and had sufficient nexus under the provisions of Chapter 219 to be required to collect Connecticut use tax; (2) A customer's payment of a use tax to the Contractor or its Affiliates relieves the customer of liability for the use tax; (3) The Contractor and its Affiliates shall remit all use taxes they collect from customers no later than the last day of the month of the calendar quarter that follows the effective date of this Agreement or the last day of the tax collection period during which the tax was collected, whichever is later. Notwithstanding the previous sentence, if the Agreement provides for an earlier date, then that earlier date shall control; (4) The Contractor and its Affiliates are not liable for use tax billed by them but not paid to them by a customer; and (5) If the Contractor or its Affiliates fail to remit use taxes collected on behalf of their customers by the date required above, then they shall be subject to the interest and penalties provided for persons required to collect sales tax under Chapter 219 of the Connecticut General Statutes. For purposes of this section of the Agreement, the word "Affiliate" means any person, as defined in Conn. Gen. Stat. §12-1, that controls, is controlled by, or is under common control with another person. A person controls another person if the person owns, directly or indirectly, more than ten per cent of the voting securities of the other person.

The word "voting security" means a security that confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business, or that is convertible into, or entitles the holder to receive, upon its exercise, a security that confers such a right to vote. "Voting security" includes a general partnership interest. The Contractor represents and warrants that each of its Affiliates has vested in the Contractor plenary authority to so bind the Affiliates in any agreement with the State of Connecticut. The Contractor on its own behalf and on behalf of its Affiliates shall also provide, no later than 30 days after receiving a request by the State's contracting authority, such information as the State may require to ensure, in the State's sole determination, compliance with the provisions of Chapter 219 of the Connecticut General Statutes, including, but not limited to, §12-411b.

<b>SPECIAL TERMS AND CONDITIONS</b> Rev. 01/08	<p style="text-align: center;"><b>STATE OF CONNECTICUT</b>  <b>DEPARTMENT OF INFORMATION TECHNOLOGY</b>  <b>CONTRACTS &amp; PURCHASING DIVISION</b>  <b>101 EAST RIVER DRIVE, 4<sup>th</sup> Floor</b>    <b>EAST HARTFORD, CT 06108-3274</b></p>	<b>Award Number</b> <b>08ITZ0074</b>
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**SPECIAL TERMS AND CONDITIONS**  
**(Page 2 of 4)**

7. Bidder awards normally are made utilizing the Purchasing Division STANDARD BID AND CONTRACT TERMS AND CONDITIONS (SP-7A) or as specifically amended by the Special Bid and Contract Terms and Conditions contained herein. The State reserves the right to reject any bid that does not comply with the State's contractual requirements.

**8. PERFORMANCE**

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor or the contractor's employees.
- (2) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- (3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (4) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (5) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (6) All computer systems processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
- (7) No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (8) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (9) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

**9. CRIMINAL/CIVIL SANCTIONS:**

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less

<b>SPECIAL TERMS AND CONDITIONS</b> Rev. 01/08	<p style="text-align: center;"><b>STATE OF CONNECTICUT</b>  <b>DEPARTMENT OF INFORMATION TECHNOLOGY</b>  <b>CONTRACTS &amp; PURCHASING DIVISION</b>  <b>101 EAST RIVER DRIVE, 4<sup>th</sup> Floor</b>    <b>EAST HARTFORD, CT 06108-3274</b></p>	<b>Award Number</b> <b>08ITZ0074</b>
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**SPECIAL TERMS AND CONDITIONS**  
**(Page 3 of 4)**

than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

**10. INSPECTION:**

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

11. The Department of Revenue Services aggressively supports the State of Connecticut's Minority and Small Contractors' Set-Aside Program according to the contract compliance requirements specified in Sections 4a-60 and 4a-60a of the Connecticut General Statutes. Further, the Department will not knowingly do business with any contractor, subcontractor, or supplier of materials who discriminates against any member of a protected class as specified in Section 329n of the Connecticut General Statutes. The Department will review the qualifications of any bidder based on:

- their success in implementing an affirmative action plan;
- their success in developing apprenticeship programs;
- their promise to develop and implement a successful affirmative action plan;
- the submission of data indicating that their work force is at or near parity with the relevant labor market area;
- their promise to set aside a portion of the contract for legitimate Minority Business Enterprises.

<b>SPECIAL TERMS AND CONDITIONS</b> Rev. 01/08	<p style="text-align: center;"><b>STATE OF CONNECTICUT</b>  <b>DEPARTMENT OF INFORMATION TECHNOLOGY</b>  <b>CONTRACTS &amp; PURCHASING DIVISION</b>  <b>101 EAST RIVER DRIVE, 4<sup>th</sup> Floor</b>    <b>EAST HARTFORD, CT 06108-3274</b></p>	<b>Award Number</b> <b>08ITZ0074</b>
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**SPECIAL TERMS AND CONDITIONS**  
**(Page 4 of 4)**

The Department also aggressively solicits and welcomes the participation of legitimate Minority Business Enterprises (MBE) as bidders, contractors, subcontractors and suppliers of materials. To further these efforts, the Department encourages you to contact the Department of Administrative Services, Business Connections / Set-Aside Unit, 165 Capitol Avenue, Room G-8A, Hartford, CT 06106, Meg Yetishefsky, Program Director @ (860) 713-5228 regarding participation in the Minority and Small Business Set-Aside Programs.



**STATE OF CONNECTICUT**  
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<b>AWARD NUMBER</b> <b>08ITZ0074</b>
<b>Purchasing Contact:</b> Elizabeth Basso, AFAO
<b>E-mail Address:</b> <a href="mailto:elizabeth.basso@ct.gov">elizabeth.basso@ct.gov</a>
<b>Fax:</b> (860) 610-0857

**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

In consideration of these presents, the Invitation to Bid and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree to these Standard Bid and Contract Terms and Conditions (the "Terms and Conditions"), the terms of the Invitation to Bid and the Contract.

**ALL INVITATIONS TO BID ISSUED BY THE DEPARTMENT OF INFORMATION TECHNOLOGY ("DOIT") WILL BIND BIDDERS TO THESE TERMS AND CONDITIONS, WHICH, UNLESS OTHERWISE SPECIFICALLY NOTED, MAY BE ABROGATED, MODIFIED OR SUPPLEMENTED IN WHOLE OR IN PART BY THE SPECIAL BID AND CONTRACT TERMS AND CONDITIONS (THE "SPECIFICATIONS") ISSUED IN CONNECTION WITH ANY INDIVIDUAL INVITATION TO BID. BY SUBMITTING A BID, THE BIDDER REPRESENTS AND WARRANTS THAT IT IS AGREEING TO ALL OF THE PROVISIONS IN THE INVITATION TO BID, INCLUDING THESE TERMS AND CONDITIONS.**

1. **Definitions.** Unless otherwise indicated, the following definitions shall apply to all Specifications, Invitations to Bid, awards, Contracts, etc., issued by DOIT:

- (a) **Agency:** Any office, department, board, council, commission, institution or other agency of the State.
  - (b) **Alternate Bids:** Bids submitted in addition to the bidder's primary response to the invitation to bid. Such bids are intended to act as an alternative to the primary bid or be exchanged for, take the place of, replace or substitute for the primary bid should such primary bid be rejected.
  - (c) **Bid:** An offer submitted in response to an Invitation to Bid.
  - (d) **Bidder:** As defined in Section 4a-50, Chapter 58 of the Connecticut General Statutes, and as it may be modified, a person, firm or corporation submitting a competitive bid in response to a solicitation.
  - (e) **Bidder Parties:** A Bidder's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Bidder is in privity of oral or written contract and the Bidder intends for such other person or entity to perform under the Contract in any capacity.
  - (f) **Cancellation:** An end to the Contract effected pursuant to a right which the Contract creates due to a breach.
  - (g) **Claims:** All actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmaturing, contingent, known or unknown, at law or in equity, in any forum.
  - (h) **Conditional Bid:** Bid that substantially limits or modifies any of the terms and conditions, specifications or requirements of the invitation to bid.
  - (i) **Contract:** The agreement, as of its effective date, between the Bidder and DOIT for any, or all, Systems, Systems Properties or ALL IP Rights, and any associated services, at the Bid price. The Contract shall include the Invitation to Bid and the Bid.
  - (j) **Contractor:** A Bidder who accepts or who is deemed to have accepted a Contract.
  - (k) **Contractor Parties:** A Contractor's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract and the Contractor intends for such other person or entity to perform under the Contract in any capacity.
  - (l) **Business Day:** Unless otherwise specifically noted, all calendar days other than Saturdays, Sundays and days designated as national or State of Connecticut holidays.
  - (m) **Expiration:** An end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract's term being completed.
  - (n) **Information Systems:** As defined in Title 4d, Chapter 61 of the Connecticut General Statutes, and as it may be modified, the combination of data processing hardware and software in the collection, processing and distribution of data to and from interactive computer-based systems to meet informational needs.
  - (o) **Invitation to Bid:** The document through which DOIT solicits sealed competitive Bids for any, or all, Systems and associated services through particular Specifications. The Invitation to Bid shall include these Terms and Conditions, the Specifications and all such other documents that DOIT deems it to be appropriate to include in the solicitation.
  - (p) **Lowest Responsible Qualified Bidder:** As defined in Title 4a, Chapter 58 of the Connecticut General Statutes, and as it may be modified, the Bidder whose Bid is the lowest of those Bidders possessing the skill, ability and integrity necessary to faithful performance of the work based on objective criteria set forth in the Invitation to Bid and considering past performance and financial responsibility.
  - (q) **Multiple Bids:** More than one Bid submitted in response to the same invitation to bid by the same bidder, whether on a separate bid form or attached to the initial bid form. Such bids are intended to be separate and distinct from each other and are meant to be evaluated as individual bids without reference to any other bid.
  - (r) **Records:** All working papers and such other information and materials as may have been accumulated by the Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.
  - (s) **State:** The State of Connecticut.
  - (t) **Systems:** Information Systems and Telecommunication Systems, or separately as the context may require.
  - (u) **Systems Properties:** Records, source and object programs, documentation, specifications, modifications, designs, models, intellectual property rights, all ideas, concepts, know-how, expressions, and methodologies developed or initially conceived jointly or individually by the parties and the right to obtain and hold patents, copyrights, registrations and other similar protections.
  - (v) **Telecommunication Systems:** As defined in Title 4d, Chapter 61 of the Connecticut General Statutes, and as it may be modified, the telephone equipment and transmission facilities, either alone or in combination with Information Systems, for the electronic distribution of all forms of information, including voice, data and images.
  - (w) **Termination:** An end to the Contract effected pursuant to a right which the Contract creates, other than for a breach.
2. **Bid Submission Process.** Bidders must submit Bids on and in accordance with DOIT forms. DOIT will not accept Telephone or facsimile Bids under any circumstances. The Invitation to Bid sets forth the time and date that DOIT will open Bids. DOIT will not consider Bids arriving after the specified time and date. Bidders must submit Bids in a sealed package to DOIT at such address as the Invitation to Bid specifies. The outside of sealed Bid package



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<b>AWARD NUMBER</b> <b>08ITZ0074</b>
<b>Purchasing Contact:</b> Elizabeth Basso, AFAO
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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

must clearly indicate the Invitation to Bid number as well as the date and time of the opening of the Bids. The name and address of the Bidder should appear in the upper left-hand corner of the Bid package. Bids may be submitted for all or any part of total quantities or for any or all agency requirements listed in the Invitation to Bid, unless otherwise specifically indicated.

**3. Bid Preparation, Content, Execution and Copies.** Bids must include all information required in the Invitation to Bid in order for the Bid to be accepted and not rejected. Failure to provide such information will result in the rejection of the Bid. Bidders must verify the contents of their Bids before submission, as DOIT will not consider amendments to any Bids after the time specified for the opening of Bids. Bidders must submit one original and one copy of the Bid to DOIT. Bids shall be handwritten in ink, typewritten, or computer prepared. DOIT will reject all Bids prepared in pencil. A person duly authorized to sign Bids on behalf of the Bidder shall sign all Bids. **DOIT shall reject all unsigned Bids. All signatures shall be original signatures**, unless there is specific authorization from DOIT for the use of non-manual forms of signature. The person signing the Bid or his authorized designee shall initial and date all erasures, alterations or corrections on both the original and copy of any documentation submitted to DOIT. Failure to do so may result in rejection of the Bid for those items erased, altered or corrected and not initialed

**4. Addenda to Invitation to Bid.** If DOIT issues any addendum to the Invitation to Bid, the Bidder should sign it and return it with the Bid or before the Bid opening. In the event that it is not, vendors will still be held to the obligation of whatever change/modification is set forth in the Addendum

**5. Conditional Bids.** **Conditional Bids may be rejected in whole or in part.**

**6. Alternate and Multiple Bids.** Alternate Bids or Multiple Bids may be rejected in whole or in part.

**7. No Substitute Specification.** **Unless limited by the term "no substitute," the use of the name of a manufacturer or of any particular make, model, or brand in describing a System, does not restrict Bidders to that manufacturer or specific System or System Properties. Such use simply and only indicates the character or quality of the System in which the State is interested. The System offered must be of similar character and quality and include any applicable options, accessories, etc. and serve the purpose for which it is to be used equally as well as the one specified. By submitting the Bid, the Bidder so warrants the System. Bids on comparable Systems must clearly state the exact System offered including any and all applicable options, accessories, etc., and the Bidder shall furnish such other information concerning the System as will be helpful in evaluating its acceptability for the purposes intended. If the Bidder does not indicate that the System offered is other than as specified, it will be understood that the Bidder is offering the System exactly as specified.**

**8. Pricing.** Prices must be in decimals, not fractions, net, and shall include transportation and delivery charges fully prepaid by the Contractor, FOB, to the destination specified in the Invitation to Bid. In the event of a discrepancy between the unit price and the extension price, the unit price shall govern. Any discrepancy between the original and the copy of the Bid may result in rejection of the Bids for the System items so affected, except in the event of Bids awarded on a total basis, in which case DOIT shall consider the lower total price in making the award.

**9. Tax Exemption.** In accordance with section 12-412 of the Connecticut General Statutes, the State is exempt from the payment of

excise, transportation and sales taxes imposed by the Federal Government and/or the State. Such taxes must not be included in Bid prices.

**10. Bid Opening.** DOIT will open and read all Bids publicly, unless otherwise provided by law. Bidders may be present or be represented at all openings. After DOIT makes the award, Bids are subject to public inspection by appointment during DOIT's normal business hours. DOIT will not prepare, discuss or communicate summaries of Bids in any way.

**11. Right to Cancel or Amend.** DOIT may amend an Invitation to Bid at any time prior to the date and time of Bid opening. DOIT may cancel an Invitation to Bid at any time prior to the date and time of Contract award. Such cancellation shall not be deemed to be a breach of contract by DOIT.

**12. Samples.** If the Invitation to Bid requires that Bidders submit samples of Systems, the samples must meet at a minimum all Specifications. Bidders must submit samples when required and strictly in accordance with instructions, or DOIT may reject the Bid. If DOIT accepts a sample that does not meet the Specifications, this does not indicate or mean that DOIT has lowered or modified the Specifications. However, if any Bid sample is superior in quality to the Specifications, all deliveries shall have the same identity and quality as the Bid sample. If DOIT requests samples subsequent to the opening of Bids, the Bidder shall deliver them as specified in the Bid, free of any charges or fees and be accompanied by a descriptive memorandum indicating the Bidder desires for their return. The State shall return any samples in accordance with such memorandum, provided that they have not been used or made useless by testing. The State may hold samples for comparison with deliveries.

**13. Rejected Items; Abandonment.** If DOIT notifies Bidders that they must retrieve samples, or any other Systems, goods or equipment (collectively, the "Rejected Items") belonging to the Bidder, wherever located, the Bidder must do so within forty-eight (48) hours after notification unless public health and safety require immediate destruction or other disposal of the Rejected Items. The Bidder agrees and acknowledges that its failure to retrieve and remove from any State premises the Rejected Items within such time shall be deemed to be an abandonment of the Rejected Items and, without more required of any party, shall vest authority in DOIT or any Agency to use or dispose of the Rejected Items as if they were the State's own property, as they deem it to be appropriate and in accordance with the law without incurring any liability or obligation to the Bidder or any other party. To the extent that DOIT and/or any Agency incurs any costs or expenses in connection with the Rejected Items, including, but not limited to, disposing of the Rejected Items, the Bidder shall reimburse the appropriate State entity no later than thirty (30) days after the date of invoice for such costs and expenses. All samples will be set up at DOIT unless DOIT indicates another location.

**14. Award Criteria.** DOIT shall award Contracts to the Lowest Responsible Qualified Bidder, in accordance with the factors set forth in 4a-59 of the Connecticut General Statutes, in the corresponding regulations and in the Invitation to Bid. Past performance, financial responsibility, the quality of the Systems to be supplied, their conformity with Specifications, their suitability to the requirements of the State, the delivery terms and administrative costs to the State shall always be factors in making contract awards.

**15. Right to Manage Award.** DOIT may award by System item, or part thereof, groups of Systems, or all Systems in the Invitation to Bid;



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<b>AWARD NUMBER</b> <b>08ITZ0074</b>
<b>Purchasing Contact:</b> Elizabeth Basso, AFAO
<b>E-mail Address:</b> <a href="mailto:elizabeth.basso@ct.gov">elizabeth.basso@ct.gov</a>
<b>Fax:</b> (860) 610-0857

**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

reject any and all Bids in whole or in part; waive or correct minor irregularities and omissions if, in DOIT's judgment, the best interest of the State will be served; or correct inaccurate awards, as it deems to be appropriate, resulting from clerical or administrative errors. If in the case of an irregularity, omission or mistake, the intended correct Bid is clearly evident on the face of the Bid, the Bidder shall be given an opportunity to correct the Bid to reflect the correct intent. Examples of mistakes that are clearly evident on the face of the Bid include but are not limited to, typographical errors, errors in extending unit prices, transposition errors, and arithmetical errors.

**16. Effective Date.** The Contract shall be deemed to exist and be effective from the time that the Bidder accepts DOIT's Contract award notice to the Bidder. Bidder acceptance shall occur the earlier of the date of Bidder's written acceptance to DOIT in response to the Contract award notice or, absent such written acceptance, ten (10) days from the date of the Contract award notice. If any Bidder refuses or fails to accept DOIT's Contract award within ten (10) days from the date of the Contract award notice, DOIT may award the Contract to the next Lowest Responsible Qualified Bidder, and so on until the Contract is awarded and accepted. Refusal to accept a Contract after the ten (10) day period shall be deemed to be a breach of Contract and the Contractor shall be subject to the section in these terms and conditions concerning Open Market Purchases.

**17. Bidder Obligations Concerning the Bid.** A Bidder, if requested, must present evidence of experience, ability, service facilities, factory authorization and financial standing necessary to meet satisfactorily the requirements set forth or implied in the Invitation to Bid.

**18. Discounts.** Bidders may offer a discount for prompt payment, but such discount will not be taken into consideration in determining lowest price, except in the case of a price tie.

**19. Rejection of Bids for Malfeasance.** DOIT may, in its sole discretion, reject the Bid of any Bidder if at the time of Bid submittal the Bidder or Bidder Parties is in breach of any of the applicable representations and warranties listed in the Representations and Warranties section of these Terms and Conditions

**20. Order and Delivery.** The Contract shall bind the Bidder to furnish and deliver the Systems and/or services at the prices set forth in the Bid and in accordance with the Invitation to Bid, including these Terms and Conditions. Subject to the sections in these terms and conditions concerning Force Majeure, Termination, Cancellation and Expiration and Open Market Purchases, the Contract shall bind the State to order the Systems and any associated services from the Contractor, and to pay for the accepted Systems and any associated services at the Contract prices. The State may order and the Contractor shall deliver accordingly up to ten (10) percent more or less than the quantity listed in the Invitation to Bid. Subject to Contractor acceptance, Agencies not originally or specifically mentioned in the Invitation to Bid may purchase Systems and associated services from the Contractor. Agencies mentioned in the Invitation to Bid may transfer Systems and any associated services that they would have ordered to one or more other Agencies and the Contractor shall perform accordingly, subject to an adjustment in transportation costs, if applicable, resulting from any possible change in delivery sites. Provided further that such transportation costs are based on separately determined delivery costs to individual Agencies.

**21. Contract Amendments.** No alterations or variations of the Contract shall be valid or binding upon the State unless made in writing and signed by both parties.

**22. Term.** Contracts will remain in force for the full period specified in the Invitation to Bid or until;

- a. Terminated or Cancelled in accordance with these Terms and Conditions; or
- b. Extended in accordance with section 4a-59a of the Connecticut General Statutes, upon written authorization of the CIO and acceptance by the contractor, to permit ordering of unordered balances or additional quantities at the contract price and in accordance with the contract terms.
- c. Expired.

**23. Assignment.** The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of DOIT. DOIT may void any purported assignment in violation of this section and to declare the Contractor in breach of Contract. If the Contractor assigns its rights or obligations under the Contract without the consent of DOIT, DOIT may Cancel the Contract in accordance with the Termination, Cancellation and Expiration section of these Terms and Conditions, effective as of the assignment's occurrence or such other time as DOIT specifies in the Cancellation notice. Any Cancellation is without prejudice to DOIT's rights or possible Claims.

**24. Termination, Cancellation and Expiration.**

- (a) Notwithstanding any provisions in the Invitation to Bid, including these Terms and Conditions, DOIT's Chief Information Officer ("CIO"), or the CIO's designee, may Terminate or Cancel the Contract whenever the CIO makes a written determination that such Termination or Cancellation is in the best interests of the State. DOIT shall notify the Contractor in writing of Termination or Cancellation pursuant to this section, which notice shall specify the effective date of Termination or Cancellation and the extent to which the Contractor must complete performance under the Contract prior to such date.
- (b) The CIO shall send the notice of Termination or Cancellation via registered mail, return receipt requested, to the Contractor at the most current address which the Contractor has furnished to the State for purposes of correspondence, or by hand delivery. Upon receiving such notice from the State, the Contractor shall immediately discontinue all services and take all actions affected in accordance with the notice, undertake all commercially reasonable efforts to mitigate any losses or damages, and deliver to the State all Records. The Records are deemed to be the property of the State and the Contractor shall deliver them to DOIT no later than thirty (30) days after the Termination, Cancellation or Expiration of the Contract or fifteen (15) days after the Contractor receives a written request from the State for the Records. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to, ASCEE or .TXT.
- (c) Upon receipt of a written notice of Termination or Cancellation from the State, the Contractor shall cease operations as directed by the State in the notice, and take all actions that are necessary or appropriate, or that the State may reasonably direct, for the protection and preservation of the Systems, Systems Properties and any other property. Except for any work which DOIT directs the Bidder to perform in the notice prior to the effective date of Termination or Cancellation, and except as otherwise provided in the notice, the Contractor shall terminate or conclude all existing subcontracts and purchase orders and shall not enter into any further subcontracts, purchase orders or commitments.



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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

- (d) In the case of any Termination or Cancellation, the State shall, within forty-five (45) days of the effective date of Termination or Cancellation, reimburse the Contractor for its performance rendered and accepted by the State in accordance with the compensation provisions of the Contract, in addition to all actual and reasonable costs incurred after Termination or Cancellation in completing those portions of the performance which the Contractor was required to complete by the notice. However, the Contractor is not entitled to receive and the State is not obligated to tender to the Contractor any payments for anticipated or lost profits. Upon request by the State, the Contractor shall assign to the State, or any replacement contractor which the State designates, all subcontracts, purchase orders and other commitments, deliver to the State all Records and other information pertaining to its performance, and remove from State premises, whether leased or owned, all such equipment, waste material and rubbish related to its performance as the State may request.
- (e) For breach or violation of any of the provisions in the section of these Terms and Conditions concerning Representations and
- (f) Warranties, the State may Cancel the Contract in accordance with its terms and revoke any consents to assignments given as if the assignments had never been requested or consented to, without liability to the Contractor or Contractor Parties or any third party.
- (g) Upon Termination, Cancellation or Expiration of the Contract, all rights and obligations shall be null and void, so that no party shall have any further rights or obligations to any other party, except with respect to the sections which survive Termination, Cancellation or Expiration of the Contract. All representations, warranties, agreements and rights of the parties under the Contract shall survive such Termination, Cancellation or Expiration to the extent not otherwise limited in the Contract and without each one of them having to be specifically mentioned in the Contract.
- (h) Termination or Cancellation of the Contract pursuant to this section shall not be deemed to be a breach of contract by the State.

**25. Breach.** If either party breaches the Contract in any respect, the non-breaching party shall provide written notice of such breach to the breaching party and afford the breaching party an opportunity to cure the breach within ten (10) days from the date that the breaching party receives such notice, or such other time as provided in the notice, the Invitation to Bid or these Terms and Conditions, whichever is latest. Such right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure but the nature of the breach is such that it cannot be cured within the right to cure period. The notice may include an effective Contract cancellation date if the breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the cancellation date, no further action shall be required of any party to effect the cancellation as of the stated date. If the notice does not set forth an effective Contract cancellation date, then the non-breaching party may Cancel the Contract by giving the breaching party no less than twenty four (24) hours' prior written notice. If the State believes that the Contractor has not performed according to the Contract, the State may withhold payment in whole or in part pending resolution of the performance issue, provided that DOIT notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the Payment section of these Terms and Conditions. For notice purposes, a lesser payment period shall not apply. If a cash discount for prompt payment is invoiced, the withholding of payments

as provided for in this section shall not deprive the State of the right to take such cash discount.

**26. Waiver.**

- (a) No waiver of any breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity.
- (b) A party's failure to insist on strict performance of any provision of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or breach.

**27. Open Market Purchases.** Except to the extent that the Contractor is performing within a right to cure period, failure of the Contractor to perform within the time specified in the Contract, or failure to replace rejected or substandard Systems or fulfill unperformed services when so requested and as the Contract provides or allows, constitutes a breach of the Contract and as a remedy for such breach, such failure shall constitute authority for DOIT, if it deems it to be necessary or appropriate in its sole discretion, to Cancel the Contract and/or to purchase on the open market, Systems and associated services to replace those which have been rejected, not delivered, or not performed. The State shall invoice the Contractor for all such purchases to the extent that they exceed the costs and expenses in Contractor's Bid and the Contractor shall pay the State's invoice immediately after receiving the invoice. If DOIT does not Cancel the Contract, the State will deduct such open market purchases from the Contract quantities. However, if the CIO deems it to be in the best interest of the State, DOIT may accept and use the Systems delivered which are substandard in quality, subject to an adjustment in price to be determined by DOIT.

**28. Purchase Orders.** The Contract itself is not an authorization for the Contractor to ship any Systems or to begin performing in any way. The Contractor may begin performing only after it has received a duly issued purchase order against the Contract for performance. The Agency using the Contract will issue a purchase order against the Contract directly to the Contractor. All purchase orders must be in writing, bear the Contract number and comply with all other State requirements, particularly the Agency's requirements concerning procurement. A Contractor making delivery without a formal written purchase order does so at his own risk.

**29. Nonresponsibility.** If (a) a Bidder fails to accept a Contract within ten (10) days, as specified in the Effective Date section of these terms and conditions; (b) a Contractor suffers an unexcused material breach of the Contract and fails to cure that breach in accordance with the procedures set forth in the Breach section of these terms and conditions; or (c) a Contractor fails to reimburse the State for open market purchases as set forth in the Open Market Purchases section of these terms and conditions, then DOIT will take that into consideration in future Invitations to Bid when evaluating the Bidder's responsibility. The consideration of this factor may lead to a "not responsible" finding against the Bidder and make a Bidder ineligible to receive one or more future contract awards.

**30. Indemnification.**

- a. The Contractor shall indemnify, defend and hold harmless the State and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all (1) Claims arising, directly or indirectly, in connection with



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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

the Contract, including the acts of commission or omission (collectively, the "Acts") of the Contractor or Contractor Parties; and (2) liabilities, damages, losses, costs and expenses, including but not limited to, attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Contract. The Contractor shall use counsel reasonably acceptable to the State and without charge to the State in carrying out its obligations under this section. The Contractor's obligations under this section to indemnify, defend and hold harmless against Claims includes Claims concerning any intellectual property rights, other proprietary rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the Contract.

- b. The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such Claims.
- c. The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.
- d. The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any provisions survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this section. The Contractor shall name the State as an additional insured on the policy.
- e. The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.

This section shall survive the Termination, Cancellation or Expiration of the Contract, and shall not be limited by reason of any insurance coverage.

**31. Forum and Choice of Law.** The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

**32. Contractor Guaranties.** Contractor shall:

- a. Perform fully under the Contract, the Invitation to Bid and the Bid in accordance with their terms.
- b. Guarantee the Systems and, as applicable, Systems Properties, against defective material or workmanship and to repair any

damage or marring occasioned in transit or, at the State's option, replace them;

- c. Furnish adequate protection from damage for all work and to repair damage of any kind, for which its workers are responsible, to the premises, equipment Systems or System Properties, to the Contractor's work or that of Contractor Parties;
- d. With respect to the provision of services, pay for all permits, licenses and fees and give all required or appropriate notices;
- e. adhere to all contractual provisions ensuring the confidentiality of Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law; and
- f. Neither disclaim, exclude nor modify the implied warranties of fitness for a particular purpose or of merchantability.

The contractual provisions concerning the confidentiality provisions guarantee in this section shall include civil sanctions for the unauthorized disclosure of the Records. The Contractor and Contractor Parties shall be treated as State employees with respect to any civil or criminal statutes providing for civil or criminal sanctions for unauthorized disclosures.

**33. Systems' Standards and Appurtenances.** Any Systems delivered must be standard new Systems, latest model, except as otherwise specifically stated in the Invitation to Bid. Where the Invitation to Bid or Bid do not specifically list or describe any part or nominal appurtenances of equipment for the Systems, it shall be understood that the Contractor shall deliver such equipment and appurtenances as are usually provided with the manufacturer's stock model.

**34. Delivery.**

- (a) Any Systems delivered shall be standard new equipment, latest model, except as otherwise stated in the Invitation to Bid. Remanufactured, refurbished or reconditioned equipment may be accepted but only to the extent allowed under the Invitation to Bid. Where any part or nominal appurtenances of equipment are not described, it shall be understood that all equipment and appurtenances, which are usually provided in the manufacturer's stock model, shall be furnished.
- (b) Delivery shall be made as ordered and in accordance with the Invitation to Bid. Unless otherwise specified in the Invitation to Bid, delivery shall be to a loading dock or receiving platform. The Contractor or Contractor's shipping designee shall be responsible for removal of Systems from the carrier and placement on the agency loading dock or receiving platform. State receiving personnel are not required to assist in this process. The decision of the CIO as to reasonable compliance with delivery terms shall be final and binding. The burden of proof of proper receipt of the order shall rest with the Contractor.
- (c) In order for the time of delivery to be extended, DOIT must first approve a request for extension from the time specified in the Contract, such extension applying only to the particular item or shipment.
- (d) Systems shall be securely and properly packed for shipment, according to accepted standard commercial practice, without extra charge for packing cases, baling or sacks. The containers shall remain the property of the State unless otherwise stated in the Bid.
- (e) All risk of loss and damage to the Systems and Systems Properties transfers to the State upon Title vesting in the State.



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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

**35. System Inspection.** DOIT shall determine the manner and prescribe the inspection of all Systems and the tests of all samples submitted to determine whether they comply with all of the Specifications in the Invitation to Bid. If any System fails in any way to meet the Specifications in the Invitation to Bid, DOIT may, in its sole discretion, either reject it and owe nothing or accept it and pay for it on an adjusted price basis, depending on the degree to which the System meets the Specifications. Any decision pertaining to any such failure or rejection shall be final and binding.

**36. Payment.** Payment shall be made only after the Agency receives the Systems or services and after acceptance of the Systems or services and presentation of a properly completed invoice. Unless otherwise specified in the Invitation to Bid, payment for all accepted Systems and/or associated services shall be due within forty-five (45) days after acceptance of the Systems or services. Bids that require payment in less than forty-five (45) days shall be rejected, unless DOIT determines in its sole discretion that the Bid's requiring a lesser period is not material.

**37. Invoicing.** The Contractor shall send all invoices directly to the Agency at the address indicated on the purchase order and shall make all inquiries regarding the status of unpaid invoices also only to such ordering Agency.

**38. Force Majeure.** The State and the Contractor shall not be excused from their duty to perform in accordance with the Contract except in the case of Force Majeure events and as otherwise provided for in the Contract. In the case of any such exception, the nonperforming party shall give immediate written notice to the other, explaining the cause and probable duration of any such nonperformance.

**39. Advertising.** The Contractor shall not refer to sales to the State for advertising or promotional purposes without DOIT's prior written approval.

**40. American with Disabilities Act.** The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 ("Act"), to the extent applicable, during the term of the Contract. The State may Cancel the Contract if the Contractor fails to comply with the Act.

**41. Representations and Warranties.** The Contractor, and the Bidder, as appropriate, represent and warrant to the State for itself and Contractor Parties and Bidder Parties, as appropriate, that:

- (a) if they are entities, they are duly and validly existing under the laws of its state of organization and authorized to conduct business in the State of Connecticut in the manner contemplated by the Contract. Further, as appropriate, they have taken all necessary action to authorize the execution, delivery and performance of the Bid and the Contract and have the power and authority to execute, deliver and perform their obligations under the Contract;
- (b) they will comply with all applicable State and Federal laws and municipal ordinances in satisfying their obligations to the State under and pursuant to the Contract, including, but not limited to (1) Connecticut General Statutes Title 1, Chapter 10, concerning the State's Codes of Ethics and (2) Titles 4a and 4d concerning State purchasing, including, but not limited to Sections 4a-60 and 4a-60a, concerning nondiscrimination, 22a-194a concerning the use of polystyrene foam, 4d-32 concerning subcontracts, 4d-34 concerning ownership rights and integrity of public records, 4d-35 concerning applicability of the Connecticut Freedom of Information Act, 4d-36 concerning nondisclosure of public records, 4d-37 concerning prohibition on selling, marketing or

profiting from public records and 4d-38 concerning notice to DOIT for violation of certain laws.

- (c) the execution, delivery and performance of the Contract will not violate, be in conflict with, result in a breach of or constitute (with or without due notice and/or lapse of time) a default under any of the following, as applicable: (1) any provision of law; (2) any order of any court or any Agencies; or (3) any indenture, agreement, document or other instrument to which it is a party or by which it may be bound;
- (d) they are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or state department or agency;
- (e) as applicable, they have not, within the three years preceding the Contract, in any of their current or former jobs, been convicted of, or had a civil judgment rendered against them or against any person who would perform under the Contract, for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract. This includes, but is not limited to, violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (f) they are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, state or local) with commission of any of the offenses listed above;
- (g) they have not within the three years preceding the Contract had one or more public transactions (Federal, state or local) cancelled for cause or breach;
- (h) they have not employed or retained any entity or person, other than a bona fide employee working solely for them, to solicit or secure the Contract and that they have not paid or agreed to pay any entity or person, other than a bona fide employee working solely for them, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award or making of the Contract or any assignments made in accordance with the terms of the Contract;
- (i) to the best of their knowledge, there are no Claims involving the Bidder, Bidder Parties, Contractor or Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract;
- (j) they shall disclose annually on the anniversary date of the effective date of the Contract, any and all Claims involving the Contractor or Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract;
- (k) its participation in the Invitation to Bid process is not a conflict of interest or a breach of ethics under the provisions of Title 1, Chapter 10 of the Connecticut General Statutes concerning the State code of ethics;
- (l) the Bid is not made in connection or concert with any other person, entity or Bidder, including any affiliate of the Bidder, submitting a Bid for the same Systems, and is in all respects fair and without collusion or fraud;



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<b>Purchasing Contact:</b> Elizabeth Basso, AFAO
<b>E-mail Address:</b> <a href="mailto:elizabeth.basso@ct.gov">elizabeth.basso@ct.gov</a>
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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

- (m) it has not participated in any communications concerning the Invitation to Bid with any person or entity who submits a Bid, including, but not limited to, any manufacturers and/or dealers;
- (n) it is able to perform under the Contract using its own resources or the resources of a party who is not a Bidder;
- (o) each Systems or each developed, modified or remediated Systems delivered under the Contract shall: (1) accurately assess, present or process date and time data (including, but not limited to, management, manipulation, processing, comparing, sequencing and other use of date data, including single and multi-century formulae and leap years) from, into and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations; (2) properly exchange date and time data when used in combination with other Systems; and (3) perform as a System, if so stipulated in the Contract;
- (p) it shall obtain in a written contract all of the representations and warranties in this section from any subcontractor that it contracts with in connection with the Contract and to require that provision to be included in any lower tier subcontracts and purchase orders;
- (q) it has paid all applicable workers' compensation second injury fund assessments concerning all previous work done in Connecticut;
- (r) it has a record of compliance with Occupational Health and Safety Administration regulations without any unabated, willful or serious violations;
- (s) it owes no unemployment compensation contributions;
- (t) it is not delinquent in the payment of any taxes owed, or that it has filed a sales tax security bond, and it has, if and as applicable, filed for motor carrier road tax stickers and has paid all outstanding road taxes;
- (U) all of its vehicles have current registrations and, unless such vehicles are no longer in service, it shall not allow any such registrations to lapse;
- (V) each Contractor Party or Bidder Party has vested in the Contractor and Bidder plenary authority to bind them to the extent necessary or appropriate in any agreement with the State in accordance with these representations and warranties and that they shall also provide, no later than fifteen (days) days after receiving a request from DOIT, such information as DOIT may require to evidence, in the State's sole determination, compliance with this section;
- (w) it shall afford the State the lowest rates available for the Systems and any associated services and shall provide an annual written statement that it has complied with such representation and warranty;
- (x) except to the extent modified or abrogated in the Specifications, all ownership, title, licenses, rights and interest (including, but not limited to, perpetual use) (collectively, "Title") of and to the Systems and Systems Properties shall pass to the State upon complete installation, testing and acceptance of the Systems and associated services and payment by the State;
- (y) if either party Terminates or Cancels the Contract, for any reason, the Contractor shall relinquish to the State all Title to the Systems and Systems Properties delivered, accepted and paid for (except to the extent any invoiced amount is disputed) by the State;
- (z) with regard to third party products provided with the Systems, and Systems Properties, the Contractor shall transfer all licenses which it is permitted to transfer in accordance with the applicable third party license;
- (aa) the Contractor shall not copyright, register, distribute or claim any rights in or to the Systems and Systems Properties after the effective date of the Contract without DOIT's prior written consent;
- (bb) it either owns or has the authority to use all Title of and to the Systems, Systems Properties and that such Title is not the subject of any encumbrances, liens or claims of ownership by any third party;
- (cc) the Systems and Systems Properties do not infringe or misappropriate any patent, trade secret or other intellectual property right of a third Party;
- (dd) the State's use of any Systems and Systems Properties shall not infringe or misappropriate any patent, trade secret or other intellectual property right of a third Party;
- (ee) if the Contractor procures any Systems, Systems Properties Rights, the Contractor shall sub-license such Systems, Systems Properties and that the State shall be afforded the full benefits of any manufacturer or subcontractor licenses for the use of the Systems and Systems Properties;
- (ff) the Contractor shall disclose to DOIT all software license and software escrow agreements that it has with any manufacturers or Contractor Parties; and
- (gg) the Contractor shall assign or otherwise transfer to DOIT, or afford DOIT the full benefits of any manufacturer's warranty for the Systems, Systems Properties and All IP Rights, to the extent that such warranties are assignable or otherwise transferable to DOIT.
- 42. Disclosure of Contractor Parties Litigation.** The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor annually on the anniversary date of the effective date of the Contract, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract. The Contractor shall provide such information to DOIT no later than ten (10) days after the Contractor receives such information. Disclosure shall be in writing.
- 43. Bidder Communications with State.** The only Agency with which Bidders may communicate concerning the Invitation to Bid and their Bid is DOIT. They may not contact the requesting Agency or any of its employees unless the Bidder has received prior written approval from DOIT. Any alleged oral agreement or arrangement made by a Bidder or Contractor with any Agency or any of its employees shall not bind DOIT or the State.
- 44. Entirety of Contract.** The Contract is the entire agreement between the parties with respect to the its subject matter, and supersedes all prior agreements, proposals, offers, counteroffers and understandings of the parties, whether written or oral. No alteration, modification or interpretation of the Contract shall be valid or binding unless in writing and signed by both parties. The Contract has been entered into after full investigation, neither party relying upon any statement or representation by the other unless such statement or representation is specifically embodied in the Contract.
- 45. Price Reduction.** The parties may agree to a reduction in the Bid price for any part or all of the System and/or associated services after the Contractor begins to perform.
- 46. Executive Orders.** The Contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J.



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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

Meskill, promulgated February 15, 1973, concerning the listing of employment openings and Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace, all of which are incorporated into and are made a part of the Contract as if they had been fully set forth in it. At the Contractor's request, the Client Agency shall provide a copy of these orders to the Contractor. The Contract may also be subject to Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions.

**47. Non-discrimination.** References in this section to "contract" shall mean this Contract and references to "contractor" shall mean the Contractor. (a)The following subsections are set forth here as required by section 4a-60 of the Connecticut General Statutes:

(1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved; (2) the contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission; (3) the contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f; (5) the contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor as relate to the provisions of this section and section 46a-56. (b)If the contract is a public works contract, the contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project. (c)"Minority business enterprise" means any small contractor or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) Who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in subsection (a) of section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial

efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements. (d) Determination of the contractor's good faith efforts shall include but shall not be limited to the following factors: The contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects. (e)The contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts. (f)The contractor shall include the provisions of section A above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter. (g)The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes: (1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; (4) the contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor which relate to the provisions of this section and section 46a-56. (h)The contractor shall include the provisions of section G above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.



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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

**48. Whistleblowing.** The Contract is subject to the provisions of §4-61dd of the Connecticut General Statutes. In accordance with this section any person having knowledge of any matter involving corruption, violation of state or federal laws or regulations, gross waste of funds, abuse of authority or danger to the public safety occurring in any large state contract, may transmit all facts and information in his possession concerning such matter to the Auditors of Public Accounts. In accordance with subsection (e) if an officer, employee or appointing authority of a large state contractor takes or threatens to take any personnel action against any employee of the contractor in retaliation for such employee's disclosure of information to the Auditors of Public Accounts or the Attorney General under the provisions of this section, the contractor shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of the contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The executive head of the state or quasi-public agency may request the Attorney General to bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) each large state contractor shall post a notice of the provisions of this section relating to large state contractors in a conspicuous place which is readily available for viewing by the employees of the contractor.

**49. Headings.** The headings given to the Sections in these Terms and Conditions are inserted only for convenience and are in no way to be construed as part of the Contract or as a limitation of the scope of the particular Section to which the heading refers.

**50. Number and Gender.** Whenever the context so requires, the plural or singular shall include each other and the use of any gender shall include all genders.

**51. Parties.** To the extent that any Contractor Party or Bidder Party is to participate or perform in any way, directly or indirectly in connection with the Bid or the Contract, any reference in the Invitation to Bid, the Bid and the Contract to "Contractor" or "Bidder" shall also be deemed to include "Contractor Parties" or "Bidder Parties," respectively, as if such reference had originally specifically included "Contractor Parties" or "Bidder Parties," since it is the parties' intent for the terms "Contractor Parties" and "Bidder Parties" to be vested with the same rights and obligations as the terms "Contractor" and "Bidder."

**52. Contractor Changes.** The Contractor shall notify DOIT in writing of any change in its certificate of incorporation, a change in more than a controlling interest in the ownership of the Contractor or a change in the individual(s) in charge of the performance to be completed under the Contract. This change shall not relieve the Contractor of any responsibility for the accuracy and completeness of the performance. DOIT, after receiving written notice by the Contractor of any such change, may require such agreements, releases and other instruments evidencing, to DOIT's satisfaction, that any individuals retiring or otherwise separating from the Contractor have been compensated in full or that provision has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to DOIT in accordance with the terms of DOIT's written request. DOIT may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the surviving Contractor Parties, as appropriate, must continue to perform under the Contract until it is fully performed.

**53. Further Assurances.** The parties shall provide such information, execute and deliver any instruments and documents and take such

other actions as may be necessary or reasonably requested by the other party which are not inconsistent with the provision of the Contract and which do not involve the assumption of obligations other than those provided for in the Contract, in order to give full effect to the Contract and to carry out the intent of the Contract.

**54. Audit and Inspection of Records.** The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by DOIT and any Agency, including, but not limited to, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents. Requests for any audit or inspection shall be in writing, at least ten (10) days prior to the requested date. All audits and inspections shall be at the State's expense. The State may request an audit or inspection at any time during the Contract term and for three (3) years from Termination, Cancellation or Expiration of the Contract. The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.

**55. Background Checks.** The Contractor and Contractor Parties shall be subject to criminal background checks as provided for in the State of Connecticut Department of Public Safety Administration and Operations Manual.

**56. Continued Performance.** The Contractor and Contractor Parties shall continue to perform their obligations under the Contract while any dispute concerning the Contract is being resolved.

**57. Working and Labor Synergies.** The Contractor shall be responsible for maintaining a tranquil working relationship between the Contractor work force, the Contractor Parties and their work force, State employees, and any other contractors present at the work site. The contractor shall quickly resolve all labor disputes which result from the Contractor's or Contractor Parties' presence at the work site, or other action under their control. Labor disputes shall not be deemed to be sufficient cause to allow the Contractor to make any claim for additional compensation for cost, expenses or any other loss or damage, nor shall those disputes be deemed to be sufficient reason to relieve the Contractor from any of its obligations under the Contract.

**58. Contractor Responsibility.** The Contractor shall be required to assume responsibility for the entire performance under the Contract regardless of whether the Contractor itself performs. The Contractor shall be the sole point of contact concerning the management of the Contract, including performance and payment issues. The Contractor is solely and completely responsible for adherence by the Contractor Parties to all applicable provisions of the Contract.

The Contractor shall exercise all reasonable care to avoid damage to the State's property or to property being made ready for the State's use, and to all property adjacent to any work site. The Contractor shall promptly report any damage, regardless of cause, to the State.

**59. Severability.** If any term or provision of the Contract or its application to any person, entity or circumstance shall, to any extent, be held to be invalid or unenforceable, the remainder of the Contract or the application of such term or provision shall not be affected as to persons, entities or circumstances other than those as to whom or to which it is held to be invalid or unenforceable. Each remaining term and provision of the Contract shall be valid and enforced to the fullest extent possible by law.

**60. Most Favored Nation.** The terms of all Systems and services in the Contract are equivalent to or better than those for comparable



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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

Contractor offerings to any other state or local government under like terms and conditions. If during the term of the Contract the Contractor provides more favorable terms for said offerings to another such state or local government, the Contract shall be deemed to be amended, automatically and without any act required of any party, to provide the same terms to the State.

**61. Confidential Information.** DOIT will afford due regard to the Bidder's and Contractor's request for the protection of proprietary or confidential information which DOIT receives. However, all materials associated with the Bid and the Contract are subject to the terms of the Connecticut Freedom of Information Act ("FOIA") and all corresponding rules, regulations and interpretations. In making such a request, the Bidder or Contractor may not merely state generally that the materials are proprietary or confidential in nature and not, therefore, subject to release to third parties. Those particular sentences, paragraphs, pages or sections that the vendor believes are exempt from disclosure under the FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption consistent with the FOIA must accompany the request. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of the Bidder or Contractor that would result if the identified material were to be released and the reasons why the materials are legally exempt from release pursuant to the FOIA. To the extent that any other provision or part of the Contract, especially including the Bid and the Specifications, conflicts or is in any way inconsistent with this Section, this Section controls and shall apply.

**61. Interpretation.** The Contract contains numerous references to statutes and regulations. For purposes of interpretation, conflict resolution and otherwise, the content of those statutes and regulations shall govern over the content of the reference in the Contract to those statutes and regulations.

**62. Cross-Default.** If the Contractor or Contractor Parties breach, default or in any way fail to perform satisfactorily under the Contract, then the State may, in its sole discretion, without more and without any action whatsoever required of the State, treat any such event as a breach, default or failure to perform under any or all other agreements or arrangements ("Other Agreements") that the Contractor or Contractor Parties have with the State. Accordingly, the State may then exercise at its sole option any and all of its rights or remedies provided for in the Contract or Other Agreements, either selectively or collectively and without such election being deemed to prejudice any rights or remedies of the State, as if the Contractor or Contractor Parties had suffered a breach, default or failure to perform under the Other Agreements.

If the Contractor or Contractor Parties breach, default or in any way fail to perform satisfactorily under any or all other agreements or arrangements ("Other Agreements") that the Contractor or Contractor Parties have with the State, then the State may, in its sole discretion, without more and without any action whatsoever required of the State, treat any such event as a breach, default or failure to perform under the Contract. Accordingly, the State may then exercise at its sole option any and all of its rights or remedies provided for in the Other Agreements or the Contract, either selectively or collectively and without such election being deemed to prejudice any rights or remedies of the State, as if the Contractor or Contractor Parties had suffered a breach, default or failure to perform under the Contract.

**63. Disclosure of Records.** The Contract may be subject to the provisions of §1-218 of the Connecticut General Statutes. In accordance with this section, each contract in excess of two million five hundred thousand dollars between a public agency and a person for the performance of a governmental function shall (1) provide that the public agency is entitled to receive a copy of records and files related

to the performance of the governmental function, and (2) indicate that such records and files are subject to the Freedom of Information Act and may be disclosed by the public agency pursuant to the Freedom of Information Act. No request to inspect or copy such records or files shall be valid unless the request is made to the public agency in accordance with the Freedom of Information Act. Any complaint by a person who is denied the right to inspect or copy such records or files shall be brought to the Freedom of Information Commission in accordance with the provisions of sections 1-205 and 1-206 of the Connecticut General Statutes.

**64. Notice of Consulting Affidavit.** Section 4a-81 of Connecticut Statutes requires that this solicitation include a notice of the consulting affidavit requirements described in the Statute. Accordingly, pursuant to the Statute, vendors are notified as follows:

No state agency shall execute a contract for the purchase of goods or services, which contract has a total value to the state of fifty thousand dollars or more in any calendar or fiscal year, unless the state agency obtains the written affidavit described in subsection (b) of this section.

(1) The chief official of the vendor awarded a contract described in subsection (a) of this section or the individual awarded such contract who is authorized to execute such contract, shall attest in an affidavit as to whether any consulting agreement has been entered into in connection with such contract. Such affidavit shall be required if any duties of the consultant included communications concerning business of such state agency, whether or not direct contact with a state agency, state or public official or state employee was expected or made. "Consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (A) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State, (B) contacting, whether in writing or orally, any executive, judicial, or administrative office of the state, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction or requests for information or (C) any other similar activity related to such contract. "Consulting agreement" does not include any agreements entered into with a consultant who is registered under the provisions of Chapter 10 of the Connecticut General Statutes concerning the State's Codes of Ethics, as of the date such affidavit is submitted. (2) Such affidavit shall be sworn as true to the best knowledge and belief of the person signing the certification on the affidavit and shall be subject to the penalties of false statement. (3) Such affidavit shall include the name of the consultant, the consultant's firm, the basic terms of the consulting agreement, a brief description of the services provided, and an indication as to whether the consultant is a former state employee or public official. If the consultant is a former state employee or public official, such affidavit shall indicate his or her former agency and the date such employment terminated. (4) Such affidavit shall be amended whenever the vendor awarded the contract enters into any new consulting agreement during the term of the contract.

If a vendor refuses to submit the affidavit required under subsection (b) of this section, then the state agency shall not award the Contract to such vendor and shall award the contract to the next highest ranked vendor or the next lowest responsible qualified bidder or seek new bids or proposals.

This section is set forth here only for purposes of providing notice of the requirements of the Act. Accordingly, it is neither intended nor should it be interpreted nor relied upon to be a complete and full reiteration of the Act's contents. Any interpretation or understanding



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**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

of the Act's requirements or content by any party must come only from reading the full text of the Act itself.

**65. Summary of State Ethics Laws.** Pursuant to the requirements of Section 1-101qq of Connecticut General Statutes, the summary of State ethics laws developed by the State Ethics Commission pursuant to section 1-81b of the Connecticut General Statutes is incorporated by reference into and made a part of the Contract as if the summary had been fully set forth in the Contract.

**66. Sovereign Immunity.** The parties acknowledge and agree that nothing in the Invitation to Bid or the Contract shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent that this section conflicts with any other section, this section shall govern.

**67. Time is of the Essence.** Time is of the essence with respect to all provisions of this Agreement that specify a time for performance; provided, however, that this provision shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.

**68. Continuity of Systems.** (a) The Contractor acknowledges that the state agency information system and telecommunication system facilities and equipment (the "Systems") and associated services are important to the function of State government and that they must continue without interruption. If the work under the Contract, any subcontract, or amendment to either, is transferred back to the State or to another contractor at any time for any reason, then the Contractor shall cooperate fully with the State, and do and perform all acts and things that DOIT deems to be necessary or appropriate, to ensure continuity of the Systems and services so that there is no disruption or interruption in performance as required or permitted in the Contract. The Contractor shall not enter into any subcontract for any part of the performance under the Contract without prior written approval of such subcontract by DOIT, as required by Conn. Gen. Stat. §4d-32. The Contractor shall include in such subcontract a provision containing all of the substantive terms and conditions of this section, such that the subcontractor will be obligated to DOIT in the same way as the Contractor is obligated to DOIT under this section. The Contractor shall make a full and complete disclosure of and delivery to DOIT or its representatives of all Records and "Public Records," as that term is defined in Conn. Gen. Stat. §4d-33, as it may be amended, in whatever form they exist or are stored and maintained and wherever located, directly or indirectly, concerning the Contract.

(b) The parties shall follow the following procedures in order to ensure the orderly transfer to the State of:

(1) such facilities and equipment-- Unless a shorter period is necessary or appropriate to ensure compliance with subsection (a) above, in which case that shorter period shall apply, the Contractor shall deliver to the State, F.O.B. East Hartford, Connecticut or other State location which DOIT identifies, all Systems related to or arising out of the Contract, subcontract or amendment, no later than 10 days from the date that the work under the Contract is transferred back to the State or to another contractor for any reason. The Contractor shall deliver the Systems to the State, during the State's business hours, in good working order and in appropriately protective packaging to ensure delivery without damage. Concurrent with this delivery, the Contractor shall also deliver all Systems-related operation manuals and other documentation in whatever form they exist and a list of all Systems passwords and security codes;

(2) all software, including all applicable licenses, purchased, created or modified pursuant to the Contract, subcontract or amendment--

Unless a shorter period is necessary or appropriate to ensure compliance with subsection (a) above, in which case that shorter period shall apply, the Contractor shall deliver to the State, F.O.B. East Hartford, Connecticut or other State location which DOIT identifies, all software, including all applicable licenses, purchased, created or modified pursuant to the Contract, subcontract or amendment no later than 10 days from the date that the work under the Contract is transferred back to the State or to another contractor for any reason. The Contractor shall deliver to the State, during the State's business hours, the software, including its source code, if applicable, in good working order, readily capable of being maintained and modified, and housed in appropriately protective packaging or hardware to ensure delivery without damage. Concurrent with this delivery, the Contractor shall also deliver all related operation manuals and other documentation in whatever form they exist and a list of all applicable passwords and security codes; and

(3) all Public Records, as defined in Conn. Gen. Stat. §4d-33, which the Contractor or Contractor Parties possess or create pursuant to the Contract, subcontract or amendment-- Unless a shorter period is necessary or appropriate to ensure compliance with subsection (a) above, in which case that shorter period shall apply, the Contractor shall deliver to the State, F.O.B. East Hartford, Connecticut or other State location which DOIT identifies, all Records and Public Records created or modified pursuant to the Contract, subcontract or amendment no later than the latter of (1) the time specified in the section in this Contract concerning Termination for the return of Records and (2) 10 days from the date that the work under the Contract is transferred back to the State or to another contractor for any reason. The Contractor shall deliver to the State those Records and Public Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to, ASCII or .TXT. The Contractor shall deliver to the State, during the State's business hours, those Records and Public Records and a list of all applicable passwords and security codes, all in appropriately protective packaging to ensure delivery without damage.

(c) If the Contractor employs former State employees, the Contractor shall facilitate the exercising of any reemployment rights that such State employees may have with the State, including, but not limited to, affording them all reasonable opportunities during the workday to interview for State jobs. The Contractor shall include language similar to this section in all of its contracts with its subcontractors and applicable Contractor Parties so that they are similarly obligated.

**69. Campaign Contribution and Solicitation Ban.** With regard to a State contract as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this submission in response to the State's solicitation expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising prospective state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See attached SEEC Form 11.

**70. Conn. Gen. Stat. Sec. 4-252(e).**

Conn. Gen. Stat. § 4-252 (the "Statute") requires that the Invitation to Bid, of which these Terms and Conditions are a part, include a notice of the vendor certification requirements described in the Statute. Accordingly, pursuant to the Statute, vendors are notified as follows:

(a) The terms "gift," "quasi-public agency," "state agency," "large state contract," "principals and key personnel" and "participated



**STATE OF CONNECTICUT**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**  
**CONTRACTS & PURCHASING DIVISION**  
**101 EAST RIVER DRIVE, 4<sup>th</sup> Floor**  
**EAST HARTFORD, CT 06108-3274**  
[www.ct.gov/doit](http://www.ct.gov/doit)

<b>AWARD NUMBER</b> <b>08ITZ0074</b>
<b>Purchasing Contact:</b> Elizabeth Basso, AFAO
<b>E-mail Address:</b> <a href="mailto:elizabeth.basso@ct.gov">elizabeth.basso@ct.gov</a>
<b>Fax:</b> (860) 610-0857

**STANDARD BID/CONTRACT TERMS AND CONDITIONS**

substantially" as used in this section shall have the meanings set forth in the Statute.

(b) No state agency or quasi-public agency shall execute a large state contract unless the state agency or quasi-public agency obtains the written certifications described in this section. Each such certification shall be sworn as true to the best knowledge and belief of the person signing the certification, subject to the penalties of false statement.

(c) The official of the person, firm or corporation awarded the contract, who is authorized to execute the contract, shall certify on such forms as the State shall provide:

(1) That no gifts were made between the date that the state agency or quasi-public agency began planning the project, services, procurement, lease or licensing arrangement covered by the contract and the date of execution of the contract, by (A) such person, firm, corporation, (B) any principals and key personnel of the person, firm or corporation, who participated substantially in preparing the bid or proposal or the negotiation of the contract, or (C) any agent of such person, firm, corporation or principals and key personnel, who participated substantially in preparing the bid or proposal or the negotiation of the contract, to (i) any public official or state employee of the state agency or quasi-public agency soliciting bids or proposals for the contract, who participated substantially in the preparation of the bid solicitation or request for proposals for the contract or the negotiation or award of the contract, or (ii) any public official or state employee of any other state agency, who has supervisory or appointing authority over such state agency or quasi-public agency;

(2) That no such principals and key personnel of the person, firm or corporation, or agent of such person, firm or corporation or principals and key personnel, knows of any action by the person, firm or corporation to circumvent such prohibition on gifts by providing for any other principals and key personnel, official, employee or agent of the person, firm or corporation to provide a gift to any such public official or state employee; and

(3) That the person, firm or corporation made the bid or proposal without fraud or collusion with any person.

(d) Any bidder or proposer that does not make the certifications required under subsection (c) of this section shall be disqualified and the state agency or quasi-public agency shall award the contract to the next highest ranked proposer or the next lowest responsible qualified bidder or seek new bids or proposals.

(e) The date that the state agency or quasi-public agency began planning the project, services procurement, lease or licensing arrangement to be covered by the contract is.

**71. Nondiscrimination Certification Requirement**

Public Act 07-142 and Public Act 07-245 have amended the nondiscrimination provisions of the Connecticut General Statutes to add civil unions to the existing protected classes and to require State contractors to adopt policies in support of the new statutes by means of a resolution. By law, a contractor must provide the State with documentation in the form of a company or corporate policy adopted by resolution of the board of directors, shareholders, managers, members or other governing body of such contractor to support the nondiscrimination agreement and warranty under C.G.S. §§ 4a-60a and 46a-68h.

Accordingly, attached as Exhibits 1 & 2 are form certifications that the successful contractor must deliver executed at the time that it executes the Contract. The first of these forms is designed to be used by corporate or other business entities; the second is to be used only by individuals who are to sign and perform contracts with the State in their individual capacity. One or the other of these certifications is required for all State contracts, regardless of type, term, cost, or value. The

execution and submittal of this certificate is a condition precedent to the State's executing the Contract, unless the contractor is exempt from this statutory requirement, in which case the contractor must obtain a written waiver from the State's Commission on Human Rights and Opportunities.

**72. Encryption of Confidential Data**

All contracted vendors shall encrypt any and all State stored data that is now, or hereafter, classified as confidential or restricted by the State. This encryption shall, without additional cost to the State, apply to all such data stored on non State owned and/or managed devices. The method used to encrypt data shall be compliant with then current State of Connecticut Architecture and Standards.