

CONTRACT AWARD
SP-38 - Rev. 5/21/14
Prev. Rev. 3/12/14

Pam Anderson
Contract Specialist

860-713-5088
Telephone Number

STATE OF CONNECTICUT

DEPARTMENT OF ADMINISTRATIVE SERVICES

PROCUREMENT DIVISION

165 Capitol Avenue, 5th Floor South, Hartford CT 06106-1659

CONTRACT AWARD NO.:

15PSX0086

Contract Award Date:

1 June 2015

Bid Due Date:

26 May 2015

CONTRACT AWARD

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

DESCRIPTION: **Scanning and Indexing Services**

FOR: **All Using State Agencies and Political Subdivisions**

TERM OF CONTRACT: **June 1, 2015 through May 31, 2019**

AGENCY REQUISITION NUMBER: **DAS Scanning and Indexing Services**

IN STATE (NON-SB) CONTRACT VALUE	DAS CERTIFIED SMALL BUSINESS CONTRACT VALUE	OUT OF STATE CONTRACT VALUE	TOTAL CONTRACT AWARD VALUE
\$750,000.00 est.		\$250,000.00 est.	\$1,000,000.00 est.

NOTICE TO CONTRACTORS: This notice is not an order to ship. Purchase Orders against contracts will be furnished by the using agency or agencies on whose behalf the contract is made. INVOICE SHALL BE RENDERED DIRECT TO THE ORDERING AGENCY.

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 Procurement Manager 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.

Please see over for Contractor information. The signature below by the DAS Contract Specialist is evidence that the Contractor's solicitation response has/have been accepted and that the Contractor(s) and DAS are bound by all of the terms and conditions of the Contract.

DEPARTMENT OF ADMINISTRATIVE SERVICES

By: _____
(Original Signature on Document in Procurement Files)

Name: **PAM ANDERSON**

Title: Contract Specialist

Date:

CONTRACTOR INFORMATION:

REFER TO THE CONTRACT ON THE DAS PROCUREMENT WEB PAGE FOR THE MOST CURRENT CONTRACTOR INFORMATION. (<http://das.ct.gov/mp1.aspx?page=8>)

Company Name: **Eastern Micrographics, Inc.**
Company Address: **624 Hampton ST., P.O. Box 470, Holyoke, MA 01040**
Tel. No.: **800-225-24-5** Fax No.: Contract Value: **\$250,000.00 est.**
Contact Person: **William Bagshaw** Delivery: **As Needed**
Contact Person Address: **Same as Above**
Company E-mail Address and/or Company Web Site: brian@neac.com www.neac.com
Remittance Address: **Same as Above**
Certification Type (SBE, MBE or None): **None** Agrees to Supply Political SubDivisions: **Yes**
Prompt Payment Terms: **0% 00 Net 45**

CONTRACTOR INFORMATION:

REFER TO THE CONTRACT ON THE DAS PROCUREMENT WEB PAGE FOR THE MOST CURRENT CONTRACTOR INFORMATION. (<http://das.ct.gov/mp1.aspx?page=8>)

Company Name: **Ricoh USA, Inc.**
Company Address: **500 Enterprise Drive 2nd Floor, Rocky Hill, CT 06067**
Tel. No.: **860-262-1178** Fax No.: Contract Value: **\$250,000.00 est.**
Contact Person: **Valerie Lazzari** Delivery: **As Needed**
Contact Person Address: **Same as Above**
Company E-mail Address and/or Company Web Site: valerie.lazzari@ricoh-usa.com www.ricoh-usa.com
Remittance Address: **Same as Above**
Certification Type (SBE, MBE or None): **None** Agrees to Supply Political SubDivisions: **Yes**
Prompt Payment Terms: **0% 00 Net 45**

CONTRACTOR INFORMATION:

REFER TO THE CONTRACT ON THE DAS PROCUREMENT WEB PAGE FOR THE MOST CURRENT CONTRACTOR INFORMATION. (<http://das.ct.gov/mp1.aspx?page=8>)

Company Name: **Scan-Optics, LLC**
Company Address: **169 Progress Drive, Manchester, CT 06042-2242**
Tel. No.: **800-745-6001** Fax No.: Contract Value: **\$250,000.00 est.**
Contact Person: **Mitchel Wright** Delivery: **As Needed**
Contact Person Address: **Same as Above**
Company E-mail Address and/or Company Web Site:
Remittance Address: **Same as Above**
Certification Type (SBE, MBE or None): **None** Agrees to Supply Political SubDivisions: **Yes**
Prompt Payment Terms: **0% 00 Net 45**

CONTRACTOR INFORMATION:

REFER TO THE CONTRACT ON THE DAS PROCUREMENT WEB PAGE FOR THE MOST CURRENT CONTRACTOR INFORMATION. (<http://das.ct.gov/mp1.aspx?page=8>)

Company Name: **William B. Meyer, Inc.**
Company Address: **255 Long Beach Blvd., Strafford, CT 06615**
Tel. No.: **203-383-6100 800-727-5985** Fax No.: Contract Value: **\$250,000.00 est.**
Contact Person: **Ted Kennedy** Delivery: **As Needed**
Contact Person Address: **Same as Above**
Company E-mail Address and/or Company Web Site: tkennedy@williambmeyer.com www.williambmeyer.com
Remittance Address: **Same as Above**
Certification Type (SBE, MBE or None): **None** Agrees to Supply Political SubDivisions: **Yes**
Prompt Payment Terms: **0% 00 Net 45**

CONTRACT

15PSX0086

Between

THE STATE OF CONNECTICUT

Acting by its

DEPARTMENT OF ADMINISTRATIVE SERVICES

AND

Eastern Micrographics, Inc., Ricoh USA, Inc., Scan-Optics, LLC, William B. Meyer, Inc.

Awarded Contractor

SCANNING AND INDEXING SERVICES

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This Contract (the "Contract") is made as of the June 1, 2015 (the "Effective Date") shown on the contract award form, number SP-38 corresponding to the subject procurement and is by and between, the contractor identified on such Form SP-38 (the "Contractor,") which is attached and shall be considered a part of this Contract, with a principal place of business as indicated on the signature page form, number SP-26, acting by the duly authorized representative as indicated on the SP-26, and the State of Connecticut, Department of Administrative Services ("DAS"), with a principal place of business at 165 Capitol Ave, Hartford, Connecticut 06106-1659, acting by Pam Anderson, its Contract Specialist, in accordance with Sections 4a-2 and 4a-51 of the Connecticut General Statutes.

Now therefore, in consideration of these presents, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the Contractor and the State agree as follows:

1. Definitions. Unless otherwise indicated, the following terms shall have the following corresponding definitions:
 - (a) Bid: A submittal in response to an Invitation to Bid.
 - (b) Claims: All actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
 - (c) Client Agency: Any department, commission, board, bureau, agency, institution, public authority, office, council, association, instrumentality or political subdivision of the State of Connecticut, as applicable, who is authorized and chooses to make purchases under, and pursuant to the terms and conditions of, this Contract.
 - (d) Confidential Information: This shall mean any name, number or other information that may be used, alone or in conjunction with any other information, to identify a specific individual including, but not limited to, such individual's name, date of birth, mother's maiden name, motor vehicle operator's license number, Social Security number, employee identification number, employer or taxpayer identification number, alien registration number, government passport number, health insurance identification number, demand deposit account number, savings account number, credit card number, debit card number or unique biometric data such as fingerprint, voice print, retina or iris image, or other unique physical representation. Without limiting the foregoing, Confidential Information shall also include any information that the Client Agency or DAS classifies as "confidential" or "restricted." Confidential Information shall not include information that may be lawfully obtained from publicly available sources or from federal, state, or local government records which are lawfully made available to the general public.
 - (e) Confidential Information Breach: This shall mean, generally, an instance where an unauthorized person or entity accesses Confidential Information in any manner, including but not limited to the following occurrences: (1) any Confidential Information that is not encrypted or protected is misplaced, lost, stolen or in any way compromised; (2) one or more third parties have had access to or taken control or possession of any Confidential

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Information that is not encrypted or protected without prior written authorization from the State; (3) the unauthorized acquisition of encrypted or protected Confidential Information together with the confidential process or key that is capable of compromising the integrity of the Confidential Information; or (4) if there is a substantial risk of identity theft or fraud to the Client Agency, the Contractor, DAS or State.

- (f) Contract: The agreement, as of its Effective Date, between the Contractor and the State for any or all Goods or Services at the Bid price.
- (g) Contractor: A person or entity who submits a Bid and who executes a Contract.
- (h) 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.
- (i) Day: All calendar days other than Saturdays, Sundays and days designated as national or State of Connecticut holidays upon which banks in Connecticut are closed.
- (j) Force Majeure: Events that materially affect the cost of the Goods or Services or the time schedule within which to Perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.
- (k) Goods: For purposes of the Contract, all things which are movable at the time that the Contract is effective and which include, without limiting this definition, supplies, materials and equipment, as specified in the Invitation to Bid and set forth in Exhibit A.
- (l) Goods or Services: Goods, Services or both, as specified in the Invitation to Bid and set forth in Exhibit A.
- (m) Invitation to Bid: A State request inviting bids for Goods or Services. This Contract shall be governed by the statutes, regulations and procedures of the State of Connecticut, Department of Administrative Services.
- (n) 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.
- (o) Services: The performance of labor or work, as specified in the Invitation to Bid and set forth in Exhibit A.
- (p) State: The State of Connecticut, including DAS, the Client Agency and any office, department, board, council, commission, institution or other agency of the State.
- (q) Termination: An end to the Contract prior to the end of its term whether effected pursuant to a right which the Contract creates or for a breach.

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- (r) Title: all ownership, title, licenses, rights and interest, including, but not limited to, perpetual use, of and to the Goods or Services.
2. Term of Contract; Contract Extension. The Contract will be in effect from the Effective Date through May 31, 2019. The parties, by mutual agreement, may extend this Contract for additional terms beyond the original term, prior to Termination or expiration, one or more times for a combined total period not to exceed the complete length of the original term, but only in accordance with the section in this Contract concerning Contract Amendments.
3. Description of Goods or Services and Additional Terms and Conditions. The Contractor shall perform as set forth in Exhibit A. For purposes of this Contract, to perform and the performance in Exhibit A is referred to as "Perform" and the "Performance."
4. Price Schedule, Payment Terms and Billing, and Price Adjustments.
- (a) Price Schedule: Price Schedule under this Contract is set forth in Exhibit B.
- (b) Payment Terms and Billing: Payment shall be made only after the Client Agency receives and accepts the Goods or Services and after it receives a properly completed invoice. Unless otherwise specified in the Contract, payment for all accepted Goods or Services shall be due within forty-five (45) days after acceptance of the Goods or Services, or thirty (30) days if the Contractor is a certified small contractor or minority business enterprise as defined in Conn. Gen. Stat. § 4a-60g. The Contractor shall submit an invoice to the Client Agency for the Performance. The invoice shall include detailed information for Goods or Services, delivered and Performed, as applicable, and accepted. Any late payment charges shall be calculated in accordance with the Connecticut General Statutes.
- (c) If applicable to and during the term of this Contract, the Price Schedule will be adjusted to reflect any increase in the minimum wage rate that may occur, as mandated by state law. The Price Schedule will not be adjusted until the Contractor provides documentation, in the form of certified payroll or other documentation acceptable to the State, substantiating the increase in minimum wage rate.
- (d) Price Adjustments: Prices for the Goods or Services listed in Exhibit B shall remain unchanged for twelve (12) months following the Effective Date of the Contract. The Contractor shall have the right to request a price adjustment only during the thirty (30) days immediately preceding the annual anniversary dates of the Effective Date of the Contract during the term of the Contract. During this thirty (30) day period, the Contractor may submit a request in writing to DAS for a price adjustment that is consistent with and relative to price changes originating with and compelled by manufacturer and/or market trends and which changes are outside of the Contractor's control. The Contractor must fully document its request, attaching to the request, without limitation, such manufacturer and market data, as support the requested adjustment. DAS may, in its sole discretion, approve or disapprove the requested adjustment, in whole or in part. Any approved adjustment shall be final and shall remain unchanged until the next annual anniversary date of the Effective Date of the Contract.

The Contractor shall submit all requests in accordance with Section #35. Notice. A request made to the Client Agency shall not be valid and the parties shall treat it as if the Contractor had not made the request at all. A request made to the Client Agency shall not be considered timely and shall not toll or extend the running of the thirty (30) days. The right

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of the Contractor to request a particular price adjustment shall lapse upon the expiration of the applicable thirty (30) days. If the Contractor fails to make a timely request, then the price shall remain unchanged from the previous year and shall continue through the next succeeding twelve (12) months and until the second annual anniversary of the Effective Date of the Contract, If approved, price adjustments shall become effective ten (10) days after the date of the approval. The Contractor shall honor any purchase orders issued prior to the effective date of the approval at the price in effect at the time of the issuance of the purchase order.

5. Rejected Items; Abandonment.

(a) The Contractor may deliver, cause to be delivered, or, in any other way, bring or cause to be brought, to any State premises or other destination, Goods, as samples or otherwise, and other supplies, materials, equipment or other tangible personal property. The State may, by written notice and in accordance with the terms and conditions of the Contract, direct the Contractor to remove any or all such Goods ("the "Rejected Goods") and any or all other supplies, materials, equipment or other tangible personal property (collectively, the "Contractor Property") from and out of State premises and any other location which the State manages, leases or controls. The Contractor shall remove the Rejected Goods and the Contractor Property in accordance with the terms and conditions of the written notice. Failure to remove the Rejected Goods or the Contractor Property in accordance with the terms and conditions of the written notice shall mean, for itself and all Contractor Parties, that:

- (1) they have voluntarily, intentionally, unconditionally, unequivocally and absolutely abandoned and left unclaimed the Rejected Goods and Contractor Property and relinquished all ownership, title, licenses, rights, possession and interest of, in and to (collectively, "Title") the Rejected Goods and Contractor Property with the specific and express intent of (A) terminating all of their Title to the Rejected Goods and Contractor Property, (B) vesting Title to the Rejected Goods and Contractor Property in the State of Connecticut and (C) not ever reclaiming Title or any future rights of any type in and to the Rejected Goods and Contractor Property;
- (2) there is no ignorance, inadvertence or unawareness to mitigate against the intent to abandon the Rejected Goods or Contractor Property;
- (3) they vest authority, without any further act required on their part or the State's part, in the Client Agency and the State to use or dispose of the Rejected Goods and Contractor Property, in the State's sole discretion, as if the Rejected Goods and Contractor Property were the State's own property and in accordance with law, without incurring any liability or obligation to the Contractor or any other party;
- (4) if the State incurs any costs or expenses in connection with disposing of the Rejected Goods and Contractor Property, including, but not limited to, advertising, moving or storing the Rejected Goods and Contractor Property, auction and other activities, the State shall invoice the Contractor for all such cost and expenses and the Contractor shall reimburse the State no later than thirty (30) days after the date of invoice; and
- (5) they do remise, release and forever discharge the State and its employees, departments, commissions, boards, bureaus, agencies, instrumentalities or political subdivisions and their respective successors, heirs, executors and assigns (collectively, the "State and Its Agents") of and from all Claims which they and their respective

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successors or assigns, jointly or severally, ever had, now have or will have against the State and Its Agents arising from the use or disposition of the Rejected Goods and Contractor Property.

- (b) The Contractor shall secure from each Contractor Party, such document or instrument as necessary or appropriate as will vest in the Contractor plenary authority to bind the Contractor Parties to the full extent necessary or appropriate to give full effect to all of the terms and conditions of this section. The Contractor shall provide, no later than fifteen (15) days after receiving a request from the State, such information as the State may require to evidence, in the State's sole determination, compliance with this section.
6. Order and Delivery. The Contract shall bind the Contractor to furnish and deliver the Goods or Services in accordance with Exhibit A and at the prices set forth in Exhibit B. Subject to the sections in this Contract concerning Force Majeure, Termination and Open Market Purchases, the Contract shall bind the Client Agency to order the Goods or Services from the Contractor, and to pay for the accepted Goods or Services in accordance with Exhibit B.
7. Contract Amendments.
No amendment to or modification or other alteration of the Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the Connecticut Attorney General.
8. 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 DAS. DAS may void any purported assignment in violation of this section and declare the Contractor in breach of Contract. Any Termination by DAS for a breach is without prejudice to DAS's or the State's rights or possible Claims.
9. Termination.
- (a) Notwithstanding any provisions in this Contract, DAS, through a duly authorized employee, may Terminate the Contract whenever DAS makes a written determination that such Termination is in the best interests of the State. DAS shall notify the Contractor in writing of Termination pursuant to this section, which notice shall specify the effective date of Termination and the extent to which the Contractor must complete its Performance under the Contract prior to such date.
- (b) Notwithstanding any provisions in this Contract, DAS, through a duly authorized employee, may, after making a written determination that the Contractor has breached the Contract, Terminate the Contract in accordance with the provisions in the Breach section of this Contract.
- (c) DAS shall send the notice of Termination via certified mail, return receipt requested, to the Contractor at the most current address which the Contractor has furnished to DAS for purposes of correspondence, or by hand delivery. Upon receiving the notice from DAS, the Contractor shall immediately discontinue all services affected in accordance with the notice, undertake all commercially reasonable efforts to mitigate any losses or damages, and deliver to the Client Agency all Records. The Records are deemed to be the property of the Client Agency and the Contractor shall deliver them to the Client Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from either DAS or the Client Agency for the Records. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible

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form in a non-proprietary format, such as, but not limited to, ASCII or .TXT.

- (d) Upon receipt of a written notice of Termination from DAS, the Contractor shall cease operations as DAS directs in the notice, and take all actions that are necessary or appropriate, or that DAS may reasonably direct, for the protection, and preservation of the Goods and any other property. Except for any work which DAS directs the Contractor to Perform in the notice prior to the effective date of Termination, 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.
 - (e) The Client Agency shall, within forty-five (45) days of the effective date of Termination, reimburse the Contractor for its Performance rendered and accepted by the Client Agency in accordance with Exhibit A, in addition to all actual and reasonable costs incurred after Termination in completing those portions of the Performance which the notice required the Contractor to complete. However, the Contractor is not entitled to receive and the Client Agency is not obligated to tender to the Contractor any payments for anticipated or lost profits. Upon request by DAS or the Client Agency, as applicable, the Contractor shall assign to DAS or the Client Agency, or any replacement contractor which DAS or the Client Agency designates, all subcontracts, purchase orders and other commitments, deliver to DAS or the Client Agency all Records and other information pertaining to its Performance, and remove from State premises, whether leased or owned, all of Contractor's property, equipment, waste material and rubbish related to its Performance, all as DAS or the Client Agency may request.
 - (f) For breach or violation of any of the provisions in the section concerning Representations and Warranties, DAS may Terminate 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 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. All representations, warranties, agreements and rights of the parties under the Contract shall survive such Termination 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 of the Contract pursuant to this section shall not be deemed to be a breach of contract by DAS.
10. **Cost Modifications.** The parties may agree to a reduction in the cost of the Contract at any time during which the Contract is in effect. Without intending to impose a limitation on the nature of the reduction, the reduction may be to hourly, staffing or unit costs, the total cost of the Contract or the reduction may take such other form as the State deems to be necessary or appropriate.
11. **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. Any other time provided for in the notice shall trump such ten (10) days. 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

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such that it cannot be cured within the right to cure period. The notice may include an effective Contract Termination 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 Termination date, no further action shall be required of any party to effect the Termination as of the stated date. If the notice does not set forth an effective Contract Termination date, then the non-breaching party may Terminate the Contract by giving the breaching party no less than twenty four (24) hours' prior written notice. If DAS believes that the Contractor has not performed according to the Contract, the Client Agency may withhold payment in whole or in part pending resolution of the Performance issue, provided that DAS notifies the Contractor in writing prior to the date that the payment would have been due in accordance with Exhibit B.

12. 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.

13. Open Market Purchases. Failure of the Contractor to Perform within the time specified in the Contract, or failure to replace rejected or substandard Goods 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 DAS, if it deems it to be necessary or appropriate in its sole discretion, to Terminate the Contract and/or to purchase on the open market, Goods or Services to replace those which have been rejected, not delivered, or not Performed. The Client Agency shall invoice the Contractor for all such purchases to the extent that they exceed the costs and expenses in Exhibit B and the Contractor shall pay the Client Agency's invoice immediately after receiving the invoice. If DAS does not Terminate the Contract, the Client Agency will deduct such open market purchases from the Contract quantities. However, if the Client Agency deems it to be in the best interest of the State, the Client Agency may accept and use the Goods or Services delivered which are substandard in quality, subject to an adjustment in price to be determined by the Client Agency.

14. Purchase Orders.

- (a) The Contract itself is not an authorization for the Contractor to ship Goods or begin Performance in any way. The Contractor may begin Performance only after it has received a duly issued purchase order against the Contract for Performance.
- (b) The Client Agency shall issue a purchase order against the Contract directly to the Contractor and to no other party.
- (c) All purchase orders shall be in written or electronic form, bear the Contract number (if any) and comply with all other State and Client Agency requirements, particularly the Client Agency's requirements concerning procurement. Purchase orders issued in compliance

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with such requirements shall be deemed to be duly issued.

- (d) A Contractor making delivery without a duly issued purchase order in accordance with this section does so at the Contractor's own risk.
- (e) The Client Agency may, in its sole discretion, deliver to the Contractor any or all duly issued purchase orders via electronic means only, such that the Client Agency shall not have any additional obligation to deliver to the Contractor a "hard copy" of the purchase order or a copy bearing any hand-written signature or other "original" marking.

15. 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 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 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 confidentiality of any part of or all of the Contractor's bid, proposal or any Records, 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.
- (b) The Contractor shall not be responsible for indemnifying or holding the State harmless from any liability arising due to the negligence of the State or any other person or entity acting under the direct control or supervision of the State.
- (c) 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.
- (d) 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.
- (e) 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 Contract. The Contractor shall cause the State to be named as an additional insured on the policy and shall provide (1) a certificate of insurance, (2) the declaration page and (3) the additional insured endorsement to the policy to the Client Agency prior to the Effective Date of the Contract evidencing that the State is an additional insured. The Contractor shall not begin Performance until the delivery of these 3 documents to the Client Agency. State shall be entitled to recover under the insurance policy even if a body of competent jurisdiction determines that State is contributorily negligent.

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(f) This section shall survive the Termination of the Contract and shall not be limited by reason of any insurance coverage.

16. Forum and Choice of Law. The parties deem the Contract 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.

17. Contractor Guaranties. Contractor shall:

- (a) Perform fully under the Contract;
- (b) Guarantee the Goods or Services against defective material or workmanship and to repair any damage or marring occasioned in transit or, at the Client Agency'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, Goods, 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.

18. Implied Warranties. DAS does not disclaim, exclude or modify the implied warranty of fitness for a particular purpose or the warranty of merchantability.

19. Goods, Standards and Appurtenances. Any Goods delivered must be standard new Goods, latest model, except as otherwise specifically stated in the Contract. Remanufactured, refurbished or reconditioned equipment may be accepted but only to the extent allowed under the Contract. Where the Contract does not specifically list or describe any parts or nominal appurtenances of equipment for the Goods, it shall be understood that the Contractor shall deliver such equipment and appurtenances as are usually provided with the manufacturer's stock model.

20. Delivery.

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- (a) Delivery shall be made as ordered and in accordance with the Contract. Unless otherwise specified in the Contract, delivery shall be to a loading dock or receiving platform. The Contractor or Contractor's shipping designee shall be responsible for removal of Goods from the carrier and placement on the Client Agency loading dock or receiving platform. The receiving personnel of the Client Agency are not required to assist in this process. The decision of DAS 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.
 - (b) In order for the time of delivery to be extended, the Client Agency must first approve a request for extension from the time specified in the Contract, such extension applying only to the particular item or shipment.
 - (c) Goods 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 Client Agency unless otherwise stated in the Contract.
 - (d) All risk of loss and damage to the Goods transfers to the Client Agency upon Title vesting in the Client Agency.
21. Goods Inspection. The Client Agency shall determine the manner and prescribe the inspection of all Goods and the tests of all samples submitted to determine whether they comply with all of the specifications in the Contract. If any Goods fail in any way to meet the specifications in the Contract, the Client Agency 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 Goods meet the specifications. Any decision pertaining to any such failure or rejection shall be final and binding.
22. Emergency Standby for Goods and/or Services. If any Federal or State official, having authority to do so, declares an emergency or the occurrence of a natural disaster within the State of Connecticut, DAS and the Client Agency may request the Goods and Services on an expedited and prioritized basis. Upon receipt of such a request the Contractor shall make all necessary and appropriate commercially reasonable efforts to reallocate its staffing and other resources in order to give primary preference to Performing this Contract ahead of or prior to fulfilling, in whole or in part, any other contractual obligations that the Contractor may have. The Contractor is not obligated to make those efforts to Perform on an expedited and prioritized basis in accordance with this paragraph if doing so will make the Contractor materially breach any other contractual obligations that the Contractor may have. Contractor shall acknowledge receipt of any request made pursuant to this paragraph within 2 hours from the time that the Contractor receives it via purchase order or through a request to make an expedited or prioritized purchase through the State of Connecticut Purchasing Card (MasterCard) Program (the "P-Card Program"). If the Contractor fails to acknowledge receipt within 2 hours, confirm its obligation to Perform or actually Perform, as set forth in the purchase order or through the P-Card Program, then DAS and the Client Agency may procure the Performance from another source without further notice to Contractor and without creating any right of recourse at law or in equity against DAS or Client Agency.
23. Setoff. In addition to all other remedies available hereunder, the State, in its sole discretion, may setoff (1) any costs or expenses that the State incurs resulting from the Contractor's unexcused nonperformance under the Contract and under any other agreement or arrangement that the Contractor has with the State and (2) any other amounts that are due or may become due from the State to the Contractor, against

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amounts otherwise due or that may become due to the Contractor under the Contract, or under any other agreement or arrangement that the Contractor has with the State. The State's right of setoff shall not be deemed to be the State's exclusive remedy for the Contractor's or Contractor Parties' breach of the Contract, all of which shall survive any setoffs by the State.

24. Force Majeure. The State and the Contractor shall not be excused from their obligation 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.
25. Advertising. The Contractor shall not refer to sales to the State for advertising or promotional purposes, including, but not limited to, posting any material or data on the Internet, without DAS's prior written approval.
26. Americans 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. DAS may Terminate the Contract if the Contractor fails to comply with the Act.
27. Representations and Warranties. The Contractor, represents and warrants to DAS for itself and Contractor Parties, that:
 - (a) if they are entities, they are duly and validly existing under the laws of their respective states 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 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) Title 4a concerning State purchasing, including, but not limited to Section 22a-194a concerning the use of polystyrene foam;
 - (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 the State; 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 governmental entity;
 - (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 transaction or contract with any governmental entity. This includes, but is not limited to, violation of Federal or state antitrust statutes or commission of embezzlement, theft,

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- 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 any governmental entity with commission of any of the offenses listed above;
 - (g) they have not within the three years preceding the Contract had one or more contracts with any governmental entity Terminated;
 - (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 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, to the best of their knowledge, to DAS in writing any Claims involving them 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, no later than ten (10) Days after becoming aware or after they should have become aware of any such Claims. For purposes of the Contractor's obligation to disclose any Claims to DAS, the ten (10) Days in the section of this Contract concerning Disclosure of Contractor Parties Litigation shall run consecutively with the ten (10) Days provided for in this representation and warranty;
 - (k) their 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's Code of Ethics;
 - (l) the Bid was not made in connection or concert with any other person or entity, including any affiliate (as defined in the Tangible Personal Property section of this Contract) of the Contractor, submitting a bid for the same Goods or Services, and is in all respects fair and without collusion or fraud;
 - (m) they are able to Perform under the Contract using their own resources or the resources of a party who is not a Contractor;
 - (n) the Contractor shall obtain in a written contract all of the representations and warranties in this section from any Contractor Parties and to require that provision to be included in any contracts and purchase orders with Contractor Parties;
 - (o) they have paid all applicable workers' compensation second injury fund assessments concerning all previous work done in Connecticut;
 - (p) they have a record of compliance with Occupational Health and Safety Administration regulations without any unabated, willful or serious violations;

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- (q) they owe no unemployment compensation contributions;
- (r) they are not delinquent in the payment of any taxes owed, or, that they have filed a sales tax security bond, and they have, if and as applicable, filed for motor carrier road tax stickers and have paid all outstanding road taxes;
- (s) all of their vehicles have current registrations and, unless such vehicles are no longer in service, they shall not allow any such registrations to lapse;
- (t) each Contractor Party has vested in the Contractor plenary authority to bind the Contractor Parties to the full extent necessary or appropriate to ensure full compliance with and Performance in accordance with all of the terms and conditions of the Contract and that all appropriate parties shall also provide to DAS, no later than fifteen (15) days after receiving a request from DAS, such information as DAS may require to evidence, in DAS's sole determination, compliance with this section;
- (u) except to the extent modified or abrogated in the Contract, all Title shall pass to the Client Agency upon complete installation, testing and acceptance of the Goods or Services and payment by the Client Agency;
- (v) if either party Terminates the Contract, for any reason, they shall relinquish to the Client Agency all Title to the Goods delivered, accepted and paid for (except to the extent any invoiced amount is disputed) by the Client Agency;
- (w) with regard to third party products provided with the Goods, they shall transfer all licenses which they are permitted to transfer in accordance with the applicable third party license;
- (x) they shall not copyright, register, distribute or claim any rights in or to the Goods after the Effective Date of the Contract without DAS's prior written consent;
- (y) they either own or have the authority to use all Title of and to the Goods, and that such Title is not the subject of any encumbrances, liens or claims of ownership by any third party;
- (z) the Goods do not infringe or misappropriate any patent, trade secret or other intellectual property right of a third party;
- (aa) the Client Agency's use of any Goods shall not infringe or misappropriate any patent, trade secret or other intellectual property right of a third party;
- (bb) if they procure any Goods, they shall sub-license such Goods and that the Client Agency shall be afforded the full benefits of any manufacturer or subcontractor licenses for the use of the Goods; and
- (cc) they shall assign or otherwise transfer to the Client Agency, or afford the Client Agency the full benefits of any manufacturer's warranty for the Goods, to the extent that such warranties are assignable or otherwise transferable to the Client Agency.

28. Representations and Warranties Concerning Motor Vehicles. If in the course of Performance or in any other way related to the Contract the Contractor at any time uses or operates "motor vehicles," as that term is defined by Conn. Gen. Stat. §14-1 (including, but not limited to such services as snow plowing, sanding, hauling or delivery of materials,

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freight or merchandise, or the transportation of passengers), the Contractor, represents and warrants for itself and the Contractor Parties, that:

- (a) It is the owner of record or lessee of record of each such motor vehicle used in the Performance of the Contract, and each such motor vehicle is duly registered with the Connecticut Department of Motor Vehicles ("ConnDMV") in accordance with the provisions of Chapter 246 of the Connecticut General Statutes. Each such registration shall be in valid status, and shall not be expired, suspended or revoked by ConnDMV, for any reason or cause. If such motor vehicle is not registered with ConnDMV, then it shall be duly registered with another state or commonwealth in accordance with such other state's or commonwealth's applicable statutes. Each such registration shall be in valid status, and shall not be expired, suspended or revoked by such other state or commonwealth for any reason or cause.
 - (b) Each such motor vehicle shall be fully insured in accordance with the provisions of Sections 14-12b, 14-112 and 38a-371 of the Connecticut General Statutes, as amended, in the amounts required by the said sections or in such higher amounts as have been specified by ConnDMV as a condition for the award of the Contract, or in accordance with all substantially similar provisions imposed by the law of the jurisdiction where the motor vehicle is registered.
 - (c) Each Contractor Party who uses or operates a motor vehicle at any time in the Performance of the Contract shall have and maintain a motor vehicle operator's license or commercial driver's license of the appropriate class for the motor vehicle being used or operated. Each such license shall bear the endorsement or endorsements required by the provisions of Section 14-36a of the Connecticut General Statutes, as amended, to operate such motor vehicle, or required by substantially similar provisions imposed by the law of another jurisdiction in which the operator is licensed to operate such motor vehicle. The license shall be in valid status, and shall not be expired, suspended or revoked by ConnDMV or such other jurisdiction for any reason or cause.
 - (d) Each motor vehicle shall be in full compliance with all of the terms and conditions of all provisions of the Connecticut General Statutes and regulations, or those of the jurisdiction where the motor vehicle is registered, pertaining to the mechanical condition, equipment, marking and operation of motor vehicles of such type, class and weight, including, but not limited to, requirements for motor vehicles having a gross vehicle weight rating of 18,000 pounds or more or motor vehicles otherwise described by the provisions of Conn. Gen. Stat. § 14-163c(a) and all applicable provisions of the Federal Motor Carrier Safety Regulations, as set forth in Title 49, Parts 382 to 399, inclusive, of the Code of Federal Regulations.
29. Disclosure of Contractor Parties Litigation. The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, 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, no later than ten (10) Days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
30. Entirety of Contract. The Contract is the entire agreement between the parties with respect to its subject matter, and supersedes all prior agreements, bids, offers, counteroffers and understandings of the parties, whether written or oral. The Contract has been entered into

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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.

31. Exhibits. All exhibits referred to in and attached to this Contract are incorporated in this Contract by such reference and shall be deemed to be a part of it as if they had been fully set forth in it.
32. Executive Orders. This 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. 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. The Contract may also be subject to Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services. If Executive Order 14 is applicable, it is deemed to be incorporated into and is made a part of the Contract as if it had been fully set forth in it. At the Contractor's request, the Client Agency or DAS shall provide a copy of these orders to the Contractor.

33. Non-discrimination.

(a) For purposes of this Section, the following terms are defined as follows:

- (1) "Commission" means the Commission on Human Rights and Opportunities;
- (2) "Contract" and "contract" include any extension or modification of the Contract or contract;
- (3) "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
- (4) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
- (5) "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
- (6) "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

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substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;

(7) "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced;

(8) "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;

(9) "minority business enterprise" means any small contractor or supplier of materials fifty-one percent 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 Connecticut General Statutes § 32-9n; and

(10) "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

(b)

(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, gender identity or expression, intellectual disability, mental disability 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; and 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

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without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the 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 the Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which the 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 Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and (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 Connecticut General Statutes § 46a-56. 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 projects.

- (c) 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.
- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
- (e) The Contractor shall include the provisions of subsection (b) of this Section 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 Connecticut General Statutes §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

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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.

(f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.

(g)

(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 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 Connecticut General Statutes § 46a-56; and (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 Connecticut General Statutes § 46a-56.

(h) The Contractor shall include the provisions of the foregoing paragraph 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 Connecticut General Statutes § 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.

34. Tangible Personal Property.

(a) The Contractor on its behalf and on behalf of its Affiliates, as defined below, shall comply with the provisions of Conn. Gen. Stat. §12-411b, as follows:

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- (1) For the term of the Contract, the Contractor and its Affiliates shall collect and remit to the State of Connecticut, Department of Revenue Services, 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 on or before the due date specified in the Contract, which may not be later than the last day of the month next succeeding the end of a calendar quarter or other tax collection period during which the tax was collected;
 - (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) Any Contractor or Affiliate who fails to remit use taxes collected on behalf of its customers by the due date specified in the Contract shall be subject to the interest and penalties provided for persons required to collect sales tax under chapter 219 of the general statutes.
- (b) For purposes of this section of the Contract, the word "Affiliate" means any person, as defined in section 12-1 of the general statutes, 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.
- (c) 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.
35. **Whistleblowing.** This Contract may be subject to the provisions of Section 4-61dd of the Connecticut General Statutes. In accordance with this statute, if an officer, employee or appointing authority of the 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 any employee of the contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under the provisions of subsection (a) of such statute, 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 this 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 State may request that the Attorney General bring a civil action in

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the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state contractor, as defined in the statute, shall post a notice of the provisions of the statute relating to large state contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

36. **Notice.** All notices, demands, requests, consents, approvals or other communications required or permitted to be given or which are given with respect to this Contract (for the purpose of this section collectively called "Notices") shall be deemed to have been effected at such time as the notice is placed in the U.S. mail, first class and postage pre-paid, return receipt requested or placed with a recognized, overnight express delivery service that provides for a return receipt. All such Notices shall be in writing and shall be addressed as follows:

If to DAS:

State of Connecticut Department of Administrative Services
165 Capitol Ave, 5th Floor South
Hartford, CT 06106-1659
Attention: Pam Anderson

If to the Contractor:

At the address set forth on Form SP-38.

37. **Insurance.** Before commencing Performance, the Contractor shall obtain and maintain at its own cost and expense for the duration of the Contract, the following insurance as described in (a) through (h) below. Contractor shall assume any and all deductibles in the described insurance policies. The Contractor's insurers shall have no right of recovery or subrogation against the State and the described Contractor's insurance shall be primary coverage. Any failure to comply with the claim reporting provisions of the policy shall not affect coverage provided to the State.

(a) Reserved

(b) 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 Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the project or the general aggregate limit shall be twice the occurrence limit.

(c) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of the contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of the contract then automobile coverage is not required.

(d) 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.

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(e) Reserved

(f) **Umbrella Liability:** Excess/umbrella liability insurance may be included to meet minimum requirements. Umbrella coverage must indicate the existing underlying insurance coverage.

(g) **Claims Made:** Not acceptable with the exception of Professional Liability when specified.

(h) Reserved

38. **Headings.** The headings given to the sections in the Contract 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.

39. **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.

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

41. **Contractor Changes.** The Contractor shall notify DAS in writing no later than ten (10) Days from the effective date of any change in:

- a. its certificate of incorporation or other organizational document;
- b. more than a controlling interest in the ownership of the Contractor; or
- c. the individual(s) in charge of the Performance.

This change shall not relieve the Contractor of any responsibility for the accuracy and completeness of the Performance. DAS, after receiving written notice by the Contractor of any such change, may require such agreements, releases and other instruments evidencing, to DAS'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 DAS in accordance with the terms of DAS's written request. DAS 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 Performance is fully completed.

42. **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 provisions of this Contract and which do not involve the vesting of rights or 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.

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43. Audit and Inspection of Plants, Places of Business and Records.

- (a) The State and its agents, including, but not limited to, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents, may, at reasonable hours, inspect and examine all of the parts of the Contractor's and Contractor Parties' plants and places of business which, in any way, are related to, or involved in, the performance of this Contract.
- (b) The Contractor shall maintain, and shall require each of the Contractor Parties to maintain, accurate and complete Records. The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State and its agents.
- (c) The State shall make all requests for any audit or inspection in writing and shall provide the Contractor with at least twenty-four (24) hours' notice prior to the requested audit and inspection date. If the State suspects fraud or other abuse, or in the event of an emergency, the State is not obligated to provide any prior notice.
- (d) All audits and inspections shall be at the State's expense.
- (e) The Contractor shall keep and preserve or cause to be kept and preserved all of its and Contractor Parties' Records until three (3) years after the latter of (i) final payment under this Contract, or (ii) the expiration or earlier termination of this Contract, as the same may be modified for any reason. The State may request an audit or inspection at any time during this period. If any Claim or audit is started before the expiration of this period, the Contractor shall retain or cause to be retained all Records until all Claims or audit findings have been resolved.
- (f) 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.
- (g) The Contractor shall incorporate this entire Section verbatim into any contract or other agreement that it enters into with any Contractor Party.

44. Background Checks. The State may require that the Contractor and Contractor Parties undergo criminal background checks as provided for in the State of Connecticut Department of Emergency Services and Public Protection Administration and Operations Manual or such other State document as governs procedures for background checks. The Contractor and Contractor Parties shall cooperate fully as necessary or reasonably requested with the State and its agents in connection with such background checks.

45. 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.

46. 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

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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.

47. Contractor Responsibility.

- (a) The Contractor shall be responsible 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.
- (b) 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.

48. 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.

49. Confidential Information. The State will afford due regard to the Contractor's request for the protection of proprietary or confidential information which the State 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 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 Contractor 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 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, the Records and the specifications, conflicts or is in any way inconsistent with this section, this section controls and shall apply and the conflicting provision or part shall not be given effect. If the Contractor indicates that certain documentation is submitted in confidence, by specifically and clearly marking said documentation as CONFIDENTIAL, DAS will endeavor to keep said information confidential to the extent permitted by law. DAS, however, has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The Contractor shall have the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall DAS or the State have any liability for the disclosure of any documents or information in its possession which the State or DAS believes are required to be disclosed pursuant to the FOIA or other requirements of law.

50. References to Statutes, Public Acts, Regulations, Codes and Executive Orders.

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All references in this Contract to any statute, public act, regulation, code or executive order shall mean such statute, public act, regulation, code or executive order, respectively, as it has been amended, replaced or superseded at any time. Notwithstanding any language in this Contract that relates to such statute, public act, regulation, code or executive order, and notwithstanding a lack of a formal amendment to this Contract, this Contract shall always be read and interpreted as if it contained the most current and applicable wording and requirements of such statute, public act, regulation, code or executive order as if their most current language had been used in and requirements incorporated into this Contract at the time of its execution.

51. Cross-Default.

- (a) If the Contractor or Contractor Parties breach, default or in any way fail to Perform satisfactorily under the Contract, then DAS 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 DAS. Accordingly, DAS 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 DAS, as if the Contractor or Contractor Parties had suffered a breach, default or failure to perform under the Other Agreements.
- (b) If the Contractor or Contractor Parties breach, default or in any way fail to Perform satisfactorily under any or all Other Agreements with DAS or the State, then DAS 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 DAS or the State, as if the Contractor or Contractor Parties had suffered a breach, default or failure to Perform under the Contract.

52. Disclosure of Records. This Contract may be subject to the provisions of section 1-218 of the Connecticut General Statutes. In accordance with this statute, 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 (a) provide that the public agency is entitled to receive a copy of records and files related to the performance of the governmental function, and (b) indicate that such records and files are subject to FOIA and may be disclosed by the public agency pursuant to FOIA. 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 FOIA. 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.

53. Summary of State Ethics Laws. Pursuant to the requirements of section 1-101qq of the 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.

54. 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

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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.

55. Time of the Essence. Time is of the essence with respect to all provisions of this Contract 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 Contract.

56. Certification as Small Contractor or Minority Business Enterprise.

This paragraph was intentionally left blank.

57. Campaign Contribution Restriction. For all State contracts as defined in Conn. Gen. Stat. § 9-612(g)(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 Contract expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice, as set forth in "Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations," attached as Exhibit C.

58. Health Insurance Portability and Accountability Act.

This paragraph was intentionally left blank.

59. Protection of Confidential Information.

(a) Contractor and Contractor Parties, at their own expense, have a duty to and shall protect from a Confidential Information Breach any and all Confidential Information which they come to possess or control, wherever and however stored or maintained, in a commercially reasonable manner in accordance with current industry standards.

(b) Each Contractor or Contractor Party shall develop, implement and maintain a comprehensive data - security program for the protection of Confidential Information. The safeguards contained in such program shall be consistent with and comply with the safeguards for protection of Confidential Information, and information of a similar character, as set forth in all applicable federal and state law and written policy of DAS or State concerning the confidentiality of Confidential Information. Such data-security program shall include, but not be limited to, the following:

(1) A security policy for employees related to the storage, access and transportation of data containing Confidential Information;

(2) Reasonable restrictions on access to records containing Confidential Information, including access to any locked storage where such records are kept;

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- (3) A process for reviewing policies and security measures at least annually;
 - (4) Creating secure access controls to Confidential Information, including but not limited to passwords; and
 - (5) Encrypting of Confidential Information that is stored on laptops, portable devices or being transmitted electronically.
- (c) The Contractor and Contractor Parties shall notify DAS, the Client Agency and the Connecticut Office of the Attorney General as soon as practical, but no later than twenty-four (24) hours, after they become aware of or suspect that any Confidential Information which Contractor or Contractor Parties have come to possess or control has been subject to a Confidential Information Breach. If a Confidential Information Breach has occurred, the Contractor shall, within three (3) business days after the notification, present a credit monitoring and protection plan to the Commissioner of Administrative Services, the Client Agency and the Connecticut Office of the Attorney General, for review and approval. Such credit monitoring or protection plan shall be made available by the Contractor at its own cost and expense to all individuals affected by the Confidential Information Breach. Such credit monitoring or protection plan shall include, but is not limited to reimbursement for the cost of placing and lifting one (1) security freeze per credit file pursuant to Connecticut General Statutes § 36a-701a. Such credit monitoring or protection plans shall be approved by the State in accordance with this Section and shall cover a length of time commensurate with the circumstances of the Confidential Information Breach. The Contractors' costs and expenses for the credit monitoring and protection plan shall not be recoverable from DAS, the Client Agency, any State of Connecticut entity or any affected individuals.
- (d) The Contractor shall incorporate the requirements of this Section in all subcontracts requiring each Contractor Party to safeguard Confidential Information in the same manner as provided for in this Section.
- (e) Nothing in this Section shall supersede in any manner Contractor's or Contractor Party's obligations pursuant to HIPAA or the provisions of this Contract concerning the obligations of the Contractor as a Business Associate of Covered Entity.

60. Audit Requirements for Recipients of State Financial Assistance.

This paragraph was intentionally left blank.

EXHIBIT A

DESCRIPTION OF GOODS & SERVICES AND ADDITIONAL TERMS & CONDITIONS

1. DEFINITIONS:

Unless otherwise indicated, the following terms have the corresponding definitions:

- Bates numbering - Numbering used in the legal, medical, and business fields to place identifying date/time-marks on images and documents as they are scanned or processed.
- DVD - Digital Versatile Disc
- OCR - Optical character recognition
- PDF - Portable Document Format
- PDF/A – PDF for Long-term Preservation
- TIFF- A format that is supported by image-manipulation applications

2. DESCRIPTION OF GOODS AND SERVICES:

Services under this Contract include the following:

- a) Photocopying Services (Reference Exhibit B Price Schedule)
- b) Pickup and Return Delivery Service at NO CHARGE
- c) Copying Labor Services
- d) Binding
- e) Tabbing
- f) Labeling
- g) Contractor shall insure that all documents have been unbound, copied or scanned, rebound and placed in correct order in proper folders or binders. Contractor shall insure that document originals are returned in the same manner as they were received. Contractor shall provide all materials and supplies necessary to Perform the Services.
- h) In accordance with Federal Court Rules, all Federal Court documents will be need to PDF/A format and filed electronically with the Court. Please see link below for additional information.
<http://www.digitalpreservation.gov/formats/fdd/fdd000318.shtml>
- i) Scanning and Indexing

3. PHOTOCOPYING SERVICES:

- a) Contractor shall provide photocopying of case document files and related services on an “as needed” basis.
- b) Pickup and Return Delivery Service at NO CHARGE.
- c) Contractor shall pick up original documents, deliver copied documents and return original documents from several locations and throughout the State.

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- d) Copying may include, organizing by file folders, red welds, collating multiple sets, arranging documents in three (3) ring binders with dividers, etc.
- e) Upon Client Agency request, Contractor shall assemble the copies made in a particular order.
- f) Contractor shall provide copying equipment and supplies which include; stapling, clips, rubber bands, three (3) ring binders, dividers and fasteners, etc. at no additional cost.
- g) Contractor shall have sufficient copying equipment to produce large volumes of documents under time constraints as directed by the Client Agency.
- h) Binding Capabilities (such as spiral, comb, etc.)
- i) Labeling Capabilities
- j) Tabbing

4. SCANNING AND INDEXING SERVICES:

Contractor shall provide scanning and indexing of case document files and related services as follows:

- a) Pickup, Delivery/Mail and Return Service at NO ADDITIONAL CHARGE.
- b) Contractor shall have the ability to pick up original documents, deliver or mail electronic media and return original documents from several locations throughout the State.
- c) Electronic/Bates numbering.
- d) Concordance version 8 Database format or higher for certain projects. Contractor shall have the ability to provide the scanned images in Concordance data format.
- e) DVD masters and copies will be provided as required
- f) Documents must be unbound, scanned and reassembled in the same manner as received unless otherwise directed.
- g) Electronic and Bates numbering.
- h) OCR scanning capability in TIFF or PDF formats, allowing for editing and searching.
- i) Coding as needed.
- j) Labor Services (reassembly of documents, etc.).
- k) Documents to be copied or scanned may include pages of mixed sizes, oversized documents, colorized documents and pictures and those that are two-sided.

5. ADDITIONAL TERMS AND CONDITIONS:

a. Contract Separately/Additional Savings Opportunities

DAS reserves the right to either seek additional discounts from the Contractor or to contract separately for a single purchase, if in the judgment of DAS, the quantity required is sufficiently large, to enable the State to realize a cost savings, over and above the prices set forth in Exhibit B, whether or not such a savings actually occurs.

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b. Mandatory Extension to State Entities

Contractor shall offer and extend the Contract (including pricing, terms and conditions) to political subdivisions of the State (towns and municipalities), schools, and not-for-profit organizations.

c. Subcontractors

DAS must approve any and all subcontractors utilized by the Contractor prior to any such subcontractor commencing any work. Contractor acknowledges that any work provided under the Contract to any state entity is work conducted on behalf of the State and that the Commissioner of DAS or his/her designee may communicate directly with any subcontractor as the State deems to be necessary or appropriate. Contractor shall be responsible for all payment or fees charged by the subcontractor(s). A performance evaluation of any subcontractor shall be provided promptly by the Contractor to DAS upon request. Contractor must provide the majority of services described in the specifications.

d. Security and/or Property Entrance Policies and Procedures

Contractor shall adhere to established security and/or property entrance policies and procedures for each requesting Client Agency. It is the responsibility of each Contractor to understand and adhere to those policies and procedures prior to any attempt to enter any Client Agency premises for the purpose of carrying out the scope of work described in this Contract.

e. Price Schedule

Pricing must be submitted in WORD in the WORD Document, Exhibit B provided. Please do not submit in PDF format.

f. The Department of Revenue Services Requirements (“DRS”)

Please see over for important information pertaining to DRS. This information may be required when doing work for DRS.

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Department of Revenue Services

Requirements for Safeguarding Confidential Taxpayer
Information

The attached documents are the requirements for safeguarding confidential taxpayer information. This explains what the DRS regards as confidential information. It requires acknowledgement of awareness training and that all contractors understand the policies, procedures and penalties.

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DESCRIPTION OF GOODS & SERVICES AND ADDITIONAL TERMS & CONDITIONS

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- Additional Contractor Requirements...pages 7 & 8
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- Security and Confidentiality Questionnaire and required Documents...pages 12-22
- Internal Revenue Service Exhibit 7 an IRS requirement for all contractors...pages 23&24
- Viewing of Contractors Safeguards Video Memorandum...page 25
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- Disclosure of Tax Information form...page 28
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Policy for Access to and Safeguarding of DRS Confidential or Restricted Data by Contractors

Policy Number: P-4001

Version: 1.1

Date Issued (revised): January 21, 2010

Date Effective: immediately

Purpose

This Policy outlines the confidentiality and security requirements for Contractors of the State of Connecticut or an agency thereof that, as part of their contractual relationship, are authorized to access and view DRS confidential or restricted data.

Scope

This policy covers all DRS contractors, who as part of their contractual relationship, are authorized to have access to DRS confidential or restricted data or DRS technology systems.

Should a conflict exist between this policy and a State-wide policy, the more restrictive policy would take precedence.

Authority

The Policy Compliance Officer is responsible for developing, implementing and enforcing policies that regulate the storage, access to, and use of confidential and restricted data.

Policy Statements

1. Before accessing, in any manner, any DRS confidential or restricted data, each contractor will confirm that it has reviewed, read and understands the DRS/IRS confidentiality requirements material. The Contractor will be provided with a copy of the Contractor Safeguards Program. Each of the Contractor's employees who may come in contact with DRS confidential or restricted data must confirm that he or she has viewed and understands the confidentiality requirements.
2. Except as provided herein, contractors who are working on site at a DRS location, will be required to utilize only DRS supplied equipment to connect to DRS technology systems. If DRS determines that access to its technology systems is necessary to fulfill the contractor's obligations under the contract and the contract provides for such access, the Policy Compliance Officer, in consultation with the Information Services Division (ISD) Director, shall determine in what manner and under what conditions will such access be provided. The Policy Compliance Officer will also determine what, if any, non-DRS

EXHIBIT A

DESCRIPTION OF GOODS & SERVICES AND ADDITIONAL TERMS & CONDITIONS

equipment will be allowed to access or store DRS confidential or restricted data. The Contractor will provide the designated equipment for inspection before connection to the DRS technology systems. Additionally, such equipment will be subject to additional inspections as deemed necessary by the Policy Compliance Officer. The following conditions must be met in order for Contractor's equipment to be allowed access to the DRS technology systems:

- a. Contractor's computer equipment must be virus free and loaded with the most current version of anti-virus software
 - b. Contractor will sign the DRS Acceptable Use statement
 - c. Contractor will agree to install software and configure software and hardware on its equipment as is required by the Policy Compliance Officer.
 - d. Contractor will agree to restrictions on the removal of its equipment from DRS premises as determined by the Policy Compliance Officer.
 - e. Contractor will agree to requirements for locking and/or securing of its equipment as determined by the Policy Compliance Officer.
3. For contractors whose contract provides for remote access to the DRS technology systems, the DRS Policy Compliance Officer, in consultation with the ISD Director, shall determine in what manner and under what conditions such access will be allowed. The Policy Compliance Officer will determine what equipment of the Contractor will be allowed to access or store DRS confidential or restricted data. Such equipment will be made available for inspection by the Policy Compliance Officer prior to connection to the DRS technology systems and will be subject to additional inspections as deemed necessary by the Policy Compliance Office. The following conditions must be met in order for Contractor's equipment to be allowed access to the DRS technology systems:
- a. Contractor's computer equipment must be virus free and loaded with the most current version of anti-virus software
 - b. Contractor will sign the DRS Acceptable Use statement
 - c. Contractor will agree to install software and configure software and hardware on its equipment as is required by the Policy Compliance Officer.
 - d. Contractor will agree to requirements for locking and/or securing of its equipment as determined by the Policy Compliance Officer.
4. On DRS supplied equipment, the DRS may install software that will be required to remain on such equipment until the project has been completed and a final inspection of such equipment has been conducted.

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5. DRS may disable all USB ports, storage saving and transfer devices from the DRS supplied equipment provided to Contractor. Should there be a need to transfer information the Contractor shall follow procedures established by the Policy Compliance Officer.
6. The use of Flash Drives and other media used by Contractors to store or transfer DRS confidential or restricted data is prohibited.
7. All requirements pertaining to the access of DRS confidential or restricted data, including, but not limited to, the method and location of storage, safeguarding and destruction will be determined solely by the Policy Compliance Officer.
8. Contractors will provide DRS with their policies regarding:
 - a. Replacing/recycling personal computers and Multi Functional Printing devices
 - b. Remote access
 - c. Restrictions or prohibitions on the storing or transfer of client information
 - d. Employee termination procedures (including exit checklists)
 - e. Procedures for violation of Contractor's policies
 - f. Process used to conduct any required background checks.

When applicable, the Contractor, or individual employees thereof, will provide the Compliance Officer with a written inventory of all DRS confidential or restricted information currently in its possession. The Contractor, or its individual employees, will be required to sign the inventory document attesting to its accuracy.

9. Lost or stolen keys, fobs , access codes, badges or any other item that are used in connection with any DRS assignment will be immediately reported using the protocol provided .
10. For Contractors who are working on site at a DRS location, the Contractor will inform the Policy Compliance Officer at least 5 business days prior to a Contractor's employee leaving the DRS assignment. In no case shall such employee leave DRS without the Contractor's equipment being inspected as determined by the Policy Compliance Officer. Once the review has been completed, such employee will not be allowed to connect to any DRS technology systems or store any DRS confidential or restricted data on the previously inspected equipment.
11. Any Contractor who has access to or is in possession of DRS confidential or restricted data must comply with all provisions of the State of Connecticut Security for Mobile Computing and Storage Devices Policy.
12. DRS reserves the right to inspect any of the Contractors' facilities used at anytime throughout the contract period.

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13. Prior to working on site at a DRS location, a Contractor must disable all wireless internet and communication capabilities on its equipment. Additionally, throughout the period of its contract, the Contractor must be prepared to demonstrate to the Policy Compliance Officer that such capabilities remain disabled.

Definitions

Contractor

Any individual or company that enters into any agreement either with the State of Connecticut or an Agency thereof to perform services. This includes all of the employees of this individual or company and any subcontractors that they may contract with.

Contractor's Equipment

Any equipment that the contractor uses in connection with the performance of the contract.

Contractor Safeguard Program

A program that will guide and assist contractors in meeting their responsibilities to safeguard and protect DRS confidential and restricted information.

DRS Confidential or Restricted Data

Confidential or restricted State data includes but is not limited to;

Tax return or return information and/or personally identifiable information that is not in the public domain and if improperly disclosed could be used to steal an individual's identity, violate the individual's right to privacy or otherwise harm the individual;

Organizational information that is not in the public domain and if improperly disclosed might: cause a significant or severe degradation in mission capability; result in significant or major damage to organizational assets; result in significant or major financial loss; or result in significant, severe or catastrophic harm to individuals.

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DRS/IRS Confidentiality Training Material

Shall include any material supplied to the contractor to guide them in the safeguarding of confidential taxpayer information.

DRS Location

Any facility or portion thereof, under the direct control of DRS, in which an agency function is performed. In certain cases, this definition can also include other State agencies and other DRS contracted vendors who, under the control of DRS, supply necessary support services.

DRS Supplied Equipment

Any equipment supplied by the State of Connecticut or any Agency thereof to any contractor performing services to DRS

DRS Technology Systems

Shall include computer hardware, software, firmware applications, information and communications pertaining to any State of Connecticut or an Agency thereof computer system or network.

Policy Compliance Officer

The DRS employee designated by the Commissioner to act as the single point of contact between DAS and DRS for issues that relate to the State of Connecticut's policy on Data Storage, Security for Mobile Computing and Storage Devices.

Additional Contractor Requirements

SAFEGUARDING INFORMATION

The contractor must provide a detailed document outlining contractors process and quality control measures that are in place prior to the start of this contract and maintained throughout the contract. This plan must be approved by DRS and maintained by the vendor, any changes must also be approved in writing by DRS before implementation.

All DRS information in the vendors possession must be documented and remain a secure location within the Continental United States. All electronic information shall remain encrypted when at rest or not in use.

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

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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 Administrative Services @ (860) 713-5627-2300, 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.

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.

DRS information shall not be commingled with any other information.

DRS information may not be accessed, received, stored, processed or disposed via information technology systems located off-shore.

The vendor will comply with the "*Policy for Access to and Safeguarding of DRS Confidential or Restricted Data by Contractors*" published by the DRS and DRS Policy Compliance Officer.

The vendor must provide a security plan which establishes their auditing and logging capabilities utilizing the following requirements: 1. All transaction access to the DRS Information must be logged and maintained for the period legally required based upon the information being accessed. 2. The contractor must house and maintain these logs. 3. If requested by the DRS, the contractor will be required to provide state and federal auditors and authorized employee's access to the logs

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If determined necessary by the Policy Compliance Officer 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.

All DRS information must be expunged at the end of the contract. The Contractor will get approval from the DRS to and will document the process and certify that all DRS data was expunged. The contractor will certify that the data will be destroyed on site by individuals who have been previously approved by DRS to have access to the DRS Information and will utilize the NIST 800-88 approved destruction methodology. The contractor must provide evidence that it has the capabilities in place to assure that DRS will be notified and has approved the destruction or relocation of all equipment used by the contractor during the term of the contract. Prior to destroying or sending the equipment containing DRS information off-site, the contractor must certify, in writing, that it has wiped all electronic media capable of storing the DRS Information

INSPECTION/PERFORMANCE:

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.

Vendor must allow for inspections by DRS internal audit staff as well as the State of Connecticut Auditors of Public Accounts. 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.

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.

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SUBCONTRACT:

When 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 Connecticut Department of Revenue Services and the Connecticut Department of Administrative Services. Failure to do so is cause for cancellation of the contract.

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DEPARTMENT OF REVENUE SERVICES
Administration Division
MEMORANDUM

DATE:

TO: All DRS Contractors & Subcontractors

FROM: Mary Kate Speer **TELEPHONE:** (860) 297-4967
Systems Control Officer

SUBJECT: Disclosure and inspection rules and procedures for state and federal tax return information

As Contractors or Subcontractors of the Department of Revenue Services, you may come in contact with information that is among the most sensitive in government. Therefore, it is critical that you maintain the confidentiality of tax return and tax return information, as well as confidential information received from other state and federal agencies you may come in contact with. The purpose of this memorandum is to remind you of the need for strict adherence to the following guidelines. Failure to comply with the confidentiality standards discussed below will result in actions by the Department of Revenue Services. Should the particular facts and circumstances warrant it, a violation may result in termination of the contract, potential criminal prosecution and civil monetary damages.

- Confidential tax information that you access must relate directly to your individual responsibilities as a Contractor or Subcontractor.
- Confidential information should never be in open view when you are transporting confidential documents and records outside of your work area.
- Confidential tax information may be discussed only with authorized individuals and shared with employees who have a specific business need for such information.
- All confidential tax information must be properly destroyed. Paper documents must be shredded to 5/16 – inch strips or cross shredded inserted in a perpendicular direction. Microfilm and Microfiche must be shredded to 1/35 –inch by 3/8 inch strips. After shredding has occurred it may be used for pulp and recycled.
- Confidential taxpayer information must not be stored on a mobile computing device or mobile storage device. The term "mobile computing device" refers to portable or mobile computing

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and telecommunications devices that can execute programs. This definition includes, but is not limited to notebooks, palmtops, BlackBerry devices, PDAs, iPods and cell phones with internet browsing capability. The term "mobile storage devices" includes but is not limited to, mobile computing devices, diskettes, magnetic tapes, external/removable hard drives, flash cards (e.g., SD, Compact Flash), thumb drives (USB keys), jump drives, compact disks, digital video disks, etc.

- “Inspection” (e.g. “browsing”) or “Disclosure” of tax returns and tax return information by Contractors or Subcontractors of any Connecticut or federal agency, including former Contractors or Subcontractors who has or had access to returns or return information or any current or former officer or employee of any contractor or subcontractor, whether the contractor or subcontractor was involved in the processing, storage, transmission, or reproduction of returns or return information, the programming, maintenance, repair, testing, or procurement of equipment, or the providing of any other service to DRS is subject to the penalties stated in Conn. Gen Stat. §12-15.

In addition to complying with the general guidelines above, you are required to understand and adhere to the federal and state laws relative to the confidentiality of tax information listed below.

Penalties for Unlawful Disclosure or Inspection of State and Federal Tax Return Information

1. State Penalties

C.G.S. §12-15

(f) Returns and return information shall, without written request, be open to inspection by or disclosure to: (1) Officers and employees of the Department of Revenue Services whose official duties require such inspection or disclosure for tax administration purposes; (2) officers or employees of an agency or office in accordance with subdivision (1) or (13) of subsection (b) of this section whose official duties require such inspection; and (3) officers or employees of any person in accordance with subdivision (12) of subsection (b) of this section, whose duties require such inspection or disclosure.

(g) Any person who violates any provision of this section shall be fined not more than one thousand dollars or imprisoned not more than one year, or both.

2. Federal Penalties

In 1997, the U.S. Congress passed and the President signed into law H.R. 1226 known as the “Taxpayer Browsing Protection Act.” The major impact of this bill was to include “inspection,” i.e., “browsing,” as subject to the kind of penalties that previously applied only to “disclosure.” Within this bill inspection is defined as, “any examination of a return or return information.” The second impact of this Bill is that a taxpayer shall be notified of any unauthorized disclosure or

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inspection of their return. Anyone making an unlawful disclosure or inspection of federal tax return information could be subject to the following penalties:

I. R. C. § 6103: Prohibits unauthorized disclosure of federal tax returns or return information by employees and former employees of state and IV-D agencies.

I. R. C. § 7213: Makes any unauthorized disclosure of federal tax returns or return information a felony punishable by a fine of up to \$5,000 and/or imprisonment for not more than five years, together with the costs of prosecution.

I. R. C. § 7213A: Prohibits the unauthorized willful inspection (“browsing”) of federal tax returns or return information and makes such inspection punishable by a fine of up to \$1,000 and/or imprisonment for not more than one year, together with the costs of prosecution.

I. R. C. § 7431: Permits a taxpayer to bring a civil action for damages in a federal district court. Damages that can be brought would be the greater of \$1,000 for each unauthorized disclosure or inspection or the actual damages sustained by the taxpayer, plus punitive damages.

Information obtained from other State Agencies

Any and all information received from other state agencies is regarded as Confidential Information and may not be redisclosed.

Reporting Improper Inspections or Disclosures

Upon suspecting or discovering a possible improper inspection or disclosure of tax information, including breaches and security incidents, the individual suspecting, making the observation or receiving the information must immediately contact Mary Kate Speer, Systems Control Officer of the Administration Division at (860) 297-4967. Any incident that may contain FTI must be reported to the Treasury Inspector General for Tax Administration (TIGTA) and the IRS Office of Safeguards, we will contact these agencies concerning this matter.

If you are aware of any potential violations of the confidentiality statutes or the Department’s policy governing unauthorized access, please refer this information immediately to the Department of Revenue Services Systems Control Officer listed above.

If you should have any questions regarding the use, disclosure, or inspection of the tax information, I can be reached at (860) 297-4967 or by email to mk.speer@po.state.ct.us.

You should retain a copy of this memorandum either in electric or paper format for future reference. Attached is a form for you to sign as an acknowledgment that you have received, read and understand the standards governing the access to, and disclosure of, confidential information.

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Security and Confidentiality Questionnaire and Required Documents

Vendor Name:

What type of data is being exchanged?

Risk factors:

General factors:

Question # 1:

Did you receive a copy of the Department of Revenue Services (DRS) Data Security Requirements as part of the state contract packet?

Answer:

Question # 2:

How long have you been in the business of providing this type of service?

Answer:

Question # 3:

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Are you currently approved for use by any other state or federal taxing authority?

Answer:

Question # 4:

At what address will you conduct this work?

Answer:

City:

State:

Zip code:

Question # 5:

What are the MapQuest travel miles from the DRS, 25 Sigourney Street, Hartford, CT 06106 to your operating location?

Answer:

Question # 6:

How many reportable incidents are on file for your company within last 24 months?

Answer:

Question # 7:

Have these incidents been self-reported by you?

Answer:

Question # 8:

Do you have a formal risk assessment policy? If so, please provide.

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Answer:

Question # 9:

Do you provide similar services to other customers/agencies at this same location?

Answer:

Question # 10:

Do you have a formal information security policy? If so, please provide.

Answer:

Question # 11:

Is it a shared facility? If so, how are you separated? Are there common areas?

Answer:

Personnel factors:

Question # 12:

Are your data security policies communicated to employees and acknowledgement forms signed?

Answer:

Question # 13:

Is there a formal security awareness training program for all employees including temporary employees?

Answer:

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Question # 14:

Do subcontractors have any contact with DRS data? If yes, please give details.

Answer:

Question # 15:

Do temporary employees have any contact with DRS data?

Answer:

Question # 16:

Please describe your hiring practices. At what level are background checks performed; state/national level? Does it include a fingerprint-based criminal record check? What would preclude an applicant from being hired?

Answer:

Question # 17:

What is your termination procedure? Do you conduct an exit interview?

Answer:

Question # 18:

Are confidentiality agreements and/or non disclosure agreements required of all employees?

Answer:

Question # 19:

Are employees issued a photo ID badge?

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Answer:

Question # 20:

Do personnel files include a copy of the employee photo?

Answer:

Question # 21:

Do you enforce a "clean desk" policy throughout the facility?

Answer:

Physical site security factors:

Question # 22:

Do you have security guards on-site? If so, what are their hours?

Answer:

Question # 23:

Does the location have controlled entry, including key & combination control? If yes, who issues the access and are they logged? How long is log kept?

Answer:

Question # 24:

Is there a loading dock at the facility? If so, is it kept locked? Who has access to the loading dock? Are there 24 hour cameras? If yes, how long are the tapes kept?

Answer:

Question # 25:

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What security measures are in place to safeguard DRS information when it is being worked on for both paper and electronic information?

Answer:

Question # 26:

Is there a visitor log and are visitor badges issued? What kind of ID is needed by visitors? Who keeps the log and for how long?

Answer:

Question # 27:

How is the facility secured when not occupied? Is there an alarm system? Are there cameras? Is it a closed or open circuit? Is there a monitoring system for fire?

Answer:

Question # 28:

Who monitors the cameras? Are they tested? How long is film kept?

Answer:

Question # 29:

Who is your transportation provider and do they meet our requirements as specified in our Data Security Document packet?

Answer:

Logical security factors:

Question # 30:

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Is there a documented asset management program?

Answer:

Question # 31:

Is there an inventory of hardware/software assets? If so, please provide a copy of your hardware assets including make, model and serial number.

Answer:

Question # 32:

Are there procedures for the disposal and/or destruction of physical media (e.g., paper documents, CDs, DVDs, tapes, disk drives, etc.)?

Answer:

Data Security factors:

Question # 33:

What kind of data do you process? Electronic, paper, or both?

Answer:

Question # 34:

Does the physical transport of DRS data (paper/media) meet transportation requirements including locked box/physical barrier, inventory control, cell phone availability, and 2 drivers on trips >2 hours?

Answer:

Question # 35:

How is DRS data (paper/media) physically secured during storage?

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Answer:

Question # 36:

Is electronic DRS data stored on secure network drives, segregated from all other client or contractor data?

Answer:

Question # 37:

Is access to DRS data restricted to a need-to-know, and only as required for the job?

Answer:

Question # 38:

Describe your destruction policies, paper, electronic, computer servers, mobile devices, back up devices, microfiche, CD's - NIST compliant

Answer:

Question # 39:

Is DRS data ever used in the test, development or QA environments?

Answer:

Question # 40:

Is DRS data adequately protected from cleaning staff and maintenance/service staff?

Answer:

Question # 41:

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Please describe your work flow and provide a network diagram detailing this flow and the security features that are in place.

Answer:

Required documents:

- Network diagrams.
- Data flow diagram.
- Data flow diagram.
- Security policies.
- Security risk assessment, SAS70.
- Building layout.

IT Security Review Questions

Logical Data Security

- Please describe your process for receiving, storing and transmitting DRS electronic tax return information.
- Please describe the security controls that are utilized to transmitting DRS electronic data.
- Does [vendor name] ensure that access to CT data is granted on a strict need-to know basis? How will this be accomplished?
- Does [vendor name] have the capabilities to encrypt CT data when at rest (when not being modified or processed)? Will the data be encrypted when at rest? To what standard will the data be encrypted?

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- What security measures are in place to secure DRS information when in transit (being transmitted)? Is the data encrypted? To what standard will the data be encrypted?
- Does [vendor name] grant access to CT data based on the minimum access required to fulfill their job responsibilities and only for the period of time needed?
- Is electronic DRS data stored on secure network drives, segmented from all other client or Contactor data? How is this being accomplished?
- Is DRS data ever used in Test, Development or QC environments?
- Does [vendor name] collect, maintain and periodically review detailed activity logs related to CT data access?
- Does [vendor name] mitigate issues found when reviewing activity logs and report them to the CT DRS in a timely manner?
- Does [vendor name] make available to the CT DRS, upon request, any log files and any research/supporting documentation relative to CT data?
- Does [vendor name] collect, maintain and periodically review detailed system administrator activity logs for appropriateness related to CT data?
- Do the procedures used to grant and change access privileges require the approval of a supervisor or manager?
- What methods of authentication are used to protect CT data?
- Do you require all staff to have unique login names for all systems processing CT data?
- What criteria are used to increase the security of user passwords for users that will be granted access to CT data?
 - Strong Passwords
 - Require password changes every 45 days
 - Requiring at least 8 character passwords
 - Prohibit the use of the last 6 passwords
 - Lock out user accounts after 3 failed attempts
 - System controlled hours of access
 - Procedures to verify user identity prior to password reset
 - Other

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- What processes are in place for resetting passwords? Who has the capability to reset passwords?
- Do you have a policy prohibiting users from sharing passwords?

Computer Data Security

- Does [vendor name] have written computer security policies and procedures that users with access to CT data will follow?
- Does [vendor name] provide physical security for all computers containing or accessing CT data?
- Does [vendor name] display a security banner reminding users of penalties for unauthorized inspection and/or disclosure prior to them accessing CT data?
- Does [vendor name] prevent screen print capability?
- Does [vendor name] disable data storage on all local drives (A, B, C, etc.)?
- Does [vendor name] enforce a policy prohibiting the use of USB drives?
- Does [vendor name] configure all computers to automatically lock after 5 minutes of inactivity?
- Does [vendor name] provide an immediate manual method of locking the desktop and have procedures in place requiring users of CT data to utilize this function when leaving their workstation unattended?
- Do system administrators subscribe to security alert services such as CERT, Secunia, Microsoft, etc?
- Does [vendor name] use antivirus software on all systems with access to CT data with updated virus definitions applied at least weekly?
- What Operating Systems will be used for servers and workstations?
- Does [vendor name] have policies and procedures for applying server and workstation security updates?

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- Do you have policies and procedures for reviewing and applying major application security updates?
- How will users of CT data be granted access to that data?
- How will system administrators be granted access to CT data?
- How will users and system administrators that do not require access to CT data be prevented from gaining unauthorized access?
- Is CT data stored and used on a dedicated server or system?
- Is CT data stored and used on a dedicated physical hard drive?
- Is CT data stored and used on a disk array or SAN?
- How will you securely delete/erase/wipe DRS data from your system at the end of the contract?
- Do you have a media sanitation/destruction policy and procedures related to electronic media including: all hard drives (including those under vendor maintenance), servers, mobile storage devices, backup media, CD/DVDs, USB, etc.
- Is there a system inventory log of equipment used to store, process, share, transmit or delete any CT data?
- Does the log include equipment make, model, serial number, description, location?
- Is there a log maintained which documents changes to systems that contain CT data?

EXHIBIT A

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Network Data Security

- Has [vendor name] provided a network diagram which includes all devices that will store, process, share, transmit or delete CT data including all relevant security devices such as firewalls, routers, IDS, VLANs, switches, hubs, servers, workstations for CT's review and evaluation?
- Has [vendor name] provided a CT data flow diagram to show the flow of CT data from cradle to grave?
- Are all network services hardware devices protected by physical security and require restricted access?
- Is all network services hardware devices protected by a strong authentication and is access restricted to network administrators only?
- Are all network services hardware devices accessed via tools that encrypt communications such as SSH or SNMPv3?
- Are insecure management protocols disabled on all network services hardware devices (ex. SNMPv1 and telnet)?
- Can network services hardware devices be managed remotely and if so, what security measures are in place to protect against unauthorized access, DoS or malicious attacks?
- Are router ACLs, firewall rules and switch configurations designed security to protect DRS data from unauthorized access? Please detail.
- The use of wireless networks to access CT data is prohibited outside of the facility. Does the vendor utilize wireless networks at this location?
- How are wireless networks secured to prevent unauthorized access or attacks on CT data? Is wireless traffic bound for your internal networks protected by a firewall? Is wireless traffic encrypted? With which protocol?
- Remote access to CT data is prohibited. Does the vendor utilize remote access into the environment containing CT data?
- How are remote access connections secured to prevent unauthorized access to CT data?

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- Is LAN network traffic encrypted? If not, are there other controls in place preventing unauthorized access to CT data (ex. Switched network, restricted physical access to switches and network cabling, etc.)

- Is WAN network traffic encrypted when transferring CT data?

- Are mobile computing devices (laptop, PDA, iPhones, etc.) used or allowed at the Contractor site?

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INTERNAL REVENUE SERVICE

EXHIBIT 7

CONTRACT LANGUAGE FOR GENERAL SERVICES

I. 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.
- (10) (Include any additional safeguards that may be appropriate.)

II. 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

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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 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.

III. 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.

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**DEPARTMENT OF REVENUE SERVICES
Administration Division
MEMORANDUM**

DATE: June 26, 2014
TO: All DRS Contractors & Subcontractors
FROM: Mary Kate Speer **TELEPHONE:** (860) 297-4967
Systems Control Officer

SUBJECT: Viewing of Contractors Safeguards Video

Previously you were provided with the DRS “Policy for Access to and Safeguarding of DRS Confidential or Restricted Data by Contractors” and the “Disclosure and inspection rules and procedures for state and federal tax return information” memorandum. The policy outlines security requirements as part of our contractual relationship that you should familiarize yourself with.

All individuals who are working with DRS information or at a DRS facility prior to commencing work must view the IRS awareness video pertaining to confidential DRS/IRS tax return information and confidentiality. The following is the link to the IRS site to view the video:
<http://www.irsvideos.gov/Governments/Safeguards/DisclosureAwarenessTrainingPub4711>

The memorandum must be read by and distributed to the same individuals. Contractors and Subcontractors whose employees are already working with or may come in contact with DRS/IRS information must also view this video and must read and be provided with a copy of the memorandum. While the video primarily pertains to Federal IRS information, the standards of confidentiality apply to State of Connecticut information as well. Attached is a form for staff to sign that acknowledges that they have viewed the video and have read and been provided a copy of the memorandum. Retain the original for you files and send copies to:

Department of Revenue Services
c/o Mary Kate Speer, Systems Control Officer
25 Sigourney St
Hartford, CT 06106

EXHIBIT A

DESCRIPTION OF GOODS & SERVICES AND ADDITIONAL TERMS & CONDITIONS

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Policy for Personal Computers and Software

Policy Number: P-3002

Version: 1.0

Date Issued (revised): December 20, 2007

Date Effective: immediately

Purpose

The Director of Information Services of the Department of Revenue Services (DRS) has established this policy to:

- provide consistency in the deployment of personal computers and software;
- minimize the total cost of ownership for personal computers;
- ensure that appropriate resources can be provided in a timely and efficient manner.

Scope

This policy covers all DRS employees whether permanent or non-permanent, full or part-time, and all consultants or contracted individuals retained by the DRS who have been issued State of Connecticut computer equipment (herein referred to as “users”).

Should a conflict exist between this policy and a State-wide policy, the more restrictive policy would take precedence.

Policy Statements

1. All software applications must be installed and configured by the Client Support Unit (CSU) or in certain cases the Audit Division EDP unit with approval from ISD.
2. The installation of any unauthorized software or hardware is prohibited and will be identified, removed and reported to unit management, DRS security officers and Human Resources

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3. Any unauthorized modifications or tampering with the standard configuration of computer equipment is prohibited and will be detected and reported to unit management, DRS security officers and Human Resources
4. All problems related to any computer hardware and/or software, network issues and DRS systems must be reported to the ISD Help Desk for proper documentation, analysis, resolution or assignment to responsible parties
5. Relocation, reassignment or transferring of equipment is the responsibility of the CSU and/or the DRS Business Office
6. The issuance of all computer related equipment must be documented in an "Inventory Reconciliation" work order that is then signed and dated by the recipient

**STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES
25 SIGOURNEY STREET, HARTFORD, CT 06106**

DISCLOSURE OF TAX INFORMATION

As an employee, agent or vendor of the Connecticut Department of Revenue Services, you may come in contact with state and/or federal tax returns, and tax return information. **All tax information, in whatever form, is strictly confidential**; and you may not disclose any such information during or after your employment or contract period with this Department. Unauthorized disclosure or inspection of any federal or state tax information may result in dismissal, criminal prosecution and civil suit as prescribed by federal and state statutes. **(Connecticut General Statute 12-15 and 7213(A), 7431 of the Internal Revenue Code.)**

As an employee, agent or vendor of this Department, if there is any doubt as to what information can be furnished (even when persons represent themselves as the taxpayer), you should consult your supervisor or agency contact. **As an agent of this Department** unauthorized disclosure of a tax return or return information is prohibited.

I have read the above information on disclosure and inspection of tax return information and understand that this is a condition of employment or contract with this Department. Please sign and return to the **Department of Revenue Services; c/o Business Office-19 FL.; 25 Sigourney Street; Hartford, CT 06106.**

Print Name

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Name of Company

Signature

Date

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Requirement	Validated by	Security Measures Check List
<p>DRS information not being worked on is properly secured and stored. Combinations are changed when employees are terminated. Security cameras are in proper working and the information is being recorded and saved for future use. The information has been inspected for quality purposes. The central alarm system is tested and in proper working order – call from central station for confirmation. Fire extinguishers have been inspected for proper charge and leaks and tested quarterly or other predetermined time frame. There are no papers from DRS returns in any of the trash bins – this requires physical inspection of the trash receptacles by each employees work area. There are no camera phones in the work area that contain DRS information. An inspection of the area confirms this. The delivery vehicle when containing DRS information goes directly to and from DRS to Scan Optics – with no stops in between. The cell phone or other method of communication is in proper working order in case the delivery vehicle breaks down. The driver of the delivery vehicle is aware of that they are not to leave the vehicle unattended at any time when it contains DRS information. DRS had been informed of any Subcontracting of work that involves DRS data or contact with DRS data. Any DRS data that must be destroyed is done so following specific guidelines from DRS. Any DRS data that is stored electronically is encrypted using DRS requirements.</p>		Any requirement found deficient will be noted
<p>and discussed with DRS and the results will be attached to this document. These steps were performed by _____ Date _____.</p>		
<p>Please print name _____</p>		

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Department of Revenue Services

Requirements for Safeguarding Confidential Taxpayer
Information

The attached documents are the requirements for safeguarding confidential taxpayer information. This explains what the DRS regards as confidential information. It requires acknowledgement of awareness training and that all contractors understand the policies, procedures and penalties.

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Policy for Access to and Safeguarding of DRS Confidential or Restricted Data by Contractors

Policy Number: P-4001

Version: 1.1

Date Issued (revised): January 21, 2010

Date Effective: immediately

Purpose

This Policy outlines the confidentiality and security requirements for Contractors of the State of Connecticut or an agency thereof that, as part of their contractual relationship, are authorized to access and view DRS confidential or restricted data.

Scope

This policy covers all DRS contractors, who as part of their contractual relationship, are authorized to have access to DRS confidential or restricted data or DRS technology systems.

Should a conflict exist between this policy and a State-wide policy, the more restrictive policy would take precedence.

Authority

The Policy Compliance Officer is responsible for developing, implementing and enforcing policies that regulate the storage, access to, and use of confidential and restricted data.

Policy Statements

1. Before accessing, in any manner, any DRS confidential or restricted data, each contractor will confirm that it has reviewed, read and understands the DRS/IRS confidentiality requirements material. The Contractor will be provided with a copy of the Contractor Safeguards Program. Each of the Contractor's employees who may come in contact with DRS confidential or restricted data must confirm that he or she has viewed and understands the confidentiality requirements.
2. Except as provided herein, contractors who are working on site at a DRS location, will be required to utilize only DRS supplied equipment to connect to DRS technology systems. If DRS determines that access to its technology systems is necessary to fulfill the contractor's obligations under the contract and the contract provides for such access, the Policy Compliance Officer, in consultation with the Information Services Division (ISD) Director, shall determine in what manner and under what conditions will such access be provided. The Policy Compliance Officer will also determine what, if any, non-DRS

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equipment will be allowed to access or store DRS confidential or restricted data. The Contractor will provide the designated equipment for inspection before connection to the DRS technology systems. Additionally, such equipment will be subject to additional inspections as deemed necessary by the Policy Compliance Officer. The following conditions must be met in order for Contractor's equipment to be allowed access to the DRS technology systems:

- a. Contractor's computer equipment must be virus free and loaded with the most current version of anti-virus software
 - b. Contractor will sign the DRS Acceptable Use statement
 - c. Contractor will agree to install software and configure software and hardware on its equipment as is required by the Policy Compliance Officer.
 - d. Contractor will agree to restrictions on the removal of its equipment from DRS premises as determined by the Policy Compliance Officer.
 - e. Contractor will agree to requirements for locking and/or securing of its equipment as determined by the Policy Compliance Officer.
3. For contractors whose contract provides for remote access to the DRS technology systems, the DRS Policy Compliance Officer, in consultation with the ISD Director, shall determine in what manner and under what conditions such access will be allowed. The Policy Compliance Officer will determine what equipment of the Contractor will be allowed to access or store DRS confidential or restricted data. Such equipment will be made available for inspection by the Policy Compliance Officer prior to connection to the DRS technology systems and will be subject to additional inspections as deemed necessary by the Policy Compliance Office. The following conditions must be met in order for Contractor's equipment to be allowed access to the DRS technology systems:
- a. Contractor's computer equipment must be virus free and loaded with the most current version of anti-virus software
 - b. Contractor will sign the DRS Acceptable Use statement
 - c. Contractor will agree to install software and configure software and hardware on its equipment as is required by the Policy Compliance Officer.
 - d. Contractor will agree to requirements for locking and/or securing of its equipment as determined by the Policy Compliance Officer.
4. On DRS supplied equipment, the DRS may install software that will be required to remain on such equipment until the project has been completed and a final inspection of such equipment has been conducted.

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5. DRS may disable all USB ports, storage saving and transfer devices from the DRS supplied equipment provided to Contractor. Should there be a need to transfer information the Contractor shall follow procedures established by the Policy Compliance Officer.
6. The use of Flash Drives and other media used by Contractors to store or transfer DRS confidential or restricted data is prohibited.
7. All requirements pertaining to the access of DRS confidential or restricted data, including, but not limited to, the method and location of storage, safeguarding and destruction will be determined solely by the Policy Compliance Officer.
8. Contractors will provide DRS with their policies regarding:
 - a. Replacing/recycling personal computers and Multi Functional Printing devices
 - b. Remote access
 - c. Restrictions or prohibitions on the storing or transfer of client information
 - d. Employee termination procedures (including exit checklists)
 - e. Procedures for violation of Contractor's policies
 - f. Process used to conduct any required background checks.

When applicable, the Contractor, or individual employees thereof, will provide the Compliance Officer with a written inventory of all DRS confidential or restricted information currently in its possession. The Contractor, or its individual employees, will be required to sign the inventory document attesting to its accuracy.

9. Lost or stolen keys, fobs , access codes, badges or any other item that are used in connection with any DRS assignment will be immediately reported using the protocol provided .
10. For Contractors who are working on site at a DRS location, the Contractor will inform the Policy Compliance Officer at least 5 business days prior to a Contractor's employee leaving the DRS assignment. In no case shall such employee leave DRS without the Contractor's equipment being inspected as determined by the Policy Compliance Officer. Once the review has been completed, such employee will not be allowed to connect to any DRS technology systems or store any DRS confidential or restricted data on the previously inspected equipment.
11. Any Contractor who has access to or is in possession of DRS confidential or restricted data must comply with all provisions of the State of Connecticut Security for Mobile Computing and Storage Devices Policy.
12. DRS reserves the right to inspect any of the Contractors' facilities used at anytime throughout the contract period.

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13. Prior to working on site at a DRS location, a Contractor must disable all wireless internet and communication capabilities on its equipment. Additionally, throughout the period of its contract, the Contractor must be prepared to demonstrate to the Policy Compliance Officer that such capabilities remain disabled.

Definitions

Contractor

Any individual or company that enters into any agreement either with the State of Connecticut or an Agency thereof to perform services. This includes all of the employees of this individual or company and any subcontractors that they may contract with.

Contractor's Equipment

Any equipment that the contractor uses in connection with the performance of the contract.

Contractor Safeguard Program

A program that will guide and assist contractors in meeting their responsibilities to safeguard and protect DRS confidential and restricted information.

DRS Confidential or Restricted Data

Confidential or restricted State data includes but is not limited to;

Tax return or return information and/or personally identifiable information that is not in the public domain and if improperly disclosed could be used to steal an individual's identity, violate the individual's right to privacy or otherwise harm the individual;

Organizational information that is not in the public domain and if improperly disclosed might: cause a significant or severe degradation in mission capability; result in significant or major damage to organizational assets; result in significant or major financial loss; or result in significant, severe or catastrophic harm to individuals.

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DRS/IRS Confidentiality Training Material

Shall include any material supplied to the contractor to guide them in the safeguarding of confidential taxpayer information.

DRS Location

Any facility or portion thereof, under the direct control of DRS, in which an agency function is performed. In certain cases, this definition can also include other State agencies and other DRS contracted vendors who, under the control of DRS, supply necessary support services.

DRS Supplied Equipment

Any equipment supplied by the State of Connecticut or any Agency thereof to any contractor performing services to DRS

DRS Technology Systems

Shall include computer hardware, software, firmware applications, information and communications pertaining to any State of Connecticut or an Agency thereof computer system or network.

Policy Compliance Officer

The DRS employee designated by the Commissioner to act as the single point of contact between DAS and DRS for issues that relate to the State of Connecticut's policy on Data Storage, Security for Mobile Computing and Storage Devices.

Additional Contractor Requirements

SAFEGUARDING INFORMATION

The contractor must provide a detailed document outlining contractors process and quality control measures that are in place prior to the start of this contract and maintained throughout the contract. This plan must be approved by DRS and maintained by the vendor, any changes must also be approved in writing by DRS before implementation.

All DRS information in the vendors possession must be documented and remain a secure location within the Continental United States. All electronic information shall remain encrypted when at rest or not in use.

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

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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 Administrative Services @ (860) 713-5627-2300, 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.

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.

DRS information shall not be commingled with any other information.

DRS information may not be accessed, received, stored, processed or disposed via information technology systems located off-shore.

The vendor will comply with the "*Policy for Access to and Safeguarding of DRS Confidential or Restricted Data by Contractors*" published by the DRS and DRS Policy Compliance Officer.

The vendor must provide a security plan which establishes their auditing and logging capabilities utilizing the following requirements: 1. All transaction access to the DRS Information must be logged and maintained for the period legally required based upon the information being accessed. 2. The contractor must house and maintain these logs. 3. If requested by the DRS, the contractor will be required to provide state and federal auditors and authorized employee's access to the logs

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If determined necessary by the Policy Compliance Officer 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.

All DRS information must be expunged at the end of the contract. The Contractor will get approval from the DRS to and will document the process and certify that all DRS data was expunged. The contractor will certify that the data will be destroyed on site by individuals who have been previously approved by DRS to have access to the DRS Information and will utilize the NIST 800-88 approved destruction methodology. The contractor must provide evidence that it has the capabilities in place to assure that DRS will be notified and has approved the destruction or relocation of all equipment used by the contractor during the term of the contract. Prior to destroying or sending the equipment containing DRS information off-site, the contractor must certify, in writing, that it has wiped all electronic media capable of storing the DRS Information

INSPECTION/PERFORMANCE:

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.

Vendor must allow for inspections by DRS internal audit staff as well as the State of Connecticut Auditors of Public Accounts. 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.

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.

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SUBCONTRACT:

When 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 Connecticut Department of Revenue Services and the Connecticut Department of Administrative Services. Failure to do so is cause for cancellation of the contract.

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DEPARTMENT OF REVENUE SERVICES
Administration Division
MEMORANDUM

DATE:

TO: All DRS Contractors & Subcontractors

FROM: Mary Kate Speer
Systems Control Officer

TELEPHONE: (860) 297-4967

SUBJECT: Disclosure and inspection rules and procedures for state and federal tax return information

As Contractors or Subcontractors of the Department of Revenue Services, you may come in contact with information that is among the most sensitive in government. Therefore, it is critical that you maintain the confidentiality of tax return and tax return information, as well as confidential information received from other state and federal agencies you may come in contact with. The purpose of this memorandum is to remind you of the need for strict adherence to the following guidelines. Failure to comply with the confidentiality standards discussed below will result in actions by the Department of Revenue Services. Should the particular facts and circumstances warrant it, a violation may result in termination of the contract, potential criminal prosecution and civil monetary damages.

- Confidential tax information that you access must relate directly to your individual responsibilities as a Contractor or Subcontractor.
- Confidential information should never be in open view when you are transporting confidential documents and records outside of your work area.
- Confidential tax information may be discussed only with authorized individuals and shared with employees who have a specific business need for such information.
- All confidential tax information must be properly destroyed. Paper documents must be shredded to 5/16 – inch strips or cross shredded inserted in a perpendicular direction. Microfilm and Microfiche must be shredded to 1/35 –inch by 3/8 inch strips. After shredding has occurred it may be used for pulp and recycled.
- Confidential taxpayer information must not be stored on a mobile computing device or mobile storage device. The term "mobile computing device" refers to portable or mobile computing

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and telecommunications devices that can execute programs. This definition includes, but is not limited to notebooks, palmtops, BlackBerry devices, PDAs, iPods and cell phones with internet browsing capability. The term "mobile storage devices" includes but is not limited to, mobile computing devices, diskettes, magnetic tapes, external/removable hard drives, flash cards (e.g., SD, Compact Flash), thumb drives (USB keys), jump drives, compact disks, digital video disks, etc.

- “Inspection” (e.g. “browsing”) or “Disclosure” of tax returns and tax return information by Contractors or Subcontractors of any Connecticut or federal agency, including former Contractors or Subcontractors who has or had access to returns or return information or any current or former officer or employee of any contractor or subcontractor, whether the contractor or subcontractor was involved in the processing, storage, transmission, or reproduction of returns or return information, the programming, maintenance, repair, testing, or procurement of equipment, or the providing of any other service to DRS is subject to the penalties stated in Conn. Gen Stat. §12-15.

In addition to complying with the general guidelines above, you are required to understand and adhere to the federal and state laws relative to the confidentiality of tax information listed below.

Penalties for Unlawful Disclosure or Inspection of State and Federal Tax Return Information

1. State Penalties

C.G.S. §12-15

(f) Returns and return information shall, without written request, be open to inspection by or disclosure to: (1) Officers and employees of the Department of Revenue Services whose official duties require such inspection or disclosure for tax administration purposes; (2) officers or employees of an agency or office in accordance with subdivision (1) or (13) of subsection (b) of this section whose official duties require such inspection; and (3) officers or employees of any person in accordance with subdivision (12) of subsection (b) of this section, whose duties require such inspection or disclosure.

(g) Any person who violates any provision of this section shall be fined not more than one thousand dollars or imprisoned not more than one year, or both.

2. Federal Penalties

In 1997, the U.S. Congress passed and the President signed into law H.R. 1226 known as the “Taxpayer Browsing Protection Act.” The major impact of this bill was to include “inspection,” i.e., “browsing,” as subject to the kind of penalties that previously applied only to “disclosure.” Within this bill inspection is defined as, “any examination of a return or return information.” The second impact of this Bill is that a taxpayer shall be notified of any unauthorized disclosure or

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inspection of their return. Anyone making an unlawful disclosure or inspection of federal tax return information could be subject to the following penalties:

I. R. C. § 6103: Prohibits unauthorized disclosure of federal tax returns or return information by employees and former employees of state and IV-D agencies.

I. R. C. § 7213: Makes any unauthorized disclosure of federal tax returns or return information a felony punishable by a fine of up to \$5,000 and/or imprisonment for not more than five years, together with the costs of prosecution.

I. R. C. § 7213A: Prohibits the unauthorized willful inspection (“browsing”) of federal tax returns or return information and makes such inspection punishable by a fine of up to \$1,000 and/or imprisonment for not more than one year, together with the costs of prosecution.

I. R. C. § 7431: Permits a taxpayer to bring a civil action for damages in a federal district court. Damages that can be brought would be the greater of \$1,000 for each unauthorized disclosure or inspection or the actual damages sustained by the taxpayer, plus punitive damages.

Information obtained from other State Agencies

Any and all information received from other state agencies is regarded as Confidential Information and may not be redisclosed.

Reporting Improper Inspections or Disclosures

Upon suspecting or discovering a possible improper inspection or disclosure of tax information, including breaches and security incidents, the individual suspecting, making the observation or receiving the information must immediately contact Mary Kate Speer, Systems Control Officer of the Administration Division at (860) 297-4967. Any incident that may contain FTI must be reported to the Treasury Inspector General for Tax Administration (TIGTA) and the IRS Office of Safeguards, we will contact these agencies concerning this matter.

If you are aware of any potential violations of the confidentiality statutes or the Department’s policy governing unauthorized access, please refer this information immediately to the Department of Revenue Services Systems Control Officer listed above.

If you should have any questions regarding the use, disclosure, or inspection of the tax information, I can be reached at (860) 297-4967 or by email to mk.speer@po.state.ct.us.

You should retain a copy of this memorandum either in electric or paper format for future reference. Attached is a form for you to sign as an acknowledgment that you have received, read and understand the standards governing the access to, and disclosure of, confidential information.

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Security and Confidentiality Questionnaire and Required Documents

Vendor Name:

What type of data is being exchanged?

Risk factors:

General factors:

Question # 1:

Did you receive a copy of the Department of Revenue Services (DRS) Data Security Requirements as part of the state contract packet?

Answer:

Question # 2:

How long have you been in the business of providing this type of service?

Answer:

Question # 3:

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Are you currently approved for use by any other state or federal taxing authority?

Answer:

Question # 4:

At what address will you conduct this work?

Answer:

City:

State:

Zip code:

Question # 5:

What are the MapQuest travel miles from the DRS, 25 Sigourney Street, Hartford, CT 06106 to your operating location?

Answer:

Question # 6:

How many reportable incidents are on file for your company within last 24 months?

Answer:

Question # 7:

Have these incidents been self-reported by you?

Answer:

Question # 8:

Do you have a formal risk assessment policy? If so, please provide.

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Answer:

Question # 9:

Do you provide similar services to other customers/agencies at this same location?

Answer:

Question # 10:

Do you have a formal information security policy? If so, please provide.

Answer:

Question # 11:

Is it a shared facility? If so, how are you separated? Are there common areas?

Answer:

Personnel factors:

Question # 12:

Are your data security policies communicated to employees and acknowledgement forms signed?

Answer:

Question # 13:

Is there a formal security awareness training program for all employees including temporary employees?

Answer:

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Question # 14:

Do subcontractors have any contact with DRS data? If yes, please give details.

Answer:

Question # 15:

Do temporary employees have any contact with DRS data?

Answer:

Question # 16:

Please describe your hiring practices. At what level are background checks performed; state/national level? Does it include a fingerprint-based criminal record check? What would preclude an applicant from being hired?

Answer:

Question # 17:

What is your termination procedure? Do you conduct an exit interview?

Answer:

Question # 18:

Are confidentiality agreements and/or non disclosure agreements required of all employees?

Answer:

Question # 19:

Are employees issued a photo ID badge?

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Answer:

Question # 20:

Do personnel files include a copy of the employee photo?

Answer:

Question # 21:

Do you enforce a "clean desk" policy throughout the facility?

Answer:

Physical site security factors:

Question # 22:

Do you have security guards on-site? If so, what are their hours?

Answer:

Question # 23:

Does the location have controlled entry, including key & combination control? If yes, who issues the access and are they logged? How long is log kept?

Answer:

Question # 24:

Is there a loading dock at the facility? If so, is it kept locked? Who has access to the loading dock? Are there 24 hour cameras? If yes, how long are the tapes kept?

Answer:

Question # 25:

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What security measures are in place to safeguard DRS information when it is being worked on for both paper and electronic information?

Answer:

Question # 26:

Is there a visitor log and are visitor badges issued? What kind of ID is needed by visitors? Who keeps the log and for how long?

Answer:

Question # 27:

How is the facility secured when not occupied? Is there an alarm system? Are there cameras? Is it a closed or open circuit? Is there a monitoring system for fire?

Answer:

Question # 28:

Who monitors the cameras? Are they tested? How long is film kept?

Answer:

Question # 29:

Who is your transportation provider and do they meet our requirements as specified in our Data Security Document packet?

Answer:

Logical security factors:

Question # 30:

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Is there a documented asset management program?

Answer:

Question # 31:

Is there an inventory of hardware/software assets? If so, please provide a copy of your hardware assets including make, model and serial number.

Answer:

Question # 32:

Are there procedures for the disposal and/or destruction of physical media (e.g., paper documents, CDs, DVDs, tapes, disk drives, etc.)?

Answer:

Data Security factors:

Question # 33:

What kind of data do you process? Electronic, paper, or both?

Answer:

Question # 34:

Does the physical transport of DRS data (paper/media) meet transportation requirements including locked box/physical barrier, inventory control, cell phone availability, and 2 drivers on trips >2 hours?

Answer:

Question # 35:

How is DRS data (paper/media) physically secured during storage?

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Answer:

Question # 36:

Is electronic DRS data stored on secure network drives, segregated from all other client or contractor data?

Answer:

Question # 37:

Is access to DRS data restricted to a need-to-know, and only as required for the job?

Answer:

Question # 38:

Describe your destruction policies, paper, electronic, computer servers, mobile devices, back up devices, microfiche, CD's - NIST compliant

Answer:

Question # 39:

Is DRS data ever used in the test, development or QA environments?

Answer:

Question # 40:

Is DRS data adequately protected from cleaning staff and maintenance/service staff?

Answer:

Question # 41:

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Please describe your work flow and provide a network diagram detailing this flow and the security features that are in place.

Answer:

Required documents:

- Network diagrams.
- Data flow diagram.
- Data flow diagram.
- Security policies.
- Security risk assessment, SAS70.
- Building layout.

IT Security Review Questions

Logical Data Security

- Please describe your process for receiving, storing and transmitting DRS electronic tax return information.
- Please describe the security controls that are utilized to transmitting DRS electronic data.
- Does [vendor name] ensure that access to CT data is granted on a strict need-to know basis? How will this be accomplished?
- Does [vendor name] have the capabilities to encrypt CT data when at rest (when not being modified or processed)? Will the data be encrypted when at rest? To what standard will the data be encrypted?

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- What security measures are in place to secure DRS information when in transit (being transmitted)? Is the data encrypted? To what standard will the data be encrypted?
- Does [vendor name] grant access to CT data based on the minimum access required to fulfill their job responsibilities and only for the period of time needed?
- Is electronic DRS data stored on secure network drives, segmented from all other client or Contactor data? How is this being accomplished?
- Is DRS data ever used in Test, Development or QC environments?
- Does [vendor name] collect, maintain and periodically review detailed activity logs related to CT data access?
- Does [vendor name] mitigate issues found when reviewing activity logs and report them to the CT DRS in a timely manner?
- Does [vendor name] make available to the CT DRS, upon request, any log files and any research/supporting documentation relative to CT data?
- Does [vendor name] collect, maintain and periodically review detailed system administrator activity logs for appropriateness related to CT data?
- Do the procedures used to grant and change access privileges require the approval of a supervisor or manager?
- What methods of authentication are used to protect CT data?
- Do you require all staff to have unique login names for all systems processing CT data?
- What criteria are used to increase the security of user passwords for users that will be granted access to CT data?
 - Strong Passwords
 - Require password changes every 45 days
 - Requiring at least 8 character passwords
 - Prohibit the use of the last 6 passwords
 - Lock out user accounts after 3 failed attempts
 - System controlled hours of access
 - Procedures to verify user identity prior to password reset
 - Other

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- What processes are in place for resetting passwords? Who has the capability to reset passwords?
- Do you have a policy prohibiting users from sharing passwords?

Computer Data Security

- Does [vendor name] have written computer security policies and procedures that users with access to CT data will follow?
- Does [vendor name] provide physical security for all computers containing or accessing CT data?
- Does [vendor name] display a security banner reminding users of penalties for unauthorized inspection and/or disclosure prior to them accessing CT data?
- Does [vendor name] prevent screen print capability?
- Does [vendor name] disable data storage on all local drives (A, B, C, etc.)?
- Does [vendor name] enforce a policy prohibiting the use of USB drives?
- Does [vendor name] configure all computers to automatically lock after 5 minutes of inactivity?
- Does [vendor name] provide an immediate manual method of locking the desktop and have procedures in place requiring users of CT data to utilize this function when leaving their workstation unattended?
- Do system administrators subscribe to security alert services such as CERT, Secunia, Microsoft, etc?
- Does [vendor name] use antivirus software on all systems with access to CT data with updated virus definitions applied at least weekly?
- What Operating Systems will be used for servers and workstations?
- Does [vendor name] have policies and procedures for applying server and workstation security updates?

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- Do you have policies and procedures for reviewing and applying major application security updates?
- How will users of CT data be granted access to that data?
- How will system administrators be granted access to CT data?
- How will users and system administrators that do not require access to CT data be prevented from gaining unauthorized access?
- Is CT data stored and used on a dedicated server or system?
- Is CT data stored and used on a dedicated physical hard drive?
- Is CT data stored and used on a disk array or SAN?
- How will you securely delete/erase/wipe DRS data from your system at the end of the contract?
- Do you have a media sanitation/destruction policy and procedures related to electronic media including: all hard drives (including those under vendor maintenance), servers, mobile storage devices, backup media, CD/DVDs, USB, etc.
- Is there a system inventory log of equipment used to store, process, share, transmit or delete any CT data?
- Does the log include equipment make, model, serial number, description, location?
- Is there a log maintained which documents changes to systems that contain CT data?

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Network Data Security

- Has [vendor name] provided a network diagram which includes all devices that will store, process, share, transmit or delete CT data including all relevant security devices such as firewalls, routers, IDS, VLANs, switches, hubs, servers, workstations for CT's review and evaluation?
- Has [vendor name] provided a CT data flow diagram to show the flow of CT data from cradle to grave?
- Are all network services hardware devices protected by physical security and require restricted access?
- Is all network services hardware devices protected by a strong authentication and is access restricted to network administrators only?
- Are all network services hardware devices accessed via tools that encrypt communications such as SSH or SNMPv3?
- Are insecure management protocols disabled on all network services hardware devices (ex. SNMPv1 and telnet)?
- Can network services hardware devices be managed remotely and if so, what security measures are in place to protect against unauthorized access, DoS or malicious attacks?
- Are router ACLs, firewall rules and switch configurations designed security to protect DRS data from unauthorized access? Please detail.
- The use of wireless networks to access CT data is prohibited outside of the facility. Does the vendor utilize wireless networks at this location?
- How are wireless networks secured to prevent unauthorized access or attacks on CT data? Is wireless traffic bound for your internal networks protected by a firewall? Is wireless traffic encrypted? With which protocol?
- Remote access to CT data is prohibited. Does the vendor utilize remote access into the environment containing CT data?
- How are remote access connections secured to prevent unauthorized access to CT data?

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- Is LAN network traffic encrypted? If not, are there other controls in place preventing unauthorized access to CT data (ex. Switched network, restricted physical access to switches and network cabling, etc.)

- Is WAN network traffic encrypted when transferring CT data?

- Are mobile computing devices (laptop, PDA, iPhones, etc.) used or allowed at the Contractor site?

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INTERNAL REVENUE SERVICE

EXHIBIT 7

CONTRACT LANGUAGE FOR GENERAL SERVICES

I. 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.
- (10) (Include any additional safeguards that may be appropriate.)

II. 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

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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 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.

III. 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.

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**DEPARTMENT OF REVENUE SERVICES
Administration Division
MEMORANDUM**

DATE: June 26, 2014
TO: All DRS Contractors & Subcontractors
FROM: Mary Kate Speer **TELEPHONE:** (860) 297-4967
Systems Control Officer

SUBJECT: Viewing of Contractors Safeguards Video

Previously you were provided with the DRS “Policy for Access to and Safeguarding of DRS Confidential or Restricted Data by Contractors” and the “Disclosure and inspection rules and procedures for state and federal tax return information” memorandum. The policy outlines security requirements as part of our contractual relationship that you should familiarize yourself with.

All individuals who are working with DRS information or at a DRS facility prior to commencing work must view the IRS awareness video pertaining to confidential DRS/IRS tax return information and confidentiality. The following is the link to the IRS site to view the video:
<http://www.irsvideos.gov/Governments/Safeguards/DisclosureAwarenessTrainingPub4711>

The memorandum must be read by and distributed to the same individuals. Contractors and Subcontractors whose employees are already working with or may come in contact with DRS/IRS information must also view this video and must read and be provided with a copy of the memorandum. While the video primarily pertains to Federal IRS information, the standards of confidentiality apply to State of Connecticut information as well. Attached is a form for staff to sign that acknowledges that they have viewed the video and have read and been provided a copy of the memorandum. Retain the original for you files and send copies to:

Department of Revenue Services
c/o Mary Kate Speer, Systems Control Officer
25 Sigourney St
Hartford, CT 06106

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Policy for Personal Computers and Software

Policy Number: P-3002

Version: 1.0

Date Issued (revised): December 20, 2007

Date Effective: immediately

Purpose

The Director of Information Services of the Department of Revenue Services (DRS) has established this policy to:

- provide consistency in the deployment of personal computers and software;
- minimize the total cost of ownership for personal computers;
- ensure that appropriate resources can be provided in a timely and efficient manner.

Scope

This policy covers all DRS employees whether permanent or non-permanent, full or part-time, and all consultants or contracted individuals retained by the DRS who have been issued State of Connecticut computer equipment (herein referred to as “users”).

Should a conflict exist between this policy and a State-wide policy, the more restrictive policy would take precedence.

Policy Statements

1. All software applications must be installed and configured by the Client Support Unit (CSU) or in certain cases the Audit Division EDP unit with approval from ISD.
2. The installation of any unauthorized software or hardware is prohibited and will be identified, removed and reported to unit management, DRS security officers and Human Resources

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3. Any unauthorized modifications or tampering with the standard configuration of computer equipment is prohibited and will be detected and reported to unit management, DRS security officers and Human Resources
4. All problems related to any computer hardware and/or software, network issues and DRS systems must be reported to the ISD Help Desk for proper documentation, analysis, resolution or assignment to responsible parties
5. Relocation, reassignment or transferring of equipment is the responsibility of the CSU and/or the DRS Business Office
6. The issuance of all computer related equipment must be documented in an "Inventory Reconciliation" work order that is then signed and dated by the recipient

**STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES
25 SIGOURNEY STREET, HARTFORD, CT 06106**

DISCLOSURE OF TAX INFORMATION

As an employee, agent or vendor of the Connecticut Department of Revenue Services, you may come in contact with state and/or federal tax returns, and tax return information. **All tax information, in whatever form, is strictly confidential**; and you may not disclose any such information during or after your employment or contract period with this Department. Unauthorized disclosure or inspection of any federal or state tax information may result in dismissal, criminal prosecution and civil suit as prescribed by federal and state statutes. **(Connecticut General Statute 12-15 and 7213(A), 7431 of the Internal Revenue Code.)**

As an employee, agent or vendor of this Department, if there is any doubt as to what information can be furnished (even when persons represent themselves as the taxpayer), you should consult your supervisor or agency contact. **As an agent of this Department** unauthorized disclosure of a tax return or return information is prohibited.

I have read the above information on disclosure and inspection of tax return information and understand that this is a condition of employment or contract with this Department. Please sign and return to the **Department of Revenue Services; c/o Business Office-19 FL.; 25 Sigourney Street; Hartford, CT 06106.**

Print Name

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Name of Company

Signature

Date

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Requirement	Validated by	Security Measures Check List
<p>DRS information not being worked on is properly secured and stored.</p> <p>Combinations are changed when employees are terminated.</p> <p>Security cameras are in proper working and the information is being recorded and saved for future use.</p> <p>The information has been inspected for quality purposes.</p> <p>The central alarm system is tested and in proper working order – call from central station for confirmation.</p> <p>Fire extinguishers have been inspected for proper charge and leaks and tested quarterly or other predetermined time frame.</p> <p>There are no papers from DRS returns in any of the trash bins – this requires physical inspection of the trash receptacles by each employees work area.</p> <p>There are no camera phones in the work area that contain DRS information. An inspection of the area confirms this.</p> <p>The delivery vehicle when containing DRS information goes directly to and from DRS to Scan Optics – with no stops in between.</p> <p>The cell phone or other method of communication is in proper working order in case the delivery vehicle breaks down.</p> <p>The driver of the delivery vehicle is aware of that they are not to leave the vehicle unattended at any time when it contains DRS information.</p> <p>DRS had been informed of any Subcontracting of work that involves DRS data or contact with DRS data.</p> <p>Any DRS data that must be destroyed is done so following specific guidelines from DRS.</p> <p>Any DRS data that is stored electronically is encrypted using DRS requirements.</p>		

Any requirement found deficient will be noted

and discussed with DRS and the results will be attached to this document.
These steps were performed by _____ Date _____.

Please print name _____



Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

This notice is provided under the authority of Connecticut General Statutes §9-612(G)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on the reverse side of this page).

CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall **knowingly solicit** contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor or principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

PENALTIES FOR VIOLATIONS

Contributions of solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil Penalties – Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties – Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information may be found on the website of the State Elections Enforcement Commission, www.ct.gov/seec. Click on the link to "Lobbyist/Contractor Limitations."



DEFINITIONS

“State contractor” means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. “State contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

“Prospective state contractor” means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. “Prospective state contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

“Principal of a state contractor or prospective state contractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

“State contract” means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. “State contract” does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

“State contract solicitation” means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

“Managerial or discretionary responsibilities with respect to a state contract” means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

“Dependent child” means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such Individual.

“Solicit” means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

“Subcontractor” means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty first of the year in which the subcontract terminates. “Subcontractor” does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

“Principal of a subcontractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.