

## **Request for Proposals**

**Banking Services for the Department of Revenue Services**

**September 12, 2011**

**State of Connecticut  
Office of the Treasurer**

**Deadline: October 7, 2011**

**STATE OF CONNECTICUT**  
**OFFICE OF THE TREASURER**

**REQUEST FOR PROPOSALS**  
**FOR**  
**DEPARTMENT OF REVENUE SERVICES BANKING SERVICES**

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## **Section I - Introduction and Purpose of the RFP**

The Connecticut State Treasurer's Office, in conjunction with the Connecticut Department of Revenue Services (CTDRS), is issuing this Request for Proposals (RFP) to solicit proposals from qualified financial institutions for banking and related services for the processing of tax refunds made via check, direct deposit and debit card. Interested financial institutions must propose to provide all of the requested services.

The State expects to select one financial institution to provide the requested services for a five year period. The selected Bidder will be expected to execute a personal service agreement with the State Treasurer. The agreement may be structured as a master contract that could be used for services for other state agencies.

Any subcontractor relationships must be fully disclosed. The Bidder must take full responsibility for the work product of any subcontractor.

## **Section II – Scope of Services**

### Background

The CTDRS issues tax refunds each year to taxpayers who are overpaid on their tax liabilities. Currently, the refunds may be issued as paper checks or as a preauthorized ACH credit entry (direct deposit). In addition, the CTDRS is considering the use of single load debit cards for disbursement of tax refunds for the 2012 processing year, beginning in January of 2012, for the following reasons:

1. To reduce the cost associated with issuing and processing paper checks.
2. To provide alternative refund access to taxpayers without bank accounts.
3. To support the goal of using electronic mechanisms to make governmental payments.

The CTDRS intends to offer the debit card option in addition to check processing and direct deposit to minimize the number of paper checks issued annually. In fiscal 2010, the CTDRS issued almost 1.1 million refunds valued at \$1.1 billion. The refunds included 561,156 paper drafts and 603,032 ACH direct deposits. The majority of refunds that were processed were for the personal income tax. The volume of refunds processed varies throughout the year. The chart below shows the monthly volume of refunds throughout the 2010 fiscal year.

Month	% of refunds issued
January	7.34
February	16.77
March	23.69
April	23.52
May	10.27
June	4.09
July	2.50
August	2.06
September	1.74
October	3.21
November	3.49
December	1.32

The CTDRS's direct deposit program has increased over the past two processing years:

Processing Year	Direct Deposits Initiated	Paper Drafts Issued
2009	579,587	589,308
2010	605,032	561,156

The CTDRS anticipates a continued increase in the volume of direct deposits as well as a favorable response by taxpayers to the new debit card program.

### Requested Services

This section of the RFP specifies services to be provided to the CTDRS. Financial institutions are encouraged to suggest additional or alternative services which the financial institution believes would make the operation of these banking services more efficient. Pricing for all services requested in this RFP or suggested by the financial institution must be included in the pricing section of the proposal.

Bidders should address each item in this section.

### **Part A – General Services**

The following services are minimum, general requirements to be met by any responding financial institution.

The Bidder shall:

- 1.0 Maintain staff and facilities sufficient to perform required services.
- 1.1 Employ an account officer to manage the Bidder's responsibilities and maintain a positive customer/Bidder relationship.
- 1.2 Provide toll-free telephone and facsimile lines.
- 1.3 Provide the CTDRS online capabilities to initiate transactions or access account activity and payment information. Please describe your institution's online capabilities to provide a mechanism for CTDRS to instruct your institution to process certain transactions and generate various reports. Discuss self service capabilities and requirements for Bidder's online system for managing CTDRS bank accounts. Provide sample reports, screens or other documentation of the online system. Specification for initiating transactions and generating reports shall include but not be limited to:
  - a) Review or inquire (with linked image access), approve or return positive pay exceptions; related reports
  - b) Transmit supplemental positive pay issue and void information; related reports
  - c) Paid Item inquiry with linked image access
  - d) Stop Payment services; related reports
  - e) Previous and current day detail and summary reports of bank account activity
  - f) Bank account statements and various reports

- g) Images of disbursement activity
- h) Transaction searches for bank account activity
- i) Self-service capabilities, requirements for the online system of your institution.

1.4 Provide current and previous day online access to daily account transactions and balances. The previous day's deposit and credit information on the accounts should be available to CTDRS by 7:00 a.m. the next business day. System should operate on a Windows-based computer environment.

1.5 Provide online notification service of account activity.

1.6 Provide secure email service for communications containing sensitive data.

1.7 Provide controlled disbursement reporting. Please describe reporting timeframes.

1.8 Provide services necessary for any transitions from current vendors (if necessary) and to possible successor vendors.

## **Part B – Tax Refunds via Check and Direct Deposit**

### Check Processing

The Bidder shall:

2.0 Provide a Controlled Disbursement Zero Balance Account (ZBA) through which checks will clear.

2.1 Honor all checks duly presented for payment with two acceptable forms of identification, even if the payee does not have an account at the financial institution. Non-account holders cashing tax refund checks drawn on the State's account will need to show two valid forms of ID. However, non-account holders with checks for less than \$1,500 are only required to provide one form of government-issued photo ID. Acceptable forms of identification would include, but are not limited to, a State-issued driver license, federally-issued identification, a bank's credit card or U.S. college/university identifications issued for the current semester or term. No extra service fees shall be assessed for tax refund checks redeemed at any financial institution.

2.2 Refuse to honor any check if it appears, in the exercise of prudent business judgment, that such check has been altered, raised or forged, or is otherwise unfit for payment.

2.3 Refuse to honor any check that is over 6 months old.

2.4 Provide, upon request from CTDRS, a file containing a listing of all outstanding checks. Also, provide the ability to delete any outstanding checks from positive pay database and provide a file containing a listing of all deleted items. All file layouts must be approved by CTDRS.

2.5 Provide 'payee positive pay' service (verification of check number, dollar amount and payee name) for checks presented against CTDRS' account. Accept check Issue and Cancellation data via File Transfer Protocol (FTP). Discuss your verification procedure to ensure transmission accuracy. Provide for manual acceptance of check Issue and Cancellation data as needed via online system or fax. Integrate check Issue and Cancellation data into your 'payee positive pay' database by next business day or sooner. Discuss cutoff times for file receipt if applicable. Describe process provided for CTDRS to view positive pay exceptions, make pay/return decisions and receive confirmations. Describe how financial institution will correct encoding errors before presenting positive pay exceptions.

As an optional service, discuss ability to provide positive pay services at the teller line for items cashed in person.

- 2.6 Provide full account reconciliation of paid checks to issued checks, with week-ending and calendar month-end cut off after input has been received. Discuss staff dedicated to state accounts. Discuss the time lapse from end of reconciliation period until account is reconciled, reports and statements are available. Provide sample reports of account summary, daily paid, miscellaneous debit and credit and reconciliation statement.
- 2.7 Provide digitized images of paid items via FTP, on compact disks or through online access to a Bidder's storage system. Discuss the processes provided to search for, view, save and print paid check images. If images are available online, discuss the length of time that images are retained. If images are available online, discuss the length of time required to display images 90 days old or less, 91 days old to one year, and greater than one year. If images are available on CD/ROM, discuss the type of indexing used and software provided to CTDRS to manage index database, search, view and print.
- 2.8 Provide the following reports electronically in a format acceptable to the CTDRS:
  - a) Monthly six-month listing of paid items
  - b) Condensed outstanding/paid check listing
  - c) Deletion report
  - d) Stop report
  - e) A summary report of the transmission received for the reconciliation period
  - f) Detailed outstanding check report
  - g) Daily listing of paid items.
- 2.9 Provide check truncation for 90 days or until it is determined, by CTDRS, that the digitized image is legible. Bidder shall retain check copies for seven years. Bidder shall provide for the eventual destruction of cancelled checks.
- 2.10 Provide stop payment service via online system. Functions should include: stop, cancel, status of check inquiry, print confirmations, and copy of paid items. Please describe your online confirmation process, the amount of time required for a stop payment to become effective, and our ability to rely on the confirmations for reissuing checks. Please describe any other features offered for stop payment services.
- 2.11 Provide online paid item inquiry. Discuss how link to online check image will be available. If necessary for CTDRS to request hard copy of paid checks from the Bidder, discuss the time lapse of Bidder receiving our request until receipt by CTDRS.
- 2.12 Provide end of month Bank Statements, paid check data via FTP, digitized images of paid checks, and related documents. Daily paid checks should be summarized as a list post item on bank statement. Discuss how paid check records provided will coincide with end of month Bank Statements. Describe how and when the statements, check images and related documents will be available in Bidder's online system.

#### Direct Deposit Processing

The Bidder shall:

- 2.13 Provide direct deposit services:

- a) Process preauthorized ACH credit entries (direct deposits) of tax refunds to taxpayers' bank accounts. Please include in your description the cut-off times (or required schedule) for CTDRS sending these files each day. If there are authentication processes for each file, please describe the processes and any requirements. State the settlement period ( hours/days) subsequent to receiving data from CTDRS for preauthorized ACH credit entries (direct deposits) of tax refunds to taxpayers' bank accounts. If different, state settlement periods involving weekends and holidays.
- b) Process CCD file (ACH credits) for payments to Internal Revenue Service (IRS) and business tax refunds. Process should include file total verifications.
- c) Process reversals/deletions of preauthorized ACH credit entries for direct deposit.
- d) Notify the CTDRS of any actual transactions rejected by any bank within 24 hours of notification from the appropriate clearing house. Deliver such notification in an electronic format acceptable to the CTDRS.
- e) Provide a reconciliation process. Describe your reporting timeline and timeline for CTDRS's access to reports, for money disbursed to taxpayers' bank accounts via direct deposit. Include audit trail(s) for each transaction throughout the process.
- f) Debit the State accounts for the net amount of funds due on the banking day on which those funds are posted to the accounts of the taxpayers.
- h) Provide support in promoting direct deposit to taxpayers.
- i) Provide staff to work with the Treasurer's and the CTDRS staff in resolving transmission errors.
- j) Keep the state informed of planned bank mergers (including acquisitions and sales) and how such mergers would affect operations and account numbers.
- k) Accommodate late transmissions from the State in the event of a business disruption.
- l) Not permit a waiver, levy or encumbrance of levies to be placed upon the personal account if the taxpayer has opted for Direct Deposit, except as authorized under Federal Law.

2.14 Provide CTDRS with a daily payment report of all preauthorized ACH credit entries or direct deposits settled to a taxpayer's account.

2.15 Provide CTDRS with a daily report of payment-related data for rejected files, returned files and reversals/deletions. There should be separate sections for rejected files, returned files, and reversals/deletions, and each section should have sufficient detail and, if there are returns or rejections, the reason for each. If CTDRS elects to send data needed to identify consumers with payment-related data, this identifying data should be "passed back" in the report.

- a) Describe regular summary and detail reports which will be provided and provide samples.
- b) Describe how the reports will be made available electronically.
- c) Describe timeframe of when reports will be available.

#### **Part C – Tax Refunds via Debit Cards**

## Card Design

- 3.0 Bidder shall design a Debit Card and process flow with timelines. This process should include any identifying information or messages provided by DRS (e.g., tax type, tax year, interest and total refund amount).
- 3.1 Debit Card accounts will be established at the direction of CTDRS.
- 3.2 Bidder may not deny a Debit Card to any taxpayer whose information was transmitted by CTDRS – unless required by state or federal law or regulations, or required or requested by CTDRS.
- 3.3 CTDRS reserves the right to approve the name, design, content, and graphics of the Debit Card used by the Bidder awarded this contract. The card design shall be the property of the State of Connecticut if CTDRS selects a custom design created by the Bidder or CTDRS.

## Levies and Encumbrances

- 3.4 No waiver, levy or encumbrance of levies may be placed upon the Debit Card except as authorized under Federal Law.

## Distribution of the Debit Card:

- 3.5 Bidder is responsible for the distribution of the Debit Cards. Card production in Connecticut or near Connecticut would be preferable. The successful Bidder shall ensure that only one (1) Debit Card will be issued to a single taxpayer. Two (2) Debit Cards will be issued to joint taxpayers linked to one account. Linked Debit Cards must both be activated prior to use. Activated cards shall be valid for three years.
- 3.6 Bidder is responsible for preparation and distribution of any and all instruction materials sent to the taxpayer. All materials must be in English and Spanish. CTDRS shall review and approve any and all materials prior to distribution.
- 3.7 Bidder must comply with Federal Regulation E, including those provisions of the regulation that apply specifically to government programs compliance, and all other federal and NACHA rules and regulations.
- 3.8 The activation sticker on the Debit Card shall be in English and Spanish. CTDRS shall review and approve the activation sticker prior to distribution of the Debit Cards. The Debit Card must not contain any advertisements unless negotiated with the State of Connecticut.
- 3.9 Debit Cards shall be issued to taxpayers in not less than two (2) business days but within four (4) business days after receiving the electronic transmission from CTDRS. The Awarded Bidder shall:
  - a) Establish one account for each single record in the file;
  - b) Establish one account for each joint record in the file;
  - c) Provide CTDRS with each account number;
  - d) Mail card(s) to taxpayer(s) by first class mail with no forwarding order attached and meet the best United States Postal Service's discounts. The return address on the envelope must be within Connecticut. Mailing address data will have been run through an NCOA program and address standardization program prior to delivery to Awarded Bidder. NCOA and CASS certification will be provided to the Awarded Bidder as necessary. Awarded Bidder shall use exact mailing information provided by CTDRS.

- e) Distribute cards to card holders living outside of CT including those living in Canada and those with FPO and APO addresses. Delivery shall be provided by regular U.S. mail delivery service. The only countries where cards may not be sent, used or accepted are those where transactions are barred by the United States Office of Foreign Asset Control and the United States Department of State. Examples of such countries include Iran and Cuba.
- f) Be responsible for all postage charges and mailing costs associated with distributing Debit Cards and related materials.

3.10 Bidder shall notify CTDRS of undeliverable mail or Debit Cards. In the event a taxpayer notifies the Awarded Bidder of an address change, Awarded Bidder is to advise the taxpayer to contact CTDRS. All such updates will be made solely by CTDRS.

3.11 Awarded Bidder shall issue replacement cards. One replacement card (as a result of lost, stolen or damaged card) shall be provided per calendar year at no cost to the taxpayer or CTDRS. Re-issued debit cards returned due to a bad address shall also be reissued at no cost to the taxpayer or CTDRS.

#### Debit Card Activation:

3.12 Bidder shall receive funds from the state upon debit card activation by taxpayers and shall provide related services as follows:

- a) Provide Cardholder(s) with instructions as to how to activate the card(s), via IVR, web capability or other means.
- b) Require security authentication before a card holder can access account information.
- c) Provide access to funds immediately upon card activation.
- d) Return a file of Debit Cards that have not been activated upon request from CTDRS. Also, provide the ability to close all inactive debit card accounts and provide a file containing a listing of the closed accounts. All file layouts must be approved by CTDRS.
- e) Deactivate accounts only as notified by CTDRS. The Awarded Bidder and CTDRS will jointly develop processes and procedures for deactivating accounts.
- f) Be responsible for all escheatment of funds related to any dormant activated accounts established under the CTDRS debit card program.

#### Use of Debit Card:

3.13 The card shall operate as a debit card, stored-value card or other electronic-access type card, and must be Master Card or Visa branded. Card shall not offer a line of credit, and Cardholder shall not be able to obtain checks, or negotiate checks against card of an underlying account.

3.14 The Debit Card must be fully compliant with all federal laws and regulations and meet all industry standards including, but not limited to, ANSI X4.13, "American National Standard for Financial Services - Financial Transaction Cards" and ANSI X4.16, "American National Standard for Financial Services - Financial Transaction Cards - Magnetic Stripe Encoding", for use in ATM and POS terminals so that taxpayers can have broad access to their tax refunds.

3.15 Bidder shall offer ATM access, and shall identify the locations of ATMs where free services are available and how taxpayers may locate an ATM or branch location via a toll-free customer service telephone service and a Web site. Bidder shall provide CTDRS and Cardholder with map or schematic of all ATMs and branch locations for the issuing financial institution and associated networks within the State of Connecticut, nationally and internationally.

3.16 Provide a list of any transactions that will be disallowed.

3.17 CTDRS shall not be liable for any transaction that exceeds available funds. CTDRS shall not be liable for overdrafts, or any other costs or liabilities incurred by the Bidder due to the actions of the cardholders.

3.18 Bidder shall ensure that card holders are provided with any and all protections available to them resulting from fraud, theft or lost cards. Please describe. When a taxpayer's Debit Card has been designated as lost or stolen, the Awarded Bidder must ensure that the funds are not available to the lost or stolen Debit Card. Please describe process and protections.

3.19 The Awarded Bidder shall accept cancellations from CTDRS for any refunds issued in error to the taxpayer's account per NACHA rules and procedures.

3.20 Bidder shall provide training and instructional materials for CTDRS staff on the use of the system. CTDRS has the right to review and approve all materials and approaches.

3.21 Bidder shall provide its policies regarding asset freezing, including how Bidder handles any holds that may be placed on Cardholder accounts.

Cardholder Costs and Fees:

3.22 Bidder shall provide at least three free ATM withdrawals per deposit at any ATM in the United States or Canada.

3.23 Bidder shall provide at least one free ATM balance inquiry per deposit and free unlimited Internet and IVR balance inquiries.

3.24 Unlimited teller assisted withdrawals shall be available at no charge. Please describe such services available at other banks or credit unions that display the Master Card or Visa logo.

3.25 The bidder shall provide cardholder with access to card balance and transaction information by the following means:

- a) Unlimited Internet access
- b) Unlimited toll-free calls
- c) Unlimited teller access. Please describe such services available at banks or credit unions that display the Master Card or Visa logo.

3.26 Specify in the fee section of your proposal, in detail, any and all debit card holder costs and fees, including the timing and circumstances under which each Cardholder's costs and fees are assessed. Bidder may not charge any cost or fee to cardholders which are not included in its proposal.

3.27 Bidder shall provide cardholder with notice of any and all possible fees. A sample is to be provided to CTDRS for approval prior to distribution.

3.28 Bidder may not assess an account maintenance fee on the cardholder.

Debit Card Reports

3.29 The Awarded Bidder shall provide CTDRS with a daily report of transaction- related data for rejected files, returned files and cancellations. There should be separate sections for rejected files, returned files, and cancellations, and each section must clearly indicate the reason for any returns or rejections.

- a) Describe regular summary and detailed reports that will be provided and provide samples.
- b) Describe how the reports will be made available electronically.
- c) Describe timeframes of when reports will be available.

3.30 Bidder shall provide a detailed monthly report to CTDRS for the preceding month's activities, including the total number of Debit Cards issued, cancelled, reissued, reasons for all reissues, the daily count and amounts of deposits made to taxpayer accounts, and other items as requested.

- a) Describe regular summary and detailed reports that will be provided and provide samples.
- b) Describe how the reports will be made available electronically.
- c) Describe timeframes of when reports will be available.

### Customer Service

The Bidder shall:

- 4.0 Provide customer service to all cardholders, regardless of the cardholders location, including: debit card activation; statements (itemizing loaded amounts and detailed transaction history of the debit card); Customer Service Representative's (CSR) available toll-free, twenty four hours a day, seven days a week; and access to an Interactive Voice Response (IVR) available via a toll-free number.
- 4.1 Provide with its response its customer communications and marketing information plan and the associated timelines. All marketing and instructional materials must be, at a minimum, in English and Spanish. Proposed marketing and instructional materials and samples from previous clients should be included. CTDRS reserves the right to review and approve all marketing and instructional materials.
- 4.2 Include samples of all Web pages, statements, dispute forms, and any other forms related to the debit card process in its proposal response. All samples must be approved by CTDRS prior to release.
- 4.3 Provide continuous CSR availability. Include any alternative methods for cardholders to access account information in your proposal.
- 4.4 Provide a customer support package that includes TTY and communications relay capability as described in the Americans with Disabilities Act.
- 4.5 Ensure that all services are accessible by touch-tone, pulse and rotary dial telephones.
- 4.6 Provide all CSR, Internet and IVR services for cardholders in English and Spanish. CTDRS reserves the right to request additional languages needed at little or no additional cost to CTDRS. Explain the service used by Bidder for other non-English speaking customers, including the process for translating materials into languages other than English and Spanish. CTDRS reserves the right to approve such methods and materials.
- 4.7 Provide Bidder's customer service procedures relating to:
  - a) Lost or stolen cards

- b) Replacement cards
- c) Account credits
- d) Unauthorized charges
- e) Disputed charges

4.8 Provide CTDRS with a toll-free, direct telephone line that CTDRS's staff may use to transfer a taxpayer from CTDRS's line to the Bidder's customer service center.

4.9 Provide a direct link to the CTDRS website from the pages that display account details to the taxpayers in order to provide taxpayers access to tax refund information.

4.10 Transfer customer questions or complaints under CTDRS's jurisdiction from the Bidder's customer call center to CTDRS call center in a seamless, customer-oriented fashion.

4.11 Convey event specific messages (e.g. bank and postal holidays, service changes, or weather emergencies) in both English and Spanish to taxpayers through Bidder's secure Web site, IVR system, and CSRs.

4.12 Provide procedures for determining the identity of a caller prior to providing any account information.

4.13 Monitor calls to ensure quality customer service and to address customer complaints. Explain how customer complaints are logged and categorized and the type of reporting available from those logs. Explain how customer complaints are resolved and what the timeframes are associated with the resolution of customer complaints. Include information and reports that you will provide CTDRS to enable CTDRS to monitor customer service and customer complaints resolution.

4.14 Handle each type of call from cardholders, including call escalation procedures, issue resolution, call closures, and ongoing quality assurance and continuous improvement efforts. Also include information and reports that Bidder will provide CTDRS to enable CTDRS to monitor these customer service activities.

4.15 Provide criteria that Bidder will use to calculate the call abandonment rate and the factors that affect this rate.

4.16 Provide the criteria that you will use to calculate the call answer rate and the factors that affect this rate.

4.17 List other types of customer service issues not referenced above that Bidder anticipates and explain how they will be addressed and resolved.

4.18 Provide CSR training program for handling cardholders' inquiries and complaints in a courteous and professional manner.

4.19 Support a surge in call volumes due to increased taxpayer activity and increased call volumes during peak tax return filing season(s)

4.20 Allow a cardholder to select and/or change their Debit Card PIN via the Internet or IVR services twenty-four hours per day, seven days per week.

4.21 Explain PIN selection process under following circumstances:

- a) After initial card issuance
- b) If PIN compromised
- c) When card lost or stolen
- d) If PIN number forgotten
- e) Alternative methods of PIN selection

f) Joint PINs

- 4.22 Ensure that no call is transferred to voice mail or automatically disconnected from the queue.
- 4.23 Provide a secure web site for cardholders to view and print the financial transactions detail posted to the account.
- 4.24 Notify cardholder of all the policies and procedures related to the use of the debit card.
- 4.25 Communicate any errors, changes in policy or procedures, returned mail, and requests for address changes to CTDRS and cardholders. No changes in policy can violate the terms of the RFP or resulting contract.
- 4.26 Provide procedures to resolve account discrepancies including the maximum cycle times for resolving questioned charges or credits appearing on the cardholders' statement.
- 4.27 Make the call centers and operating/processing facilities accessible for visits from CTDRS staff.
- 4.28 Reimburse cardholder for bank-related expenses/fees for failure to deposit funds to cardholder's account as directed by CTDRS.
- 4.29 Provide the process enabling cardholders to "cash out" debit card account balances.
- 4.30 Provide limitations, if any, that are placed on the Cardholders – e.g., amounts available to withdraw, daily number of transactions permitted, etc.
- 4.31 Provide services to cardholders living outside of CT including those living in Canada and those with FPO, APO or foreign addresses, except where prohibited by federal law. Please describe.

Data Management

- 5.0 Bidder shall propose which data elements are required and the appropriate file layouts necessary to:
  - a) Establish a Debit Card account (e.g., name, address, phone number, or other unique identification for Taxpayer).
  - b) Load funds to a Debit Card account.
  - c) Effect cancellations on a Debit Card account.
  - d) Schedule transmission of these data files each day, including the authentication processes for each file.
- 5.1 Bidder shall provide a procedure for using an industry standard electronically secure data connection, which allows CTDRS to transmit account information on a daily basis.
- 5.2 Bidder shall provide electronically to CTDRS the following information including the file format(s):
  - a) The account numbers for Debit Card accounts once they are established.
  - b) Payment related data for rejected files, returned files and cancellations.
- 5.3 Bidder shall provide a reconciliation process, including a reporting timeline and CTDRS's access to reports, for money received from CTDRS versus money disbursed to Cardholders. Include audit trail(s) for each transaction throughout the process.

## Project Management

6.0 Respondent shall provide a management plan that includes a proposed project schedule, a list of tasks, timeframes, activities, and/or milestones that will be employed to administer the project, the assignment of staff members and concentration of effort for each, and the deliverables. For key personnel (project manager, team lead, and assigned project team members), include the employee's name and, through a resume or similar document, the project personnel's education and experience in providing Debit Card services. Indicate the responsibilities each individual will have in the project and how long each has been with your company.

a) The staffing plan shall also include, but not be limited to:

- i. An organization outline or chart,
- ii. Some means of ensuring staffing continuity throughout the duration of the contract.
- iii. Physical location of staff engaged on the project.

Project Manager - Identify the proposed project manager and key staff. Include individuals that will oversee the implementation of the program as well as those who will support the operations of the program after implementation. For the proposed project manager, please provide a current resume, telephone number and hours of availability.

Account Representative. Identify an Account Representative for this project. The Account Representative shall be an employee of the Bidder that is dedicated to working with the State on resolving day-to-day issues.

Subcontractor Staff. The Bidder shall disclose the planned use of subcontractors to perform the services described in the RFP. This includes the following information: Name and address of each sub-contractor and the work the subcontractor will be performing.

- b) The management plans must be updated and approved by CTDRS prior to implementation.
- c) Bidder shall provide all acceptance testing processes. Include features and functionality to be tested, pass/fail criteria, approach to testing, roles and responsibilities, resources requirements and schedules.
  - i. The CTDRS requires a performance test of data transfer and electronic transmission before making an award. Test to be completed within ten business days of CTDRS request.
  - ii. In the event of format changes, the Awarded Bidder must complete all required programming and testing to the satisfaction of the CTDRS within ten business days of such changes. The Awarded Bidder shall incur all costs associated with any format changes.
- d) Bidder shall provide the process for managing cardholder inquiries and disputes. Provide workflow processes for handling normal, escalation and emergency events.
- e) Indicate recommended approach to training of CTDRS personnel, including the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, periodic retraining, training of new employees and number of instructors.

f) Bidder shall provide a marketing plan for current and future taxpayers.

#### Query & Reporting

7.0 The Awarded Bidder shall provide CTDRS with summary and detailed reporting, preferably through the Internet using a secure connection. Describe what regular reports you propose to provide and provide samples. At a minimum the following categories should be addressed in separate summary and detailed reports:

- a) Volume: Number of transactions processed, number of Debit Cards activated, number of Debit Cards not activated (if determined needed by CTDRS), number of account protests itemized by category, amount of time from Debit Card issuance to activation.
- b) Customer Service Activity: The number and types of calls received (IVR and CSR), the outcome of calls, the average talk time (IVR and CSR), number of calls abandoned (IVR and CSR), average wait time by type of call (IVR and CSR), number of calls completed (IVR and CSR), the number of calls answered by CSR with breakout of languages served, the number of calls answered and transferred to CTDRS with reason identified, the number of inquiries over the Internet, the number of balance inquiries (IVR, CSR, and Internet), PIN selection (IVR, CSR, and Internet), the number of transaction history requests (IVR, CSR, and Internet), the number of account protests by type of protest, and a detailed listing of complaints by customers with difficulty accessing services due to limited English proficiency, including the steps taken to enable service.
- c) Risk Analysis: Number of PIN changes, Number of lost Debit Cards, number of Debit Cards reported as stolen, number of accounts closed due to fraud, and number of reissued Debit Cards.

7.1 Provide the capability to drill down in real time from summary reports to the details of the report, and the parameters or variables that may apply, including but not limited to, date ranges, calendar months, quarters or calendar and fiscal years (State and Federal).

7.2 Provide the capability to produce reports of Debit Cardholders, including counts of issuance, activation and expiration dates.

7.3 Provide the timeframe of when reports will be available.

7.4 Provide your policies, procedures and timeframes regarding the length of online data retention.

7.5 Provide the minimum and maximum length of time it will take from the close of the daily process of receiving and distributing CTDRS funds to receipt of the reconciliation report by CTDRS.

7.6 The Awarded Bidder shall provide CTDRS with a daily payment report of all funds settled to a taxpayer's Debit Card account.

#### Performance Standards & Corrective Action Plans

8.0 All Cardholder accounts shall be established within four (4) days of receiving all necessary Cardholder account information.

8.1 All Debit Cards shall be mailed by first class mail with no forwarding order attached and meet the best United States Postal Service's discounts to individuals identified to receive Debit Cards no later than four (4) days after receiving all necessary Cardholder account information. The return address on the envelope must be within Connecticut. Mailing address data will have been run through an NCOA program and

address standardization program prior to delivery to Awarded Bidder. NCOA and CASS certification will be provided to the Awarded Bidder as necessary. Awarded Bidder is to use exact mailing information provided by CTDRS.

- 8.2 At least 95 percent of payments shall be deposited to established Cardholder accounts and be available to the Cardholder within a time period not to exceed 24 hours of receiving the CTDRS payment file.
- 8.3 The Awarded Bidder shall answer ninety-two percent (92%) of CSR-assisted calls within thirty (30) seconds of call transfer. Five percent (5%) of those calls will be answered within one (1) minute. The Awarded Bidder shall ensure that the CSR call abandonment rate does not exceed three percent (3%).

The Awarded Bidder shall ensure that calls are not automatically placed on hold. A call automatically placed on hold prior to being answered by a CSR does not meet the definition of "answered."

The Awarded Bidder shall sustain a minimum of four-hundred (400) in-bound call connections at any given time without a busy signal.

The Awarded Bidder shall ensure that the longest wait time for any caller in the queue (including abandoned calls) does not exceed five (5) minutes.

If the Awarded Bidder fails to meet the standards set forth in Sections 8.0 through 8.3 for a period of one (1) month, performance will be considered unsatisfactory which will result in a written warning being issued to the Awarded Bidder. In addition, the Awarded Bidder will be required to submit a corrective action plan. If within two (2) months of the initial failure, the Awarded Bidder cannot demonstrate that its performance has improved, a second corrective action plan will be required and the Awarded Bidder will be required to report daily to CTDRS the reasons that the standard is not being met and what is being done to address this issue. If the Awarded Bidder fails to meet this standard for a period of six (6) months, CTDRS will institute the Liquidated Damages Provisions referenced in Part D. In all cases, CTDRS shall have the right to approve and make changes to any corrective action plan submitted by the Awarded Bidder.

- 8.4 IVR system and Web site shall be operational at least 98 percent of the scheduled seven (7) days a week, twenty-four (24) hours per day service, except for normal maintenance.
- 8.5 Customer service representatives shall be available at least 95 percent of the scheduled seven (7) days a week, twenty-four (24) hours per day service, with an average wait time of five (5) minutes or less.

The Awarded Bidder must provide "down time" reports. If services are not available as indicated in Sections 8.4 or 8.5 for a period of one (1) month, performance will be considered unsatisfactory which will result in a written warning being issued to the Awarded Bidder. In addition, the Awarded Bidder will be required to submit a corrective action plan. If within two (2) months of the initial failure, the Awarded Bidder cannot demonstrate that its performance has improved, a second corrective action plan will be required and the Awarded Bidder will be required to report daily to CTDRS the reasons that the standard is not being met and what is being done to address this issue. If the Awarded Bidder fails to meet this standard for a period of six (6) months, CTDRS will institute the Liquidated Damages Provisions referenced in Part D. In all cases, CTDRS shall have the right to approve and make changes to any corrective action plan submitted by the Awarded Bidder.

- 8.6 Customers shall never be denied service because of the inability to speak or read English.

If, within a calendar quarter, there are more than five (5) complaints from customers being denied service, performance will be considered unsatisfactory which will result in a written warning being issued to the Awarded Bidder. Regardless of the number of complaints, the Awarded Bidder will be required to evaluate each complaint and provide a report. If five (5) complaints are received in the next calendar quarter, CTDRS may take corrective action and institute the Liquidated Damages Provisions referenced in Part D. In all cases, CTDRS shall have the right to approve and make changes to any corrective action plan submitted by the Awarded Bidder.

## **Part D - Liquidated Damages**

- 9.0 CTDRS expects the Awarded Bidder to perform its responsibilities and tasks as specified in this RFP and any resulting Contract. This expectation is reasonable within normally acceptable business practices, and in the best interests of CTDRS and its Taxpayers. The Bidder shall include in its proposal an acknowledgement that CTDRS will be damaged if the Awarded Bidder fails to fulfill its obligations under the Contract and that liquidated or actual damages attach and will be payable from any funds accrued directly or indirectly by the Awarded Bidder as a result of handling (accepting) CTDRS funds.
- 9.1 CTDRS has chosen to address the majority of the project risks related to Awarded Bidder performance through the assignment of liquidated damages, subsequent to cure periods provided to the Awarded Bidder to correct issues. The liquidated damages described below represent the projected financial loss and expenditures that may occur as a result of Awarded Bidder non-performance, including financial loss as a result of project delays.
- 9.2 If the Awarded Bidder does not fulfill its obligations under the RFP and any resulting Contract, CTDRS will be damaged. Establishing the precise amount or value of such damage would be difficult to quantify. The liquidated damages provided for herein do not represent a penalty; rather, the liquidated damages represent a good faith effort by CTDRS to establish a reasonable estimate of the damages that will be incurred by CTDRS in the circumstances described.
- 9.3 CTDRS shall have the right to collect liquidated damages assessed by CTDRS against the Awarded Bidder upon demand for payment. In addition, if at any time there are amounts payable to the Awarded Bidder under the Contract, CTDRS shall have the right to deduct and/or withhold the amount of any liquidated damages assessed by CTDRS against the Awarded Bidder from the amounts payable to the Awarded Bidder.
- 9.4 CTDRS shall notify the Awarded Bidder in writing, of any default specified herein, and such liquidated damages shall be paid by the Awarded Bidder within thirty (30) days of the CTDRS notice.
- 9.5 In the case of a default other than the Performance Measure Violations set forth in Part C Section, the following process shall apply. Upon receipt of written notice of default, the Awarded Bidder will have ten (10) days to provide a written explanation of the problem and a corrective action plan for bringing the operations within the standards specified. CTDRS shall have the right to approve and make changes to the corrective action plan submitted by the Awarded Bidder. The corrective action plan shall be implemented by the Awarded Bidder at no cost to and upon approval by CTDRS. Liquidated damages will not be assessed during the specified cure period for the activity in question. The Awarded Bidder's failure to pay the assessed liquidated damages within the designated time frame may be deemed by CTDRS as a breach of Contract.
- 9.6 CTDRS has identified certain instances of default or non-performance that, should they continue to occur over extended periods of time, will cause extreme financial losses to and hardship for CTDRS. Should the Awarded Bidder fail to complete the work within the agreed upon times or terms, CTDRS will assess and collect liquidated damages in the amounts set out below:

- i. Failure to generate and deliver the reports or files as scheduled will result in assessment of three thousand, five hundred dollars (\$3,500.00) per day liquidated damages per report or file, following a five (5) business day cure period.
- ii. Failure to have the toll-free client number and IVR scripts functional at Implementation will result in the amount of three thousand, five hundred dollars (\$3,500.00) liquidated damages assessment per day following a five (5) business day cure period.
- iii. Failure to have the toll-free retailer number and IVR scripts functional at Implementation will result in the amount of three thousand, five hundred dollars (\$3,500.00) liquidated damages assessment per day following a five (5) business day cure period.
- iv. CTDRS will assess liquidated damages in the amount of three thousand, five hundred dollars (\$3,500.00) per day upon the Bidder's failure to correct Performance Measure Violations pursuant to Part C Section 8 of this RFP.
- v. CTDRS will assess liquidated damages in the amount of ten thousand dollars (\$10,000.00) per day following a one (1) business day cure period if the IVR, CSR, or web system(s) fails and are not restored within three (3) hours.
- vi. CTDRS will assess liquidated damages in the amount of thirty six thousand, five hundred dollars (\$36,500.00) per day following a one (1) business day cure period if all of the deposits to the Taxpayer's Debit Card are not made on the business day that they are received by the Awarded Bidder.
- vii. CTDRS will assess liquidated damages in the amount of ten thousand dollars (\$10,000.00) per day following a one (1) business day cure period if the Awarded Bidder is unable or not ready to accept deposits from CTDRS within ninety (90) days from the date the Contract is signed.

9.7 CTDRS 's assessment of or failure to assess liquidated or actual damages for any of the specific instances cited in no way modifies or waives CTDRS 's right to assess additional liquidated or actual damages relating to other similar occurrences in addition to the specific liquidated damages. CTDRS expressly reserves the right to pursue recovery of actual losses resulting from the Awarded Bidder's failure to perform, or any other remedy it may have at law or equity.

#### **Part E - Periodic Audit Requirements**

10.0 The Awarded Bidder shall be required to retain records including but not limited to, financial records, supporting documents, statistical records and any other records, papers, logs, audit trails or books related to this RFP and any resulting Contract for a period of seven (7) years after the expiration of the Contract, or until CTDRS or interested government agencies are satisfied that all audit and litigation matters are resolved, whichever period is longer. The Awarded Bidder may be requested to produce records or provide testimony as a keeper of record pursuant to a valid subpoena or court order. The Awarded Bidder shall immediately notify CTDRS's Legal Division of any subpoena or court order directing the release of information and shall consult with CTDRS prior to releasing such information.

In addition to, and in no way in limitation of any obligation in the Contract, the Awarded Bidder shall agree that it will be held liable for any State audit exceptions, and shall return to the State all payments made under the contract for which an exception has been taken or which has been disallowed because of such exception. The contractor agrees to correct immediately any material weakness or condition reported to the State in the course of an audit.

## **Part F - Value Added Services**

11.0 Provide a list of any value added services, i.e. services beyond those services previously outlined in this RFP, that you may provide that affords additional benefits to CTDRS or the taxpayer.

## **Part G – Disaster Recovery/Business Continuity**

12.0 Bidder shall provide a comprehensive and tested disaster recovery plan. Include timelines for implementation, beginning at the start of the Contract, and specify Bidder's business continuity plan for disruptions of normal operations that exceed twenty-four (24) hours. The plan must include provisions to ensure no interruption of services, loss of documents or loss of data. The backup system of the Awarded Bidder must parallel all systems required to continue daily operations.

12.1 The plan shall provide that Bidder shall conduct disaster recovery testing on a periodic basis, and provide a post- test evaluation report to CTDRS. The plan shall provide the post- test evaluation and reporting process, as well as the time needed to incorporate changes in the disaster recovery plan.

12.2 Bidder shall update the disaster recovery plan at no cost to CTDRS during the term of the Agreement to address deficiencies identified by testing or changes to state or federal requirements.

12.3 Bidder shall maintain a fully redundant telecommunications network, in the event of an emergency.

12.4 CTDRS reserves the right to send a representative to any disaster testing, with all associated travel and per diem costs reimbursed by the Bidder.

12.5 Bidder shall ensure uninterrupted services to taxpayers for all electronic services within your Bidder's control.

12.6 Provide a list of circumstances in which the Bidder would implement its disaster recovery plan, including the timelines, process, roles, and responsibilities.

12.7 Bidder shall participate in any periodic disaster recovery/business continuity testing conducted by CTDRS.

## **Part H – Confidentiality & Security**

13.0 All data, in whatever form it is furnished to the Awarded Bidder by CTDRS, and all taxpayer account information created as a result of any contract resulting from this RFP, is considered "confidential

information" for purposes of this RFP and the resulting contract and must remain confidential in accordance with Conn. Gen. Stat. §12-15 and Federal law. Confidential information may not be sold or otherwise shared with any other entity not associated with the contract or for any purpose other than the execution of the contract, unless required by law. In addition, the Bidder or its sub-contractors may not use taxpayer or account information to solicit other business and must ensure such information is protected and kept confidential. Bidder will ensure that any Bidder employees or the employees of its sub-contractors who may have access to confidential information have no record of criminal conviction of a tax crime, embezzlement, forgery or other financial crimes or offenses that pertain to or involve breach of a fiduciary trust or responsibility.

- 13.1 Bidder agrees that all personnel and subcontractors, if applicable, authorized to access confidential CTDRS data shall be fully apprised of the confidential nature of the information. The Bidder's employees and subcontractors, if involved with check processing, direct deposit or debit card services pursuant to this RFP, will be required to execute an agreement regarding the confidentiality of taxpayer and account information. Describe Bidder's process and procedures to ensure the confidentiality and security of check processing information, as well as direct deposit account holder and debit cardholder information. Describe the physical, technical, logistical and personnel security measures you will use to ensure confidentiality of taxpayers' information and provide details of the security package used to control access to taxpayers' information. Include information on tracking, logging, monitoring, and reporting capabilities for physical and electronic access to premises, equipment, and data. Include any personnel forms and processes related to physical and information security. The Bidder shall require all its sub-contractors to adhere to the same practices, procedures and standards.
- 13.2 Describe the security features associated with the debit card for activation, counterfeit prevention, and fraud prevention.
- 13.3 Describe Bidder's procedures for preventing identity theft and responding to fraudulent activities.
- 13.4 Describe Bidder's internal controls to monitor, detect, record or log, prevent and minimize unauthorized physical and information technology activity.
- 13.5 Describe Bidder's procedures to resolve and/or prosecute fraud; include how and when CTDRS will be notified of the situation, and what information will be provided.
- 13.6 Describe the procedures and timeframes for reinstating suspended and/or canceled accounts.
- 13.7 Describe the data elements which constitute individual account information.
- 13.8 Describe timing and manner for notification of CTDRS and taxpayers of any data breach that might expose taxpayer's individual account information.
- 13.9 Describe the assistance Bidder will provide to taxpayers in case their individual account information is compromised.
- 13.10 Describe how physical records are destroyed and what logging and reporting of the record destruction activity is provided to CTDRS. Describe the frequency of the destruction, and any state or federal requirements which may be associated with this.
- 13.11 The Bidder shall have the ability to record threatening phone calls, and must notify CTDRS of all phone calls, correspondence, and contact with people threatening physical harm to CTDRS and/or Bidder personnel and/or property if such threat is associated with CTDRS, within one (1) hour. The identity of the official responsible for notifying CTDRS, and the bidder's procedures governing notification shall be provided in the Security Management Plan.

13.12 Neither the State Treasurer nor CTDRS endorses any Bidder, commodity or service. No public disclosures or news releases pertaining to this RFP and resulting contract shall be made without the prior written approval of the State Treasurer and CTDRS. Awarded Bidder is prohibited from using Contract award information, sales values/volumes and/or CTDRS customers in sales brochures or other promotions, including press releases, unless prior written approval is obtained from CTDRS.

13.13 Bidder shall notify CTDRS as soon as possible, but no later than one (1) business day, after receipt of any phone call, correspondence, or contact from a Public Official or the press which relates to the Debit Card or Direct Deposit program, or to any taxpayer, and the nature of each inquiry.

13.14 The Awarded Bidder shall immediately notify CTDRS both verbally and in writing if any data in the Bidder's possession which relates to confidential CTDRS data is subpoenaed. Also, CTDRS data shall be used only as authorized by CTDRS and the contract. Improper use, copying or removal of data shall be immediately reported to CTDRS. The Awarded Bidder shall cooperate with CTDRS in taking all steps as CTDRS deems advisable to prevent misuse, regain possession, and/or otherwise protect the State's rights and the data subject's privacy.

13.15 Bidder agrees that no confidential information obtained from CTDRS, and no account information created as a result of this RFP and resulting contract, may be placed or stored on a mobile computing or storage device, including, but not limited to, notebooks, PDAs, cell phones with internet browsing capability, and flashdrives.

13.16 All work must take place in a secure location within the continental United States. Physical storage of CTDRS provided documents and/or information must take place in a secure location within a 150 mile radius of the Department of Revenue Services, Hartford, Connecticut. At no time shall any CTDRS information leave the continental United States.

13.17 The Bidder shall comply with the CTDRS "Contractor Policies" that pertain to the safeguarding of tax information published by the CTDRS and CTDRS Policy Compliance Officer. Copies of these policies are attached. See "Requirement for Safeguarding Confidential Taxpayer Information" in Appendix I.

13.18 The State may immediately cancel the contract and remove all CTDRS data from the contractor and subcontractor if CTDRS information is not adequately protected.

13.19 The contractor shall provide a network diagram showing the process flow of data as it pertains to this contract. The contractor shall also provide CTDRS with their policies and procedures on access to data, securing data and data wiping in addition to documenting how these policies are enforced.

13.20 CTDRS information shall not be commingled with any other information.

**13.21 Appendix I, Department of Revenue Services Requirements for Safeguarding Confidential Taxpayer Information, is an important component of this bid package. It is the responsibility of all bidders to ensure that they have read and understand this section and have factored these requirements into their quote. Be sure to complete and return all security documents included in the appendix. Failure to do so may cause the proposal to be disqualified from further consideration.**

#### Inspection/Performance

14.0 The Awarded Bidder shall allow 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 Awarded Bidder and/or subcontractor(s) approved by CTDRS before an award is made and anytime during the contract period. The Awarded Bidder shall have appropriate equipment and personnel to meet

all contract requirements. If it is found that the Awarded Bidder is not qualified to perform the work as specified, the State has the right to seek reimbursement from the Awarded Bidder for the inspection. This includes ALL costs, such as airfare, car rental, hotel, meals and the salary of the individual(s) performing the site inspection. CTDRS also reserves the right to inspect work in progress at any time. As part of the inspection, the Awarded Bidder shall demonstrate its ability to maintain security of all materials in a manner satisfactory to the Department of Revenue Services.

### Source Data

- 15.0 The Awarded Bidder agrees that all data in whatever form it is furnished to the Awarded Bidder by CTDRS and any information or data generated during the processing of tax refunds and/or reproduction thereof are the property of CTDRS.
- 15.1 The Awarded Bidder agrees that should CTDRS information or data be improperly destroyed, or become inaccessible or damaged while in the possession of the Awarded Bidder, the Bidder shall be required to pay the cost for the re-creation of such information or data and any interest and expenses incurred by the State.

### Penalties/Defaulting Contractor

- 16.0 Should the Awarded Bidder default on the accepted performance schedule, the State shall recover all source data and shall be given immediate possession of any work that has been accomplished as of the date of recovery
- 16.1 In the event that a Bidder defaults, the defaulting Bidder will be required to pay the additional cost, if any, of having the work completed elsewhere.
- 16.2 The State reserves the right to reduce the invoice to reflect work not performed
- 16.3 Failure of an Awarded Bidder to maintain the agreed upon schedules acceptable to CTDRS or maintain a reasonable degree of accuracy will result in the cancellation of the contract.
- 16.4 Should the Awarded Bidder fail to electronically transmit the data, the State reserves the right to invoice the Awarded Bidder for time and expenses incurred to correct the issue.
- 16.5 The Awarded Bidder shall reimburse the State for its travel expenses related to on-site problem resolution.
- 16.6 The Treasurer, or her duly authorized representative, reserves the right to remove from the mailing list for future bids for an undetermined period, the name of any vendor for unsatisfactory performance of the contract.
- 16.7 The State may cancel the contract with thirty (30) days' prior written notice at any time.
- 16.8 The Awarded Bidder shall notify the Treasurer and CTDRS immediately in the event of a change of ownership. Failure to do so is cause for cancellation of the contract.
- 16.9 The State will always default to the stricter of the requirement where there may be duplication or questions.

## **Section III – Contract Term**

The Office of the Treasurer intends to enter into a contract for a four year term.

## **Section IV – Contractor Qualifications**

Bidders submitting a proposal in response to this RFP must demonstrate the following qualifications:

- A. The Respondent must be a financial institution organized under the laws of the United States with a physical presence in Connecticut.
- B. The Respondent must have demonstrated comparable experience of similar or greater volume with each of the services it is proposing to provide.
- C. The Respondent must be able to act as an Originating Depository Financial Institution for ACH payments.
- D. The Respondent will be responsible for managing all efforts required to satisfy CTDRS's stated needs in the service areas and will manage all subcontractors. CTDRS requires that the Awarded Bidder ensure that all subcontractors adhere to CTDRS's contractual requirements for the Awarded Bidder.
- E. The selected Respondent must provide a minimum \$25 million fidelity bond
- F. The selected Respondent must provide Errors and Omissions Insurance of at least \$20 million. Errors created by the selected Respondent shall be corrected by the Respondent at no cost to the State. Identified errors must be researched immediately, and a written explanation supplied to the CTDRS within 24 hours along with steps undertaken by the vendor to prevent such errors in the future.
- G. **Warranty of Financial Good Standing:** The Respondent warrants that to the best of its knowledge there are no actions, suits, or proceedings pending or threatened against or affecting it or any of its property in any court or before any arbitrator or before or by any governmental entity, domestic or foreign, except actions, suits, or proceedings of the character normally incident to the kind of business conducted by it and as to which, any adverse determination in excess of any accruals to reflect potential liabilities would not materially adversely impact its business, assets, operations, or condition, financial or otherwise, taken as a whole, or materially adversely impact its ability to perform its obligations under the RFP and any resulting Contract, and it is not in material default with respect to any other contract or material Order of any court, arbitrator or governmental entity.  
Respondent also warrants that all information provided to in accordance with this RFP fairly present its consolidated financial position as of the date of its submission and that there has not been any material adverse change in its business, assets, liabilities, or condition, financial or otherwise.
- H. Proposals must include the disclosure of any ongoing litigation and any adverse actions against Respondent in Connecticut or in any other State or by the federal government within the past

three (3) years. The disclosure must include the date of initiation and if resolved, the resolution, the nature of the litigation or adverse action, and the parties involved in the action.

- I. The selected Respondent must be ready to comply with all terms of the RFP and any resulting contract no later than ninety (90) days from the contract award, unless otherwise agreed by both parties.

## **Section V – Submission Deadline**

Proposals must be received by 4:00 p.m. on October 7, 2011, at the Office of the State Treasurer, 55 Elm Street, 6th Floor, Hartford, CT 06106, Attention Lawrence Wilson, Assistant Treasurer – Cash Management.

## **Section VI – Evaluation Criteria**

Bidders will be evaluated against the following criteria on the basis of their written responses to this RFP; additional written information, if any, requested by the Treasurer’s Office; references; and oral interviews, if any.

- A. Experience of the Respondent in providing the proposed services – check processing services, direct deposit services, and debit card services.
- B. Quality of proposed services.
- C. Qualifications of personnel including the qualifications and experience of the day-to-day personnel servicing the State’s business as well as the breadth and depth of other professionals to may provide services to the State as needed; availability of day-to day personnel and other professionals as needed; demonstrated commitment to understanding and serving client needs and responsiveness to client requests for assistance; team organization and approach, including the ability to adequately staff and complete time-sensitive transactions and to interact effectively with the State personnel.
- D. Quality of proposal.
- E. Financial impact, including fees, compensation and the availability of funds.
- F. Connecticut presence as evidenced by the number of offices the Respondent maintains in Connecticut, the number of Connecticut residents employed in those offices, and the provision of proposed services within the state.
- G. Extent to which work (development, ongoing support and customer service) by Respondent and subcontractors will be performed within the United States.
- H. Financial capability to provide the requested services and overall financial stability of the Respondent.
- I. Equal employment opportunity record as evidenced by the composition of Respondent’s personnel and the Respondent’s affirmative action and equal employment opportunity policies and practices.
- J. Corporate Citizenship policies, including the charitable contribution of money and time; local procurement of goods and services; development of and/or participation in internship programs or

scholarships; and policies with regard to the use of women-owned, minority-owned and small business enterprises.

K. Overall compliance with State and federal laws and policies as evidenced in the completion of the Required Legal and Policy Attachments and the required submissions.

Financial impact, including fees, compensation and the availability of funds will be an important factor in the evaluation process. The State Treasurer's Office, however, is not required to select the lowest cost response.

A committee of Treasurer's Office and CTDRS personnel will evaluate each proposal. The State Treasurer will make the final selection.

After final Bidder selection, the State will enter into contract negotiations with the selected Respondent to finalize terms, fees and conditions. This RFP and the selected Respondent's proposal, or any part thereof, may be included in and made a part of the final contract.

If an acceptable agreement with the Respondent is not reached within 30 calendar days of the Respondent selection, the State reserves the right to disqualify the Respondent and to negotiate with the next preferred Respondent.

## Section VII – Instructions

A. **Official Agency Contact.** All communications with the Office of the State Treasurer must be directed to the Official Agency Contact. The Official Agency Contact for the purposes of this RFP is:

Lawrence Wilson, Assistant Treasurer – Cash Management  
State Treasurer's Office  
55 Elm Street, 6<sup>th</sup> Floor  
Hartford, CT 06106  
860.702.3126  
860.702-3041 (fax)  
[lawrence.wilson@ct.gov](mailto:lawrence.wilson@ct.gov)

B. **Bidder's Representatives.** Bidders must designate an authorized representative and one alternate. Provide the name, title, address, telephone and FAX numbers, and e-mail address for each representative.

C. **Communications Notice.** All communications with the Treasury or CTDRS or any person representing the agencies concerning this RFP are strictly prohibited, except as permitted by this RFP. Any violation of this prohibition by Bidders or their representatives may result in disqualification or other sanctions, or both.

D. **RFP Timeline (Schedule of Events).**

<i>September 12, 2011</i>	RFP Released
<i>September 19, 2011</i>	Letter of Intent Due
<i>September 22, 2011</i>	Bidders' Conference
<i>October 7, 2011</i>	Deadline for Submitting Proposals

**E.** **Letter of Intent.** Any Bidder intending to respond to this RFP must submit a scanned Letter of Intent to the Official Agency Contact by e-mail not later than September 19, 2011. The letter of intent is non-binding, in that the Bidder is not required to submit a proposal. The purpose of the letter of intent is to enable the agency to send interested Bidders new information concerning this RFP in a timely manner.

**F.** **Bidders' Conference.** A Bidders' conference will be held on September 22, 2011 at 10:00 a.m. at the Office of the Treasurer, 7<sup>th</sup> floor conference room, 55 Elm Street, Hartford.

The rules for the Bidders' conference are as follows:

1. No questions will be answered prior to the conference.
2. Questions may be submitted in writing, either prior to or at the conference. Questions may also be asked at the conference.
3. All questions received before or at the conference will be answered orally at the conference. If any follow-up responses or clarifications are necessary after the conference, they will be distributed to only those in attendance at the conference.
4. Any questions received in writing after the conference will be answered in writing as time permits, with copies distributed to all Bidders in attendance at the conference. No substantive questions will be answered orally after the conference.
5. Attendance at the bidders' conference is mandatory. Proposals from Bidders which do not attend the conference will not be considered.
6. Any RFP amendments will be sent to all Bidders attending the bidders' conference.

**G.** **Inquiry Procedures.** Bidders may submit questions about the RFP after the Bidders' Conference to the Official Agency Contact on or before September 26, 2011. Questions must be in writing and submitted by e-mail. Substantive questions will not be accepted over the telephone. Anonymous questions will not be answered. The agency reserves the right to provide a combined answer to similar questions. The agency will distribute official answers to the questions not later than September 30, 2011 to all Bidders who submitted a letter of intent. Any Bidder who has not received the answers within two business days following the distribution date may contact the Official Agency Contact by telephone to request a copy. Any and all amendments to this RFP will be posted on the agency's website at [www.state.ct.us/ott/](http://www.state.ct.us/ott/).

**H.** **Confidential Information.** Bidders are advised that the Office of the Treasurer is a constitutional Office of the State of Connecticut and its records, including responses to this RFP, are public record.

Information in a response that is deemed by the proposing Bidder to be confidential and proprietary should be clearly identified. Bidders should also provide justification as to why such information should not be disclosed by the Office of the Treasurer pursuant to the State's Freedom of Information Act.

All responses to this RFP shall become the property of the Treasurer and will be kept confidential until such time as recommendation for award of a contract has been announced. Thereafter, submissions are subject to public inspection and disclosure under the State of Connecticut Freedom of Information Act, Connecticut General Statutes Sections 1-200 et seq., as may be amended from time to time ("FOIA"). If a Bidder in good faith believes that any portion of its

submission is exempt from public disclosure, then, in order to maintain confidentiality, (i) the Bidder should include an explanation containing the precise statutory basis for such exemption from disclosure under FOIA and (ii) such portion should be clearly marked “Confidential.” The Treasurer will use reasonable means to ensure that such confidential information is safeguarded but will not be held liable for any inadvertent or intentional disclosure of such information, materials or data. Submissions marked as “Confidential” in their entirety will not be honored as such and the Treasurer will not deny public disclosure of all or any part of such submissions so marked. Only information marked “Confidential” that is accompanied with a precise statutory basis for such exemption under FOIA shall be safeguarded.

By submitting information with portions marked as “Confidential,” the Bidder (i) represents that it has a good faith reasonable belief that such information is exempt from disclosure under FOIA pursuant to the precise statutory basis for such exemption, and (ii) agrees to reimburse the Treasurer for, and to indemnify, defend and hold harmless the Treasurer, its officers, fiduciaries, employees and agents from and against, any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs and expenses including, without limitation, attorneys’ fees, expenses and court costs of any nature whatsoever arising from or relating to the Treasurer’s non-disclosure of any such designated portions of a proposal if disclosure is deemed required by law or court order.

- I. Minimum Submission Requirements.** At a minimum, proposals must (1) be submitted before the deadline, (2) follow the required format, (3) satisfy the packaging and labeling requirements, (4) be complete, and (5) include the required Attachments. Proposals that fail to meet these minimum submission requirements may be disqualified and not reviewed further.
- J. Proposal Style.** Proposals should be prepared simply and economically, providing a straightforward, concise description of Bidder capabilities and approach. Elaborate proposals are not warranted. The emphasis should be on completeness and clarity of content.
- K. Affirmations Concerning Contract and Conditions.** Include a written statement that the Bidder has read and accepts the RFP’s conditions, the agency’s standard contract and conditions, and the State’s contract compliance requirements in their entirety and without amendment. The statement must be signed by the Bidder. Bidders may propose changes, which will be considered by the Treasurer.
- L. Legal and Policy Attachments.** Complete all Legal, Policy Security and Confidentiality Attachments in accordance with the directions provided. Failure to complete the Legal and Policy Attachments may result in the Proposal not being reviewed.
- M. Contract Compliance Requirements.** The State of Connecticut is an Equal Opportunity and Affirmative Action employer and does not discriminate in its hiring, employment, or business practices. The State is committed to complying with the Americans with Disabilities Act of 1990 (ADA) and does not discriminate on the basis of disability, in admission to, access to, or operation of its programs, services, or activities.

The Treasurer is required to consider the following factors in considering the Bidder’s qualifications: (1) success in implementing an affirmative action plan; (2) promise to develop and implement a successful affirmative action plan; (3) submission of bidder employment information indicating that the composition of the Bidder’s workforce is at or near parity in the relevant labor market area; or (4) promise to set aside a portion of the contract for legitimate minority business enterprises.

- N. Consultants.** Any Bidder that has entered into any consulting agreements whereby the duties of the consultant include communications concerning business of the Office of the State Treasurer,

whether or not direct contact with the agency, any agency or public official or state employee was expected or made, must disclose such consulting agreements in the **Affidavit of Third Party Fees and Disclosure of Consulting Agreements, Attachment D** of the Legal and Policy Attachments. The selected Bidder will be required to provide an updated disclosure at the time the contract is executed. See the **Directions** accompanying the **Legal and Policy Attachments** for instructions.

- O. Packaging and Labeling Requirements.** All proposals must be submitted in sealed envelopes or packages clearly labeled "RFP – CTDRS Banking Service." An original (clearly identified as such) proposal, eight conforming copies, and one copy in PDF format on a CD-R disk must be submitted. The original proposal must be signed by the Bidder. Unsigned proposals will be rejected. Proposals transmitted by facsimile will not be accepted or reviewed.
- P. Meetings with Bidders.** At its discretion, the agency may convene meetings with Bidders in order to gain a fuller understanding of the proposals. The meetings may involve interviews, presentations, or site visits. If the agency decides meetings are warranted, the Official Agency Contact will telephone Bidders to make an appointment.
- Q. Surety Bond.** Include a statement that the Bidder is willing and able to furnish a performance bond in the amount of \$25 million upon award of a contract. The statement must be signed by the Bidder.
- R. Required Format for Responses.** All proposals must follow the required format (below) and address all requirements listed in the prescribed order, using the prescribed numbering system. Failure to follow the required format may result in the disqualification of a proposal.

**1. Cover Letter**

The proposal should contain a cover letter with the following information:

- a) Contact Information
  - i. Name of Bidder
  - ii. Business Location
  - iii. Mailing Address
- b) Bidder's Representatives
  - The Bidder must designate an authorized representative and one alternate who may speak and act on behalf of the Bidder in all dealings with the agency, if necessary. Provide the following information for each individual.
  - i. Names and titles
  - ii. Telephone Numbers
  - iii. Email Address
- c) A statement indicating that the Bidder has the capability to provide the proposed services.
- d) A statement that the Bidder meets the minimum qualifications set out in Section IV for the proposed services. If a Bidder does not meet any of the minimum qualifications, they must identify which qualification(s) they do not meet and make a detailed case as to why the Treasurer should consider their firm and their product.

- e) A statement that the Bidder has thoroughly reviewed the RFP and acknowledges and accepts all terms and conditions included in the RFP.
- f) Include a statement that the Bidder has read and accepts the agency's standard contract and conditions in their entirety and without amendment.

The cover letter must be signed by a person authorized to bind the firm to all commitments made in its proposal.

## **2. Bidder Information**

- a) For each service – check processing, direct deposit services and debit card services -- you are proposing to provide: Describe your experience, facilities, processes and personnel that demonstrate your capability to meet or exceed the RFP requirements.

Specifically include:

- i. Description of check processing, direct deposit and debit card customer service departments, hours of operation, number and experience of staff.
- ii. Planned system changes or conversions.
- iii. Experience with providing the required and optional services.

- b) Describe the Bidder's business organizational structure. If the Bidder is a corporation, provide: the state in which incorporated; the types of business ventures in which the Bidder is involved; and a chart of the organizational structure. Proposal must include:

- Company name and description of services.
- If a subsidiary, the name of the parent company.
- Ownership.
- Other company locations.

- c) Indicate clients to whom you provide similar services that have equivalent or greater check processing, direct deposit and debit card volumes. Please specify the volumes for each client.

- d) Indicate the total monthly processing volume for each service you are proposing to provide.

- e) If a change of ownership of the Bidder is anticipated during the twelve (12) months following the submission, the Bidder must describe the circumstances of such change, when the change is likely to occur, and potential impacts on customer services.

- f) Indicate which services would be provided by subcontractors. Indicate the experience of the subcontractors in providing the proposed services and the Bidder's experience with working with the subcontractors. Bidder must take responsibility for the work product of all subcontractors.

- g) If a merger with another financial institution is planned or underway, please discuss potential impacts on your customer services.

- h) Financial Condition

Include the two most recent audited annual financial statements.

Please provide the most recent credit ratings by Fitch, S&P, and Moody's for your institution. Indicate the dates of those ratings.

Please provide your latest data on the following three ratios:

Total Risk-Based Capital Ratio

Tier One Leverage Ratio

Tier One Risk-Based Capital Ratio

Please include the date of the information.

i) **References**

For each service, identify three recent clients for which you are providing similar services that we may contact as references. Provide the following information for each reference: name, title, company address, and phone number. If you provide different services to the same client, you may cite that client multiple times. At least one of the clients must be a governmental entity.

j) **Corporate Practices**

In addition to the information requested in the attachments, Bidders should include:

- Their Community Reinvestment Act rating and the date of that rating.
- The number of offices the Bidder maintains in Connecticut and the number of Connecticut residents employed in those offices. Also indicate where each of the proposed services would be performed.

**3. Outline of Work**

This section of the proposal should describe the Bidder's approach and plans for accomplishing the work outlined in Section II – Scope of Services. The description should be provided in sufficient detail to permit the state to evaluate proposals fairly without the possibility of misinterpretation. Further, the Bidder should propose a plan for working with state personnel in an effective, mutually agreeable contractor-client relationship.

Bidders are encouraged to suggest alternative or innovative approaches to meeting the state's service requirements. Such alternatives should be described and clearly priced separately.

This section should contain (1) a general overview of not more than two pages and (2) detailed responses to each required and optional service item and requested response in Section II – Scope of Services. The detailed portion should clearly and precisely follow the format of Section II – Scope of Services.

Bidders must address each of the required and optional items for each of the proposed services.

**4. Schedule**

Include a proposed work schedule, by activity, indicating when each activity will be accomplished. Identify any significant milestones or deadlines. Include due dates for all deliverables.

**5. Personnel Resources**

- a) Staffing Plan--Identify the personnel resources that will be assigned to each activity delineated in the work plan (above). State the proportion of time that personnel will allocate to each task of the project.
- b) Key Personnel--Identify the key personnel that will be assigned to this project. Attach resumes reflecting their qualifications, including related work experience. Note: The Office of the Treasurer must be notified in writing and in advance regarding the departure of any key personnel from the project.

**6. Proposed Cost**

Bidders shall provide pricing information for services listed below, as well as any other costs that may be associated with the provision of services.

Service components listed reflect fees and charges for all services included in this RFP. Complete the form only for those charges that apply to Bidder and your proposal.

If Bidder has additional fees or services that would need to be included to meet the service requirements, please include them. Please make sure that all fixed and variable costs have been included. The State will not pay fees for items not included in your proposal.

Separately list all fees that may be charged to Debit Card users. Fees not listed may not be charged.

Cardholder costs and fees as well as CTDRS costs and fees will be evaluated during the selection process, and are subject to negotiation prior to the formation of the Contract.

<u>Services Performed</u>	<u>Unit Price</u>
<b>Checks</b>	
Account Maintenance	
Monthly Statement	
Check processing	
Checks Paid	
Full Reconciliation per item	
Positive pay	
Digital Image-checks paid	
Check Copies Per Request	
Check Copies - Compact Disc (CD)	
Stop Payment Orders	
Internal Wire Transfer	
ACH Transfers - Outgoing	
ACH Transfers - Incoming	
Courier Service - Per Trip	
Reports - Hardcopy	

Reports – CD  
Reports – Electronic Transmission  
Online System  
Paid tape or transmission  
Paid tape or transmission per item  
ACH Monthly Maintenance  
Interday Detail Report  
Prior Day Detail Report  
ACH Block/Filter

### **Direct Deposit**

ACH Returns  
ACH Control  
ACH Originated Items –PPD Debit  
ACH Originated Items –PPD Credit  
File Processes  
Notification of Change  
ACH Reversal/Delete Batch File  
Notice of ACH returns – daily  
Notice of ACH returns - monthly

### **Debit Card Charges**

Card issuance & renewal fee  
Value load fee  
ACH credits  
ACH debits  
Lost/ Stolen card processing – replacement  
Minimum/maximum dollar value allowed to be loaded on the card.

### **Cardholder Fees Specify**

Additional services (To be specified by financial institution, as necessary)

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The Treasurer requires that all prices quoted be fixed for a minimum of three years and that any subsequent price increases may not exceed the Consumer Price Index for the previous year.

Pricing information must be provided both on a direct fee for service basis and a compensating balance basis. The State reserves the right to evaluate costs and request services based upon either a fee-for-service or a compensating balance basis. To better evaluate the true cost of compensation through balances, please provide the formula used for calculating the earnings credit rate. Should the State decide to provide compensation on a balance basis, credit and debit balances at the end of each month shall be carried over to the next month regardless of the calendar year, or whatever time frame that the financial institution uses.

An analysis of service charges incurred shall be provided to the Office of the Treasurer on a monthly basis, via electronic media, if possible.

The financial institution will be required to pay a penalty for each line item that is billed incorrectly on the account analysis or invoice. The penalty shall equal \$50.00 per line item or 15 percent of the line item total, whichever is greater.

## **Section VIII - Compliance**

- A. Legal and Policy Attachments—Complete the Legal and Policy Attachments in accordance with the directions. PLEASE NOTE: If you are the selected Bidder, you will be required to re-execute Attachment D and a modified Attachment E at the time you execute your contract with the Office of the Treasurer.
- B. Security and Confidentiality Requirements -- Complete the CTDRS security and confidentiality documents.

## **Section IX - RFP Conditions**

- A. All proposals submitted in response to this RFP will become the sole property of the Office of the State Treasurer.
- B. The State Treasurer shall be required, as a part of the procurement process, to certify that the Bidder awarded this contract was not selected as a result of collusion, the giving of a gift or the promise of a gift, compensation, fraud or inappropriate influence from any person. The Bidder represents and warrants that the proposal is not made in connection with any other Bidder and is in all respects fair and without collusion or fraud. The Bidder further represents and warrants that the Bidder did not participate in any part of the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no agent, representative or employee of Office of the State Treasurer participated directly in the Bidder's proposal preparation. The date planning began for this RFP (for purposes of the Gift Affidavit) was January 1, 2011.
- C. The successful Bidder will be required to complete Attachment E of the Legal and Policy Attachments regarding the giving of gifts. The failure to provide such affidavit shall be grounds for disqualification.
- D. Any product, whether acceptable or unacceptable, developed under a contract awarded as a result of the RFP will become the sole property of the State of Connecticut.
- E. Timing and sequence of events resulting from this RFP will ultimately be determined by the Office of the State Treasurer.
- F. The Bidder agrees that the proposal will remain valid for a period of 180 days after the deadline for submission and may be extended beyond that time by mutual agreement.
- G. The Office of the State Treasurer may amend or cancel this RFP, prior to the due date and time, if the agency deems it to be necessary, appropriate or otherwise in the best interests

of the State. Failure to acknowledge receipt of amendments, in accordance with the instructions contained in the amendments, may result in a proposal not being considered.

- H. Any costs and expenses incurred by Bidders in preparing or submitting proposals, including travel expenses incurred to attend Bidders' meetings or interviews are the sole responsibility of the Bidder.
- I. No additions or changes to the original proposal will be allowed after submission, except where corrections of errors or omissions may serve the best interests of the State. Clarifications of proposals may be required by the Office of the State Treasurer at the Bidder's sole cost and expense.
- J. All responses to the RFP must conform to instruction. Failure to include any required signatures, provide the required number of copies, to meet deadlines, answer all questions, follow the required format, or failure to comply with any other requirements of this RFP may be considered appropriate cause for rejection of the response.
- K. The Bidder must accept Office of the State Treasurer's standard contract language and conditions included in the Attachments section. Any proposed revisions must be specified in the proposal. The Treasurer will consider the proposed revisions.
- L. The Office of the State Treasurer reserves the right to award in part or to reject any and all proposals in whole or in part for misrepresentation or if the Bidder is in default of any prior State contract, or if the proposal limits or modifies any of the terms and conditions and/or specifications of the RFP, or if such action is determined by the Office of the State Treasurer to be in the best interests of the state. The Office of the State Treasurer also reserves the right to waive technical defects, irregularities and omissions if, in its judgment, the best interest of the State will be served.
- M. The Office of the State Treasurer reserves the right to correct inaccurate awards resulting from its clerical errors. This may include, in extreme circumstances, revoking the awarding of a contract already made to a Bidder and subsequently awarding the contract to another Bidder. Such action on the part of the Office of the State Treasurer shall not constitute a breach of contract on the part of the agency since the contract with the initial Bidder is deemed to be void *ab initio* and of no effect as if no contract ever existed between Office of the State Treasurer and the Bidder.
- N. Prior to its engagement by the Office of the Treasurer, the successful Bidder shall furnish the Office of the Treasurer with a current and valid Letter of Good Standing issued by the State of Connecticut Department of Revenue Services, pursuant to Connecticut General Statutes 12-2. The failure of the successful Bidder to timely provide a Letter of Good Standing prior to engagement may result in the removal and replacement of the successful Bidder. In addition, the Awarded Bidder must be in good standing with the State of Connecticut and CTDRS throughout the contract period.
- O. Financial institutions will be subject to the General Statutes of Connecticut with particular reference to Chapter 656 (Protection of Public Deposits) and Sections 3-24, 4-33, 7-401, and 36-52d (Community Reinvestment Act Compliance).

**Appendix I – Requirements for Safeguarding Confidential  
Taxpayer Information**

Department of Revenue Services

Requirements for Safeguarding Confidential Taxpayer  
Information

# **Table of Contents**

- Policy for Access to and Safeguarding of DRS Confidential or Restricted Data by Contractors
- Additional Contractor Requirements
- Disclosure and Inspection Rules and Procedures for State and Federal Tax Return Information
- Security and Confidentiality Questionnaire
- Internal Revenue Service Exhibit 7
- Viewing of Contractors Safeguards Video Memorandum
- Acknowledgement Form
- Policy for Personal Computers and Software
- Disclosure of Tax Information form

## A. 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 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 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 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.
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.
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's 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.

### **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 DOIT 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 resulting from dishonesty acts committed by the contractor, the contractors' staff or its subcontractors. It is the contractors' responsibility to safeguard DRS information while it is in the contractors' possession. If there is a security breach that affects DRS information while that information is in the possession of the contractor, the contractor will pay for all costs incurred with that security breach. This will include but not be limited to credit protection for all affected taxpayers for a minimum of 2 years and all expenses incurred by the State of Connecticut in connection with the security breach. It is the contractor's responsibility to immediately notify the Department of Information Technology @ (860) 622-2300, the Department of Revenue Services @ (860) 297-4900 and James Norton (860) 297-5608 as soon as a loss or breach of DRS information is suspected.

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 the DRS Policy Compliance Officer. 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

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 to the DRS Policy Compliance Officer, that it has wiped all electronic media capable of storing the DRS Information. The contractor must destroy the information in accordance with requirements of NIST 800-88.

#### **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.

#### **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.

DEPARTMENT OF REVENUE SERVICES  
**Internal Audit Division**  
**MEMORANDUM**

**DATE:** May 20, 2010

**TO:** All DRS Contractors & Subcontractors

**FROM:** James E. Norton                    **TELEPHONE:** (860) 297-5608  
Policy Compliance 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 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 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 redislosed.

### **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 the Internal Audit Division, Mary Kate Speer (860) 297-4967 or James Norton (860) 297-5608. Any incident that may contain FTI must be reported to the Treasury Inspector General for Tax Administration (TIGTA), we will contact TIGTA 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 Policy Compliance 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) 297-5608 or by email [james.norton@po.state.ct.us](mailto:james.norton@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.

## Security and Confidentiality Questionnaire

1. Please describe your process for receiving, storing and transmitting DRS tax return information.
2. What security measures are in place to safeguard DRS information when it is being worked on?
3. What security measures are in place to safeguard the DRS tax information when it is not being worked on?
4. What security measures are in place to secure DRS tax return information when in transit (being transmitted)?
5. If any of DRS information is not being processed at your facility what safeguard and security measures are in place to ensure that the information is properly safeguarded?
6. Please describe your current and planned security features. This includes but is not limited to alarm systems, monitoring systems, fire systems, background checks, security guards, key locks and card swipes.
7. Please provide your security plan which establishes their auditing and logging capabilities that log all transaction access to the DRS Information.
8. Please describe your hiring practices, if background checks are performed are they at the state or national level. What would preclude an applicant from being hired?
9. Please explain how you are going to keep DRS information separate from other clients that you perform services for.
10. How will you delete/erase/wipe/expunge DRS data from your systems at the end of the contract?

11. Please document your policies for the destruction/replacement of the following:

- Computer Servers
- Mobile storage devices (PC's, USB's, Blackberry's .....)
- Back up devices
- Confidential documents
- Paper
- Microfiche/CD's

12. What are your backup procedures? How often is the information backed up? Where is the information stored? How often is it recycled?

13. Do you have a disaster recovery plan? Do you have a back-up facility in the event there is a need for one? Please document your plan and facility if you have one.

14. Please indicate that you will contact James Norton & Don Knybel within 24 hours should any of these change at anytime through out the contract

# 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 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.

DEPARTMENT OF REVENUE SERVICES  
**Internal Audit Division**  
**MEMORANDUM**

**DATE:** January 5, 2011

**TO:** All DRS Contractors & Subcontractors

**FROM:** James E. Norton                    **TELEPHONE:** (860) 297-5608  
Policy Compliance Officer

**SUBJECT: Viewing of Contractors Safeguards Video**

If you have been awarded the contract you will be required to view a “Contractor Safeguards Video”. The video must be viewed by all individuals who are working with or may come in contact with DRS/IRS information or at a DRS facility prior to commencing work. Contractors and Subcontractors whose employees are already working with or may come in contact with DRS/IRS information must also view this video. While the video primarily pertains to Federal IRS information, the standards of confidentiality apply to State of Connecticut information as well. The link <http://www.irsvideos.gov/Governments/Safeguards/DisclosureAwarenessTrainingPub4711> contains the video.

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:

DRS Policy Compliance Office  
c/o James Norton, Tax Division Chief  
State of Connecticut Dept. of Revenue Services  
25 Sigourney St  
Hartford, CT 06106

## ACKNOWLEDGEMENT

I have viewed the contractors' video and received and read the "Disclosure and inspection rules and procedures for state and federal tax return information" by signing below I acknowledge that I and understand the procedures and penalties.

## Company Name

## B. 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
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 FORM**

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 7213A, 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; Business Office; Attn: Don Knybel; 25 Sigourney Street; Hartford, CT 06106.**

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Print Name

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Name of Company

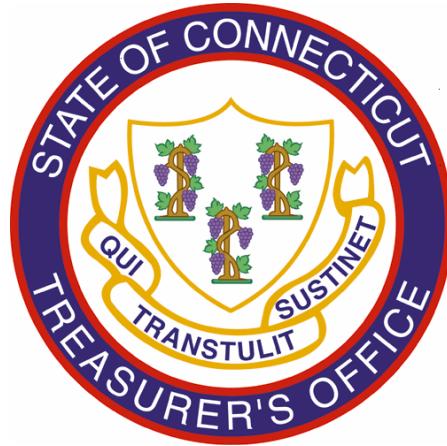
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Signature

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Date

**Office of the State Treasurer**  
**Standard Contract Terms**



**PERSONAL SERVICE AGREEMENT**  
**BETWEEN**  
**STATE OF CONNECTICUT**  
**OFFICE OF THE TREASURER**  
**AND**

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## FORM

### PERSONAL SERVICES AGREEMENT (Non-Investment)

This **PERSONAL SERVICES AGREEMENT** ("Agreement") is entered into as of [REDACTED] (the "Commencement Date"), between the **STATE OF CONNECTICUT** (the "State"), acting through its Treasurer, as Trustee (the "Treasurer") and [REDACTED], a corporation, having a principal place of business [REDACTED] (the "Contractor").

WHEREAS, Section 3-11a of the Connecticut General Statutes authorizes the Treasurer to enter into contracts to as may be necessary and proper for the discharge of her duties;

WHEREAS, the Treasurer has selected the Contractor based on the Contractor's representations in a competitive selection process and wishes to appoint the Contractor as [REDACTED], and the Contractor wishes to accept this appointment, on the terms and conditions set forth below; and

WHEREAS, the Contractor hereby reaffirms the reliability and accuracy of the written and oral representations made to the Treasurer in Contractor's solicitation of this Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals that are incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

#### 1. Term

This Agreement shall commence on the Commencement Date, and shall expire on the earlier of (i) [REDACTED] or (ii) termination by either party as set forth in Section 33 hereof (Termination).

#### 2. Definitions

- A. "Agreement" shall mean this Personal Services Agreement.
- B. "C.G.S." shall mean the Connecticut General Statutes.
- C. "Commencement Date" shall have the meaning set forth in the introductory paragraph hereto.
- D. "Commission" shall mean the Connecticut Commission on Human Rights and Opportunities.
- E. "Contractor" shall mean [REDACTED].
- F. "Election Laws" shall mean C.G.S. Section 9-612 et seq, as amended from time to time.
- G. "Gift Affidavit" shall have the meaning set forth in Section 24 (Gift Affidavit) hereof.

- H. **“Internal Investigation”** shall have the meaning set forth in Section 21 (Legal proceedings) hereof.
- I. **“Proceeding”** shall have the meaning set forth in Section 21 (Legal Proceedings) hereof.
- J. **“State”** shall mean the State of Connecticut.
- K. Intentionally left blank
- L. **“State Ethics Code”** shall mean Chapter 10 of the Connecticut General Statutes.
- M. **“Treasurer”** shall mean the then-current Treasurer of the State of Connecticut. Whenever the term Treasurer is used in this Agreement, it shall include the Treasurer or her authorized agent, employee or designee.

### **3. Scope of Services**

- A.
- B. From time to time during the term of this Agreement, as part of the services provided hereunder, the Contractor may provide or cause others to provide to the TREASURER, and the TREASURER may, in her sole discretion, fully participate in and/or accept, certain educational opportunities and/or materials prepared by or obtained by the Contractor for use by or distribution to its clients, such as, but not limited to, seminars, conferences, symposiums, lectures, classes, informal or formal meetings, computer software, computer hardware (such as “thumb” or “usb” drives), publications, periodicals and the like (“Educational Opportunities”), provided that Educational Opportunities relate to those areas of the Contractor’s expertise and its performance of the services hereunder. For the purposes of this section, Educational Opportunities may include, but not be limited to, reasonable travel, lodging and meal expenses associated with the TREASURER’s participation in Educational Opportunities. The Contractor hereby expressly acknowledges that the value of any Educational Opportunities is part of the valuable consideration exchanged herein and, accordingly, the Contractor has accounted for such value in the fees delineated in the Section 4 (Compensation) of this Agreement.

### **4. Compensation**

### **5. Representations and Warranties of the Contractor**

- A. The Contractor represents and warrants that it is fully experienced and properly qualified to perform the services provided for herein, and that it is properly licensed, equipped, organized and financed to perform such services.
- B. The Contractor represents and warrants that neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein will violate any agreement or contractual commitment to which the Contractor is a party or by which it is bound, any law, regulation, order, or any provision of the Contractor’s charter documents. The Contractor further represents and warrants that it is not a party to any existing agreement that would prevent the Contractor from entering into and performing this Agreement. For the term of this Agreement,

the Contractor agrees not to enter into any other agreement that is in conflict with the Contractor's obligations under this Agreement.

- C. The Contractor represents and warrants that it is duly organized, validly existing, and in good standing under the laws of the state of its organization and has full corporate power and authority to carry on its business as it has been and is currently being conducted.
- D. The Contractor represents and warrants that it has full power and authority to enter into and perform fully the terms of this Agreement and that the execution of this Agreement on behalf of the Contractor is duly authorized and, upon execution and delivery, this Agreement shall be binding upon the Contractor in accordance with its terms.
- E. The Contractor represents and warrants that it has completed, obtained and performed all applicable registrations, filings, approvals, licenses, authorizations, consents and/or examinations required by any government or governmental authority for entry into this Agreement and performance of the services contemplated herein, and the Contractor further represents and warrants that it shall maintain all such proper and required registrations, filings, approvals, licenses, authorizations, consents and/or examinations for the term of this Agreement.
- F. The Contractor represents and warrants that it shall act as an independent contractor in performing this Agreement and shall maintain complete control over its employees and any subcontractors hired by it to perform services hereunder.
- G. The Contractor represents and warrants that it shall perform all services hereunder in accordance with the terms of this Agreement and in compliance with all applicable federal, state and local laws, regulations, guidelines, permits and requirements.
- H. The Contractor represents that services to be rendered hereunder do not in any way conflict with other contractual commitments with or by the Contractor.
- I. The Contractor represents and warrants that neither any representation and warranty contained herein nor any written statements, certificates or documents delivered or to be delivered to the Treasurer or the Treasurer's designated representative(s) by or on behalf of the Contractor contains or will contain any misstatements of material fact, or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.
- J. The Contractor represents and warrants that the Contractor (including its key professionals) has no undisclosed material or potential conflict of interest with the Treasurer. Any previously undisclosed material or potential conflicts of interest are disclosed on **Attachment 1** hereto. Advisor represents and warrants that it shall, no less than annually and for the term of this Agreement, report to the Treasurer any changes to the disclosure provided on **Attachment 1**.
- K. The Contractor shall promptly notify the Treasurer in writing in the event any of the foregoing acknowledgements, representations, warranties or agreements herein shall no longer be true.

## 6. **Changes in Services**

When changes in services are required or requested by the Treasurer, the Contractor shall promptly estimate the monetary effect of such services and so notify the Treasurer. Subject to the terms and conditions set forth in Section 26 hereof (Amendments), the Contractor shall not implement any change in

services under this Agreement unless such change is first approved by the Treasurer in writing. Unless otherwise agreed to in writing, the provisions of this Agreement shall apply to all changes in services.

**7. Labor and Personnel**

At all times, the Contractor shall utilize qualified personnel necessary to perform the services under this Agreement. The Contractor shall, if requested to do so by the Treasurer, reassign from the Treasurer's account, within a reasonable period of time, any employee or authorized representative whom the Treasurer, in her sole discretion, determines is incompetent, dishonest, uncooperative or unable to effectively perform the responsibilities and services required hereunder.

**8. Insurance Requirements**

- A. **Minimum Coverage Requirements**. At minimum, the Contractor shall at its sole cost and expense, during the term of this Agreement, procure and maintain in full force and effect the types and minimum limits of insurance coverage specified in this Section 8 (Insurance) against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors. In no event shall the Contractor perform work under this Agreement until the required evidence of insurance has been furnished to the Treasurer. All insurance shall be procured from reputable insurers (rated A-, class X or better by A.M. Best & Company) that are approved/admitted to do business in the State of Connecticut or otherwise acceptable to the Treasurer. Coverage for occurrences happening during the performance of the services provided hereunder shall be maintained in full force and effect under the policy.
- B. **Comprehensive General Liability Insurance**: The Contractor shall obtain and maintain occurrence-based commercial general liability insurance or similar coverage with a limit of not less than \$1,000,000 for each occurrence for bodily injury, personal injury and property damage. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two times the occurrence limit.
- C. **Professional Liability Insurance or Miscellaneous Professional Liability Insurance**. The Contractor agrees to procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit of not less than [REDACTED]. The Contractor's insurance policy must have a provision for a supplemental Extended Reporting Period ("ERP" a/k/a "tail coverage"). This tail coverage allows for claims to be reported after the policy is terminated for covered incidents that occurred while the Contractor was insured. Should the Contractor cease operations which would result in the termination of this claims-made policy prior to the expiration date of this agreement, the Contractor is required to activate the supplemental "ERP" or "tail" coverage by purchasing the extended coverage prior to the policy's termination. The Extended Reporting Period must be for one full year after termination.
- D. **Deductibles**. Any deductibles or self-insured retentions must be declared to and approved by the Treasurer. At the Treasurer's reasonable option, the Contractor shall reduce such deductibles or self-insured retentions, or shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.
- E. **Certification**. The Contractor shall certify to the Treasurer in writing upon execution of this Agreement (**Attachment 5**) and, thereafter at least annually, the nature, amount of and carrier of insurance insuring the Contractor against the risks specified, and the indemnification obligations and liabilities of the Contractor contained in this Agreement. Prior to the execution of this

Agreement and as requested by the Treasurer, the Contractor shall furnish the Treasurer in writing with proof of its insurance coverage. In doing so, the Contractor shall furnish the Treasurer with a true and correct copy of (a) the original insurance policies or (b) a Certificate of Insurance that shall clearly evidence all insurance required in this Agreement and which provide that such insurance may not be canceled, except on 30 days' prior written notice to the Treasurer. Notices of cancellation, termination and alteration of such insurance or bond shall be delivered to the Treasurer immediately upon receipt by the Contractor.

- F. Cancellations, Modifications, Failures to Maintain, Etc. The Contractor shall not cancel or reduce such coverage as set forth in this Section 8 (Insurance Requirements), except upon thirty (30) days prior written notice to the Treasurer. Notices of cancellation, termination and alteration of such insurance or bond shall be delivered to the Treasurer *via* certified mail immediately upon receipt by the Contractor. If at any time during the term of this Agreement the Contractor fails to obtain or maintain the required insurance, the Treasurer shall have the right to treat such failure as a breach of contract and to exercise all appropriate rights and remedies. Each of the insurance coverage's shall provide for at least thirty (30) days prior written notice to be given to the Treasurer in the event coverage is materially changed, canceled or non-renewed.
- G. Claims. The Contractor shall notify the Treasurer in writing of any claims made to, and any payment received on a claim from any of its insurance carriers pertaining to the State or the Treasurer. The Treasurer reserves the right to receive the benefit of any insurance coverage obtained by the Contractor in amounts higher than the minimums set forth herein.
- H. Effect. The insurance requirements set forth herein are not intended and shall not be construed to modify, limit or reduce the indemnification obligations made in this Agreement by the Contractor to the Treasurer or to limit the Contractor's liability under this Agreement to the limits of the policies of insurance required to be maintained by the Contractor hereunder.

## **9. Quality Surveillance**

All services performed by the Contractor shall be subject to the inspection and approval of the State at all times, and the Contractor shall furnish all information concerning such services, and shall grant the Treasurer's duly authorized representatives free access at all reasonable times to the Contractor's facilities where the services under this Agreement are performed. The Contractor shall allow such representatives free access to any of the Contractor's books and records relating to the services provided hereunder. At the Treasurer's request, the Contractor shall provide the State with hard copies or computer transmittal of any data or information in the possession of the Contractor that pertains to the Treasurer's business under this Agreement. The Contractor shall incorporate this paragraph verbatim into any agreement it enters into with any vendor providing services under this Agreement.

## **10. Nondisclosure**

The Contractor shall not release any information concerning the services provided pursuant to this Agreement or any part thereof to any member of the public, the press or media, business entity or any official body unless prior written consent is obtained from the Treasurer or required by law or court order.

## **11. Promotion**

No publicity release or announcement concerning this Agreement shall be issued without the advance written approval of the Treasurer. Unless specifically authorized in advance in writing

by the Treasurer on a case-by-case basis, the Contractor shall have no right to use, and shall not use, the name of the State of Connecticut, its officials or employees, or the seal of the State of the Treasurer:

- i. In any advertising, publicity, or promotion;
- ii. As an express or implied endorsement of the Contractor's products or services; or
- iii. In any other manner (whether or not similar to uses prohibited by subsections (a) and (b) above), except to perform and deliver in accordance with this Agreement such services as are hereby contracted by the State of Connecticut.

In no event may the Contractor use the State Seal or the seal of the Office of the Treasurer in any way without the express written consent of the Secretary of State of the State of Connecticut or the Treasurer, respectively.

## **12. Confidentiality**

All data provided to the Contractor by the Treasurer, the Treasurer's staff or designated representatives, or developed internally by the Contractor with regard to the Treasurer or the State will be treated as proprietary to the State and confidential unless the Treasurer agrees in writing to the contrary in advance. The Contractor agrees to forever hold in confidence all files, records, documents or other information ("State Information") as designated, whether prepared by the State or others, which may come into the Contractor's possession during the term of this Agreement, except where a disclosure of such information by the Contractor is required (whether in the ordinary course of business or otherwise) by another governmental authority to ensure compliance with laws, rules or regulations, and such disclosure will be limited to that actually so required. Where such disclosure is required, the Contractor will provide advance written notice to the Treasurer of the need for disclosure. The Contractor shall inform all of its agents of the confidentiality provision contained in this Agreement. To fulfill the obligations of this Section, the Contractor shall maintain a privacy policy which shall contain procedures to safeguard State Information.

The Contractor shall immediately report to the Treasurer any use or disclosure of State Information not provided for by this contract, including the extent of the unauthorized release or use, the recipient(s) of the data, and the data released or used. The Contractor shall mitigate, to the extent practicable, any harmful effect that is known to the Contractor arising from a use or disclosure of State Information, and shall report to the Treasurer the steps taken to mitigate the harm.

## **13. Non-Discrimination**

- A. The following subsections are set forth here as required by Section 4a-60, as amended; references in this Section 13 references to "contractor" shall mean the Contractor; and references to "commission" shall mean the Connecticut Commission on Human Rights and Opportunities:
  - i. The contractor agrees and warrants that in the performance of the Agreement such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, 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. The contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, 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;

- ii. 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;
- iii. the contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
- iv. the contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f; and
- v. 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 C.G.S. Section 46a-56.

B. If this Agreement is a public works contract, the contractor agrees and warrants that it will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.

C. "Minority business enterprise" means any small contractor or supplier of materials fifty-one per cent (51 %) 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 C.G.S. Section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

D. Determination of the contractor's good faith efforts shall include but shall not be limited to the following factors: The contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical

assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

- E. The contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- F. The contractor shall include the provisions of subsection A above in every subcontract or purchase order entered into in order to fulfill any obligation of this Agreement with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- G. The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes:
  - i. the contractor agrees and warrants that in the performance of this Agreement such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
  - ii. 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 contractors commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - iii. the contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and
  - iv. the contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor which relate to the provisions of this section and section 46a-56.
- H. The contractor shall include the provisions of subsection (G) above in every subcontract or purchase order entered into in order to fulfill any obligation of this Agreement with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such

provisions including sanctions for noncompliance in accordance with section 46a-56; provided that, 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.

- I. For the purposes of this entire Non-Discrimination section, "Agreement" includes any extension or modification of the Agreement, "contractor" includes any successors or assigns of the contractor, "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced, and "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. For the purposes of this section, "Agreement" does 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).
- J. In accordance with the foregoing acknowledgements and agreements, and as required by Public Act 09-158, attached hereto as Attachment 7 is Contractor's nondiscrimination certificate.

#### **14. Fiduciary Duties**

By execution of this Agreement, the Contractor, to the extent that it exercises any discretionary authority or discretionary control respecting the management or disposition of the assets, or renders investment advice, acknowledges that it is a fiduciary with respect to the Office of the Treasurer, and asserts that it is registered and/or licensed pursuant to all applicable state and federal laws. The Contractor shall discharge such fiduciary duties under this Agreement solely in the interests of the Office of the Treasurer with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims, and in accordance with the provisions of this Agreement.

#### **15. Indemnification**

The Contractor hereby indemnifies and shall defend and forever hold harmless the Treasurer, the Treasurer's officers, representatives and employees, from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, losses, liabilities, suits, judgments, fines, penalties, charges, interest, attorney's fees, costs and expenses of whatsoever kind or nature including those arising out of injury to or death of the Contractor's employees, whether arising before, during or after completion of the services hereunder, and in any manner directly or indirectly caused or occasioned by, or attributable or contributed to in whole or in part, any act of bad faith, negligence, willful misconduct, improper or unethical practice, infringement of intellectual property rights, breach of fiduciary duty, breach of trust, breach of confidentiality, or any other breach of contract or violation of any law or requirement in connection with this Agreement, by the Contractor, its principals, directors, officers, employees, agents or subcontractors. At the Treasurer's option, and in her sole discretion, the Contractor shall defend at its expense any actions brought against the Treasurer or the State arising out of or in connection with any services performed hereunder or the failure to perform such services, or other breach of this Agreement, by the Contractor, its principals, directors, officers, employees, agents or subcontractors, and the costs of such defense shall be borne by the Contractor and shall not constitute any

expense of nor shall be paid by the State or the Treasurer. This indemnification shall survive any termination of this Agreement.

## **16. Liability**

C. Nothing set forth in this Agreement shall in any way constitute a waiver or limitation of any rights that the State or the Treasurer may have under any applicable laws and nothing contained in this Agreement shall be construed as relieving the Contractor from any responsibility or liability for any responsibility, obligation, or duty hereunder imposed on the Contractor by state or federal law.

## **17. Corporate Citizenship**

D. The Contractor agrees and acknowledges that the Treasurer expects all of its vendors to be good corporate citizens. Good corporate citizenship includes, without limitation, embracing workforce diversity within the company and with respect to procurement of goods and services, supporting the communities where the company does business with respect to charitable and civic organizations, community works and procurement practices, and incorporating good corporate governance in the company's operation. During the term of this Agreement, the Contractor agrees to furnish the Treasurer with detailed and accurate reports of its good corporate citizenship activities upon request.

## **18. Third Party Fee Disclosure**

The Contractor acknowledges and agrees that:

- A. Pursuant to Section 3-13j of the Connecticut General Statutes, any person or entity who would be a party to a contract for investment services with the Office of the Treasurer shall disclose to the Treasurer, in writing, all third-party fees attributable to such contract before any such contract may take effect;
- B. Contractor is not providing investment services to the Office of the Treasurer under this Agreement; and
- C. Section 4a-81 of the Connecticut General Statutes prohibits the Office of the Treasurer from entering into any contract for goods or services with an annual value of \$50,000 or more unless it obtains an affidavit from the vendor attesting as to whether such vendor has entered into any written or oral consulting agreements in connection with its contract with the Office of the Treasurer.

In accordance with the foregoing acknowledgement and agreements, the Contractor agrees to have its chief official authorized to enter into this Agreement complete and submit to the Treasurer a sworn affidavit in the form of **Attachment 2** (the “Third Party Fee Disclosure Affidavit”).

The Contractor represents that the information it has disclosed on the Third Party Fee Disclosure Affidavit is accurate and complete as of the date of this Agreement. The Contractor covenants to promptly report any changes to the disclosure provided on the Third Party Fee Disclosure Affidavit and to file an updated affidavit with the Treasurer on an annual basis as of June 30 of each contract year.

## **19. Campaign Contributions**

- A. The parties hereto acknowledge and agree that C.G.S. Section 9-612 (as may be amended from time to time, the “Elections Laws”) among other things, prohibits contributions to and limits

solicitations on behalf of a candidate for the Treasurer of the State of Connecticut. The Contractor covenants not to make any campaign contributions or solicitations in violation of such Election Laws for the term of this Agreement. The Contractor further represents and agrees that (i) the Contractor, (ii) any and all directors or persons with 5% or greater ownership in the Contractor, (iii) any and all individuals employed as president, treasurer or executive vice president by the Contractor, (iv) any and all officers and employees of the Contractor with managerial or discretionary responsibilities with respect to the State, (v) the spouse or dependent child who is eighteen years of age or older of any of the foregoing, or (vi) a political committee established or controlled by the Contractor or any such individuals, did not during the last election cycle contribute to or solicit contributions on behalf of, and will not (for the term of this Agreement) contribute to, or solicit contributions on behalf of, any exploratory committee or candidate committee established by a candidate for nomination or election to the Office of the Treasurer of the State of Connecticut.

B. If this Agreement has a value equal to or more than \$50,000 in a calendar year, then the Treasurer hereby notifies the Contractor that, pursuant to the Elections Laws, no principal of the Contractor, as defined in the Elections Laws ("Principal"), shall make a political contribution to or on or after January 1, 2011, knowingly solicit a political contribution from Contractor's employees or from a subcontractor or principal's of a subcontractor of Contractor on behalf of: (i) an exploratory committee or candidate committee established by a candidate for election to any of the following offices of the State: Governor, Lieutenant Governor, Secretary of State, Treasurer, Comptroller, or Attorney General; (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates; or (iii) a party committee (each and together, a "Prohibited Contribution"). If the Contractor or a Principal makes or solicits a Prohibited Contribution, then the Treasurer at her sole discretion may void this Agreement immediately and without notice. If the Contractor or a Principal makes or solicits a Prohibited Contribution and the Treasurer decides not void this Agreement, then this Agreement shall not be amended for that period of time proscribed by the Elections Laws.

C. For all State contracts as defined in Public Act 10-1 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 Contractor's authorized signatory to this Agreement 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 such notice. See Attachment 6.

## **20. Code of Ethics**

None of the Contractor, its principals, directors, members, officers, partners, employees or agents shall engage directly or indirectly in any financial or other transaction with any trustee, staff member, or employee of the Office of the Treasurer which would violate the standards set forth in the State of Connecticut Code of Ethics for Public Officials, as codified in Chapter 10, Part 1, Sections 1-79 through 1-90 of the Connecticut General Statutes.

## **21. Notice of Certain Legal Proceedings, Internal Investigations**

A. As of the date hereof, the Contractor shall have provided the Treasurer with a complete and accurate report in writing of any known or threatened (i) lawsuit, legal or administrative proceeding or governmental investigation, examination, complaint, disciplinary action, non-routine Securities and Exchange Commission inquiry or investigation, or other proceeding relating to the Contractor or any of its affiliates (including any proceedings to which the

Contractor, its affiliates, or any of their respective officers, directors, principals, members, partners, managers or employees is a named party or of which any of such has been the focus), or of any other lawsuit, legal proceeding or governmental investigation (whether or not the Contractor or its affiliates, or any of their respective directors, officers, managers, or principal is a party thereto, but only to the extent the Contractor has knowledge thereof) relating to or affecting the Contractor's ability to perform its obligations under this Agreement or involving any investment professional employed by the Contractor who has performed or does perform any services for the Treasurer (each, a "Proceeding") and (ii) formal internal investigations of the Contractor, or any of its directors, officers, principals, members, partners, managers, investment professionals or employees involved with providing services to the Treasurer under this Agreement relating to or affecting the Contractor's ability to perform its obligations under this Agreement or involving any investment professional employed by the Contractor who has performed or does perform any services for the Treasurer (each, an "Internal Investigation").

- B. During the term of this Agreement and to the extent permitted by law, the Contractor agrees to promptly notify the Treasurer in writing of the commencement or existence of any known or threatened Proceeding or Internal Investigation.
- C. During the term of this Agreement and to the extent permitted by law, the Contractor agrees to promptly provide the Treasurer with any and all information reasonably requested by the Treasurer in response to disclosure made pursuant to this Section 21.
- D. During the term of this Agreement and to the extent permitted by law, the Contractor shall promptly inform the Treasurer in writing of any material changes in the status of any pending Proceeding or Internal Investigation previously disclosed hereunder, and shall promptly update any information previously disclosed to the Treasurer related to any such Proceeding or Internal Investigation.

## **22. Compliance; Duty to Update; Whistleblower**

- A. The Contractor, its employees, agents and representatives shall at all times comply with all applicable foreign, international, federal, state (including those of the State of Connecticut), county and local laws, ordinances, statutes, rules, regulations, registrations, filings, approvals, authorizations, consents examinations and orders of governmental authorities, including those having jurisdiction over its registration and licensing to perform services hereunder, and all provisions required by such legal requirements are hereby incorporated by reference in this Agreement. The Contractor shall be solely responsible for obtaining current information on such laws and requirements. The Contractor shall promptly disclose to the Treasurer any changes in the Contractor's status with respect to any such compliance and disclosure, and shall immediately deliver any amended, modified or changed instruments, documents and other filings to the Treasurer.
- B. Without limiting the foregoing, this Agreement is subject to the provisions of §4-61dd of the Connecticut General Statutes. No officer, director or appointing authority of the Contractor may take or threaten to take any retaliatory personnel action against any employee of the Contractor who discloses information regarding corruption, unethical practices, violation of state laws or regulations, mismanagement, gross waste of funds, abuse of authority or danger to public safety occurring in any state department or agency to the Connecticut Auditors of Public Accounts or the Connecticut Attorney General. In the event that any such retaliatory action is taken or threatened, the Contractor shall be liable for civil penalties.

**23. Equal Opportunity and Diversity**

- A. The Contractor agrees and warrants that, in the performance of its duties hereunder, it shall 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, gender, mental retardation, sexual orientation or physical disability, including but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the services under this Agreement.
- B. *The Contractor further agrees to use its best efforts to consider applicants with job-related qualifications for employment and that, once employed, employees are treated without regard to their race, color, religious creed, age, marital status, national origin, ancestry, gender, mental retardation, sexual orientation, or physical disability. The Contractor agrees, represents and warrants that all solicitations or advertisements for employees placed by it or on its behalf shall state that the Contractor is an "affirmative action – equal opportunity employer." The Contractor agrees, represents and warrants that it shall use its good faith efforts to consider and recruit diverse applicants from the widest possible pool of candidates. In meeting its good faith obligation to recruit diverse applicants, the Contractor agrees, represents and warrants that it shall contact national networks, and shall maintain adequate records of its efforts regarding workforce diversity.*
- C. *The Contractor must complete and submit Attachment 3. The Contractor further represents and warrants that the information disclosed on Attachment 3 is accurate and complete as of the date of this Agreement. During the term of this Agreement, the Contractor agrees to furnish the Treasurer with updated and accurate disclosure no later than December 31 of each year.*

**24. Gift Affidavit**

- E. *The Contractor shall complete, truthfully attest to and submit herewith a Gift Affidavit in the form of Attachment 4. The Contractor represents and warrants that the information it has disclosed in such Gift Affidavit is complete and accurate as of the date of this Agreement.*

**25. Pay-to-Play**

- F. *The Contractor represents and warrants that neither the Contractor nor any individual in the Contractor's organization has received or paid, or entered into an agreement, to receive or pay, any compensation, fees, or any other benefit from or to any third party, including any consultants or contractors to the State or the Treasurer, in connection with the indirect or direct procurement of this Agreement.*

**26. Entire Agreement; Integration; Amendments**

This Agreement embodies the entire agreement between the Treasurer and the Contractor on the matters specifically addressed herein. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. This Agreement shall supersede all prior written agreements between the parties and their predecessors. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth herein. No changes, amendments or modifications of any of the terms or conditions of this Agreement shall be valid unless reduced to writing, signed by both parties and approved by the Office of the Attorney General of the State of Connecticut. The parties shall meet and confer in good faith on any modification of

this Agreement that may become necessary to make its provisions consistent with any policy of the Treasurer, or federal, state, local, foreign or international statute, rule, regulation or ordinance that governs any aspect of this Agreement.

**27. Notices**

Unless otherwise expressly provided to the contrary, all notices, requests, demands or other communications required by or otherwise with respect to this Agreement shall be in writing and shall be deemed given (i) when made, if made by hand delivery, and upon confirmation of receipt, if made by facsimile, (ii) one business day after being deposited with a next-day courier, postage prepaid, or (iii) three business days after being sent certified or registered mail, return receipt requested, postage prepaid, in each case to the applicable addresses set forth below (or to such other address as such party may designate in writing from time to time):

TREASURER: Office of the Treasurer

State of Connecticut

55 Elm Street

Hartford, CT 06106

Telephone: (860) 702-\_\_\_\_\_

Fax: (860) 702-\_\_\_\_\_

COPY TO:

General Counsel

Office of the Treasurer

State of Connecticut

55 Elm Street

Hartford, CT 06106

Telephone: (860) 702-3000

Fax: (860) 728-1290

CONTRACTOR:

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

The parties may change their respective addresses for notices under this Section 27 (Notices) upon prior written notification to the other.

**28. Governing Law; Jurisdiction; Venue**

This Agreement shall be interpreted under, governed by and enforced according to the laws of the State of Connecticut, without regard to choice of law rules. The Contractor hereby submits to the jurisdiction of the courts in the State of Connecticut, or of the United States of America sitting in the State of Connecticut, over any action, suit, or proceeding arising out of or relating to this Agreement. The Contractor agrees to service of process in any manner authorized by the laws of the State of Connecticut.

**29. Discovery of Conflicts, Errors, Omissions and Discrepancies**

- A. In the event of any conflict between the provisions of this Agreement and the provisions of Form CO-802A executed contemporaneously herewith, the provisions of this Agreement shall control.
- B. In case of conflicts, discrepancies, errors or omissions among the various parts of this Agreement, any such matter shall be submitted immediately by the Contractor to the Treasurer for clarification. The Treasurer shall issue such clarification within a reasonable period of time. This remedy shall not be deemed exclusive and the Contractor does not waive any of its legal or equitable remedies. Any services affected by such conflicts, discrepancies, errors or omissions which are performed by the Contractor prior to clarification by the State shall be at the Contractor's risk.

**30. Non-Waiver**

None of the conditions of this Agreement shall be considered waived by the Treasurer or the Contractor unless given in writing. Failure by the Treasurer to promptly assert any rights under this Agreement shall not be construed to be acquiescence of any misfeasance, malfeasance or nonfeasance. No such waiver shall be a waiver of any past or future default, breach, failure of condition, right or remedy or modification of any of the conditions of this Agreement unless expressly stipulated in such waiver.

**31. Survival**

The rights and obligations of the parties which by their nature survive termination or completion of this Agreement, including but not limited to those set forth herein Sections 10 (Nondisclosure), 11 (Promotion), 12 (Confidentiality), 15 (Indemnification) and 16 (Liability) of this Agreement, shall remain in full force and effect.

**32. Sovereign Immunity**

Notwithstanding any provisions to the contrary contained in this Agreement, it is agreed and understood that neither the State nor the Treasurer shall be construed to have waived any rights or defenses of sovereign immunity, which the State or the Treasurer may have with respect to all matters arising out of this Agreement. The Treasurer hereby reserves all immunities, defenses, rights or actions arising out of the State's sovereign status or under the Eleventh Amendment to the United States Constitution, and no waiver of any such immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by the Treasurer's entry into this Agreement, by any express or implied provision of this Agreement, or by any actions or omissions to act of the State or the Treasurer, or any representative or agent of either the State or the Treasurer, whether taken pursuant hereto, prior to or after the Treasurer's entry into this Agreement.

**33. Termination**

The parties mutually agree, that either may terminate this Agreement upon thirty (30) days' written notice delivered to the other by certified or registered mail to the addresses provided in Section 27 (Notices). Following the delivery of any notice of termination hereunder, the Contractor shall perform all of its obligations hereunder in good faith as directed by the State and will cooperate fully with the State in taking all necessary or appropriate steps in order to effectuate the orderly transfer of management functions to third parties designated by the State.

**34. Assignment**

This Agreement shall not be assigned by either party without the express prior written consent of the other party.

**35. Severability**

If any part or parts of this Agreement shall be held to be void, invalid or unenforceable, or contrary to any express provision of law, or contrary to the policy of express law though not expressly prohibited, or against public policy, then such part or parts shall be treated as severable from the rest of the Agreement, leaving valid and enforceable the remainder of this Agreement and in no way shall affect the validity or enforceability of the rights of the parties hereto.

**36. Applicable Executive Orders of the Governor**

- A. This Agreement is subject to the provisions of Executive Order Number Three of Governor Thomas J. Meskill promulgated June 16, 1971, set forth in the attached **Exhibit A**.
- B. This Agreement may be canceled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order Number Three or any state of federal law concerning nondiscrimination.
- C. This Agreement is subject to the provisions of Executive Order Number Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, set forth in the attached **Exhibit B**.
- D. This Agreement may be canceled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order Number Seventeen, notwithstanding that the Labor Commissioner may not be party to this Agreement.
- E. This Agreement is subject to the provisions of Executive Order Number Sixteen of Governor John G. Rowland promulgated August 4, 1999, set forth in the attached **Exhibit C**.
- F. This Agreement may be canceled, terminated or suspended by the State for violation of or noncompliance with said Executive Order Number Sixteen.
- G. The parties agree to abide said Executive Orders, and agree that, with respect to Executive Orders Three and Seventeen, the State Labor Commissioner shall have continuing jurisdiction in respect to performance in regard to nondiscrimination, until performance is completed, or until this Agreement is terminated prior to completion.

**37. Successor and Assigns**

This Agreement shall inure to the benefit of and be binding upon each party's respective successors or assigns.

**38. Miscellaneous Provisions**

- A. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement does not: (i) permit the filing of liens against the State; (ii) obligate the State to indemnify or hold Contractor harmless in any way; (iii) obligate the State to be subject to binding arbitration (iv) provide that this Agreement is expired or terminated. Further, any foregoing provision of this Agreement that would cause this Agreement to be considered a contract that: (i) permits the filing of liens against the State; (ii) obligates the State to indemnify or hold Contractor harmless in any way; (iii) obligates the State to be subject to binding arbitration, or (iv) provides that this Agreement is expired or terminated is null, void, unenforceable and hereby stricken from this Agreement.
- B. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement is not a Personal Service Agreement entered into by the Treasurer for the purpose of hiring an individual as contemplated by C.G.S. Section 4a-58(b). Further, any foregoing provision of this Agreement that would cause this Agreement to be considered a contract for the purpose of hiring an individual as contemplated by C.G.S. Section 4a-58(b) is null, void, unenforceable and hereby stricken from this Agreement.
- C. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement does not concern or in any way relate to tangible personal property as contemplated by C.G.S. Section 12-411b. Further, any foregoing provision of this Agreement that would cause this Agreement to concern or in any way relate to tangible personal property as contemplated by C.G.S. Section 12-411b is null, void, unenforceable and hereby stricken from this Agreement.
- D. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement is not funded by and does not concern or in any way relate to a state grant as contemplated by C.G.S. Section 7-396a. Further, any foregoing provision of this Agreement that would cause this Agreement to concern or in any way relate to a state grant as contemplated by C.G.S. Section 7-396 a is null, void, unenforceable and hereby stricken from this Agreement.
- E. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge that this Agreement is not a Large Construction or Procurement Contract as contemplated by and defined in Public Act No. 05-287. Further, any foregoing provision of this Agreement that would cause this Agreement to be considered a Large Construction or Procurement Contract as contemplated by and defined in Public Act No. 05-287 is null, void, unenforceable and hereby stricken from this Agreement.
- F. It is the Treasurer's express policy to never intentionally assign or allocate, in whole or in part, to any person or contractor, any Governmental Function of the Office of the Treasurer—as defined by Chapter 14 of the C.G.S. and contemplated by C.G.S. Section 1-218. If, however, (a) this Agreement has a value greater than or equal to Two Million Five Hundred Thousand Dollars (\$2,500,000) and (b) the State Freedom of Information Commission makes a final determination that this Agreement is a contract for the performance of a Governmental Function, then this Agreement shall be subject to the provisions of C.G.S. Section 1-218, as may be modified from

time to time. Accordingly the Treasurer shall be entitled to receive a copy of the Contractor's records and files related to its performance of such Governmental Function, and such records and files shall be subject to the State of Connecticut Freedom of Information Act, C.G.S. Sections 1-1200 et seq. No request to inspect or copy such records or files pursuant to the Freedom of Information Act shall be valid unless the request is made to the Office of the Treasurer in accordance with the provisions set forth in the State of Connecticut Freedom of Information Act. Any complaint by a person who is denied the right to inspect or copy such records or files shall be brought to the Freedom of Information Commission in accordance with the provisions of C.G.S. Sections 1-205 and 1-206

- G. Notwithstanding anything to the contrary contained herein, both parties hereby acknowledge and agree that this Agreement does not concern or in any way relate to the Health Insurance Portability and Accountability Act of 1996. Further, any foregoing provision of this Agreement that would cause this Agreement to concern or in any way relate to the Health Insurance Portability and Accountability Act of 1996 is null, void, unenforceable and hereby stricken from this Agreement.
- H. Both parties hereto hereby agree that all references made in this Agreement to any statute, public act, regulation, code or executive order shall refer to such statute, public act, regulation, code or executive order respectively as it has been amended, replaced or superseded.
- I. Despite and notwithstanding any contrary theory at law, in equity or otherwise, including but not limited to "the specific overruling the general," the parties hereto expressly agree that in the event of any conflict between the provisions of this Section of this Agreement ("Miscellaneous Provisions") and the provisions of any other Section of this Agreement, the provisions of this Miscellaneous Provisions Section of this Agreement shall override, control and apply.

**39. Headings**

Descriptive headings in this Agreement are for convenience only and shall not affect the construction or meaning of the contractual language.

**40. Further Assurances**

From and after the date of this Agreement, upon the request of the Treasurer, the Contractor shall execute and deliver such instruments, documents and other writings as may be reasonably necessary or desirable to confirm and carry out and to effectuate fully the intent and purposes of this Agreement.

**41. Counterpart Originals**

This Agreement may be executed in any number of counterparts, each of which shall be an original, but which, taken together, shall constitute one and the same instrument.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement, which shall become effective as of the Commencement Date, on the respective dates shown below.

**CONTRACTOR**

**TREASURER**

**STATE OF CONNECTICUT**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:**

**Title: Treasurer**

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Approved as to form:**

**OFFICE OF THE ATTORNEY GENERAL**

**By:** \_\_\_\_\_

**Title:**

Dated: \_\_\_\_\_

EXHIBIT A

State Of Connecticut  
By His Excellency  
Thomas J. Meskill  
Governor

Executive Order No. Three

WHEREAS, sections 4-61d(b) and 4-114a of the 1969 supplement to the general statutes require nondiscrimination clauses in state contracts and subcontracts for construction on public buildings, other public works and goods and services, and

WHEREAS, section 4-61e(c) of the 1969 supplement to the general statutes requires the labor department to encourage and enforce compliance with this policy by both employers and labor unions, and to promote equal employment opportunities, and

WHEREAS, the government of this state recognizes the duty and desirability of its leadership in providing equal employment opportunity, by implementing these laws,

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under section twelve of article fourth of the constitution of the state, as supplemented by section 3-1 of the general statutes, do hereby ORDER and DIRECT, as follows, by this Executive Order:

- I. The labor commissioner shall be responsible for the administration of this Order and shall adopt such regulations as he deems necessary and appropriate to achieve the purposes of this Order. Upon the promulgation of this Order, the commissioner of finance and control shall issue a directive forthwith to all state agencies, that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the labor commissioner for violation of or noncompliance with this Order or state or federal laws concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to such contract or subcontract.
- II. Each contractor having a contract containing the provisions prescribed in section 4-114a of the 1969 supplement to the general statutes, shall file, and shall cause each of his subcontractors to file, compliance reports with the contracting agency or the labor commissioner, as may be directed. Such reports shall be filed within such times and shall contain such information as to employment policies and statistics of the contractor and each subcontractor, and shall be in such form as the labor commissioner may prescribe. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order or any preceding similar Order, and in that event to submit on behalf of themselves and their proposed subcontractors compliance reports prior to or as an initial part of their bid or negotiation of a contract.

## EXHIBIT A

- III. Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor organization or employment agency as defined in section 31-122 of the general statutes, the compliance report shall identify the said organization or agency and the contracting agency or the labor commissioner may require a compliance report to be filed with the contracting agency or the labor commissioner, as may be directed, by such organization or agency, signed by an authorized officer or agent of such organization or agency, with supporting information, to the effect that the signer's practices and policies, including but not limited to matters concerning personnel, training, apprenticeship, membership, grievance and representation, and upgrading, do not discriminate on grounds of race, color, religious creed, age, sex or national origin, or ancestry of any individual, and that the signer will either affirmatively cooperate in the implementation of the policy and provisions of this Order, or that it consents and agrees that recruitment, employment and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the Order.
- IV. The labor commissioner may by regulation exempt certain classes of contracts, subcontracts or purchase orders from the implementation of this Order, for standard commercial supplies or raw materials, for less than specified amounts of money or numbers of workers or for subcontractors below a specified tier. The labor commissioner may also provide by regulation for the exemption of facilities of a contractor which are in all respects separate and distinct from activities of the contractor related to the performance of the state contract, provided only that such exemption will not interfere with or impede the implementation of this Order, and provided further, that in the absence of such an exemption, all facilities shall be covered by the provisions of this Order.
- V. Each contracting agency shall be primarily responsible for obtaining compliance with the regulations of the labor commissioner with respect to contracts entered into by such agency or its contractors. All contracting agencies shall comply with the regulations of the labor commissioner in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Order and of the regulations of the labor commissioner issued pursuant to this Order. They are directed to cooperate with the labor commissioner and to furnish the labor commissioner such information and assistance as he may require in the performance of his functions under this Order. They are further directed to appoint or designate from among the personnel of each agency, compliance officers, whose duty shall be to seek compliance with the objectives of this Order by conference, conciliation, mediation, or persuasion.
- VI. The labor commissioner may investigate the employment practices and procedures of any state contractor or subcontractor and the practices and policies of any labor organization or employment agency hereinabove described, relating to employment under the state contract, as concerns nondiscrimination by such organization or agency as hereinabove described, or the labor commissioner may initiate such investigation by the appropriate contract agency, to determine whether or not the contractual provisions hereinabove specified or statutes of the state respecting them have been violated. Such investigation shall be conducted in accordance with the procedures established by the labor commissioner and the investigating agency shall report to the labor commissioner any action taken or recommended.
- VII. The labor commissioner shall receive and investigate or cause to be investigated complaints by employees or prospective employees of a state contractor or subcontractor or members or applicants for membership or apprenticeship or training in a labor organization or employment agency hereinabove described, which allege discrimination contrary to the contractual provisions specified hereinabove or state statutes requiring nondiscrimination in employment

## EXHIBIT A

opportunity. If this investigation is conducted for the labor commissioner by a contracting agency, that agency shall report to the labor commissioner what action has been taken or is recommended with regard to such complaints.

VIII. The labor commissioner shall use his best efforts, directly and through contracting agencies, other interested federal, state and local agencies, contractors and all other available instrumentalities, including the commission on human rights and opportunities, the executive committee on human rights and opportunities, and the apprenticeship council under its mandate to provide advice and counsel to the labor commissioner in providing equal employment opportunities to all apprentices and to provide training, employment and upgrading opportunities for disadvantaged workers, in accordance with section 31-51(d) of the 1969 supplement to the general statutes, to cause any labor organization or any employment agency whose members are engaged in work under government contracts or referring workers or providing supervising apprenticeship or training for or in the course of work under a state contract or subcontract to cooperate in the implementation of the purposes of this Order. The labor commissioner shall in appropriate cases notify the commission on human rights and opportunities or other appropriate state or federal agencies whenever it has reason to believe that the practices of any such organization or agency violate equal employment opportunity requirements of state or federal law.

IX. The labor commissioner or any agency officer or employee in the executive branch designated by regulation of the labor commissioner may hold such hearings, public or private, as the labor commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.

X. (a) The labor commissioner may hold or cause to be held hearings, prior to imposing ordering or recommending the imposition of penalties and sanctions under this Order. No order for disbarment of any contractor from further state contracts shall be made without affording the contractor an opportunity for a hearing. In accordance with such regulations as the labor commissioner may adopt, the commissioner or the appropriate contracting agency may

1. Publish or cause to be published the names of contractors or labor organizations or employment agencies as hereinabove described which it has concluded have complied or failed to comply with the provisions of this Order or the regulations of the labor commissioner in implementing this Order.
2. Recommend to the commission on human rights and opportunities that in cases in which there is substantial or material violation or threat thereof of the contractual provision or related state statutes concerned herein, appropriate proceedings be brought to enforce them, including proceedings by the commission on its own motion under chapter 563 of the general statutes and the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly compliance with the provisions of this Order.
3. Recommend that criminal proceedings be brought under chapter 939 of the general statutes.
4. Cancel, terminate, suspend or cause to be cancelled, terminated, or suspended in accordance with law any contract or any portion or portions thereof for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.

## EXHIBIT A

5. Provide that any contracting agency shall refrain from entering into any further contracts or extensions or modifications of existing contracts with any contractor until he has satisfied the labor commissioner that he has established and will carry out personnel and employment policies compliant with this Order.
6. Under regulations prescribed by the labor commissioner each contracting agency shall make reasonable efforts with a reasonable period of time to secure compliance with the contract provisions of this Order by methods of conference, conciliation, mediation or persuasion, before other proceedings shall be instituted under this Order or before a state contract shall be cancelled or terminated in whole or in part for failure of the contractor or subcontractor to comply with the contract provisions of state statute and this Order.
  - (b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the labor commissioner or pursuant to his regulations shall promptly notify him of such action. Whenever the labor commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency and other interested federal, state and local agencies of the action recommended. The state and local agency or agencies shall take such action and shall report the results thereof to the labor commissioner within such time as he shall specify.

XI. If the labor commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order, or submits a program for compliance acceptable to the labor commissioner, or if the labor commissioner so authorizes, to the contracting agency.

- I. Whenever a contracting agency cancels or terminates a contract, or a contractor has been disbarred from further government contracts because of noncompliance with the contract provisions with regard to nondiscrimination, the labor commissioner or the contracting agency shall rescind such disbarment, upon the satisfaction of the labor commissioner that the contractor has purged himself of such noncompliance and will thenceforth carry out personnel and employment policies of nondiscrimination in compliance with the provision of this Order.
- II. The labor commissioner may delegate to any officer; agency or employee in the executive branch any function or duty of the labor commissioner under this Order except authority to promulgate regulations of a general nature.
- III. This Executive Order supplements the Executive Order issued on September 28, 1967. All regulations, orders, instructions, designations and other directives issued heretofore in these premises, including those issued by the heads of various departments or agencies under or pursuant to prior order or statute, shall remain in full force and effect, unless and until revoked or superceded by appropriate authority, to the extent that they are not inconsistent with this Order.

This Order shall become effective thirty days after the date of this Order.

Dated at Hartford, Connecticut, this 16<sup>th</sup> day of June, 1971

EXHIBIT A

*Thomas J. Meskill*  
Governor

Filed this 16<sup>th</sup> day of  
June, 1971.

*Harry Hammer*  
Secretary Of The State

EXHIBIT B

State Of Connecticut  
By His Excellency  
Thomas J. Meskill  
Governor

Executive Order No. Seventeen

WHEREAS, Section 31-237 of the General Statutes of Connecticut as amended requires the maintaining of the established free services of the Connecticut State Employment Service to both employers and prospective employees and

WHEREAS, Section 31-5 of the General Statutes of Connecticut requires that no compensation or fee shall be charged or received directly or indirectly for the services of the Connecticut State Employment Service and

WHEREAS, large numbers of our citizens who have served in the Armed Forces of our nation are returning to civilian life in our state and seeking employment in civilian occupations and

WHEREAS, we owe a duty as well as gratitude to these returning veterans including the duty to find suitable employment for them and

WHEREAS, many of our handicapped citizens are fully capable of employment and are entitled to be placed in suitable employment and

WHEREAS, many of the citizens of our state who are unemployed are unaware of the job openings and employment opportunities which do in fact exist in our state and

WHEREAS, notwithstanding the free services of the Connecticut State Employment Service, many of our Connecticut employers do not use its free services or do not avail themselves fully of all the services offered,

NOW, THEREFORE, I, THOMAS J. MESKILL, Governor of the State of Connecticut, acting by virtue of the authority vested in me under the fourth article of the Constitution of the State and in accordance with Section 3-1 of the General Statutes, do hereby ORDER and direct, as follows, by this Executive Order:

- I. The Labor Commissioner shall be responsible for the administration of this Order and shall do all acts necessary and appropriate to achieve its purpose. Upon promulgation of this Order, the Commissioner of Finance and Control shall issue a directive forthwith to all state agencies, that henceforth all state contracts and subcontracts for construction on public buildings, other public works and goods and services shall contain a provision rendering such contract or subcontract subject to this Order, and that such contract or subcontract may be cancelled, terminated or suspended by the Labor Commissioner for

## EXHIBIT B

violation of or noncompliance with this Order, notwithstanding that the Labor Commissioner is not a party to such contract or subcontract.

- II. Every contractor and subcontractor having a contract with the state or any of its agencies, boards, commissions, or departments, every individual partnership, corporation, or business entity having business with the state or who or which seeks to do business with the state, and every bidder or prospective bidder who submits a bid or replies to an invitation to bid on any state contract shall list all employment openings with the office of the Connecticut State Employment Service in the area where the work is to be performed or where the services are to be rendered.
- III. All state contracts shall contain a clause which shall be a condition of the contract that the contractor and any subcontractor holding a contract directly under the contractor shall list all employment openings with the Connecticut State Employment Service. The Labor Commissioner may allow exceptions to listings of employment openings which the contractor proposes to fill from within its organization from employees on the rolls of the contractor on the date of publication of the invitation to bid or the date on which the public announcement was published or promulgated advising of the program concerned.
- IV. Each contracting agency of the state shall be primarily responsible for obtaining compliance with this Executive Order. Each contracting agency shall appoint or designate from among its personnel one or more persons who shall be responsible for compliance with the objectives of this Order.
- V. The Labor Commissioner shall be and is hereby empowered to inspect the books, records, payroll and personnel data of each individual or business entity subject to this Executive Order and may hold hearings or conferences, formal or informal, in pursuance of the duties and responsibilities hereunto delegated to the Labor Commissioner.
- VI. The Labor Commissioner or any agency officer or employee in the executive branch designated by regulation of the Labor Commissioner may hold such hearings, public or private, as the Labor Commissioner may deem advisable for compliance, enforcement or educational purposes under this Order.
- VII. (a) The Labor Commissioner may hold or cause to be held hearings, prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this Order. In accordance herewith, the Commissioner or the appropriate contracting agency may suspend, cancel, terminate, or cause to be suspended, cancelled, or terminated in accordance with law any contract or portion or portions thereof for failure of the contractor or subcontractor to comply with the listing provisions of the contract. Contracts may be cancelled, terminated, suspended absolutely or their continuance conditioned upon a program for future compliance approved by the contracting agency.  
(b) Any contracting agency taking any action authorized by this Order, whether on its own motion or as directed by the Labor Commissioner, shall promptly notify him of such action. Whenever the Labor Commissioner makes a determination under this Order, he shall promptly notify the appropriate contracting agency of the action recommended. The agency shall report the results to the Labor Commissioner promptly.
- VIII. If the Labor Commissioner shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless he has satisfactorily complied with the provisions of this Order.

EXHIBIT B

This Order shall become effective sixty days after the date of this Order.

Dated at Hartford, Connecticut, this 15<sup>th</sup> day of February 1973.

*Thomas J. Meskill*  
Governor

Filed this 15<sup>th</sup> day of February 1973.

*Harry Hammer*  
Secretary Of The State (Deputy)

EXHIBIT C

**State of Connecticut**

**By His Excellency**

**John G. Rowland**

**Governor**

Executive Order No. Sixteen

WHEREAS, the State of Connecticut recognizes that workplace violence is a growing problem that must be addressed; and

WHEREAS, the State is committed to providing its employees a reasonably safe and healthy working environment, free from intimidation, harassment, threats, and /or violent acts; and

WHEREAS, violence or the threat of violence by or against any employee of the State of Connecticut or member of the public in the workplace is unacceptable and will subject the perpetrator to serious disciplinary action up to and including discharge and criminal penalties.

NOW, THEREFORE, I, John G. Rowland, Governor of the State of Connecticut, acting by virtue of the authority vested in me by the Constitution and by the statutes of this state, do hereby ORDER and DIRECT:

1. That all state agency personnel, contractors, subcontractors, and vendors comply with the following **Violence in the Workplace Prevention Policy**:

The State of Connecticut adopts a statewide zero tolerance policy for workplace violence.

Therefore, except as may be required as a condition of employment

- No employee shall bring into any state worksite any weapon or dangerous instrument as defined herein.
- No employee shall use, attempt to use, or threaten to use any such weapon or dangerous instrument in a state worksite.
- No employee shall cause or threaten to cause death or physical injury to any individual in a state worksite.

Weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon.

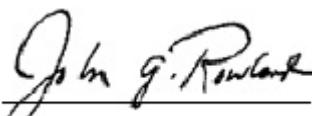
Dangerous instrument means any instrument, article, or substance that, under the circumstances, is capable of causing death or serious physical injury.

EXHIBIT C

Violation of the above reasonable work rules shall subject the employee to disciplinary action up to and including discharge.

2. That each agency must prominently post this policy and that all managers and supervisors must clearly communicate this policy to all state employees
3. That all managers and supervisors are expected to enforce this policy fairly and uniformly.
4. That any employee who feels subjected to or witnesses violent, threatening, harassing, or intimidating behavior in the workplace immediately report the incident or statement to their supervisor, manager, or human resources office.
5. That any employee who believes that there is a serious threat to their safety or the safety of others that requires immediate attention notify proper law enforcement authorities and his or her manager or supervisor
6. That any manager or supervisor receiving such a report shall immediately contact their human resources office to evaluate, investigate and take appropriate action.
7. That all parties must cooperate fully when questioned regarding violations of this policy.
8. That all parties be advised that any weapon or dangerous instrument at the worksite will be confiscated and that there is no reasonable expectation of privacy with respect to such items in the workplace.
9. That this order applies to all state employees in the executive branch.
10. That each agency will monitor the effective implementation of this policy.
11. That this order shall take effect immediately.

Dated in Hartford, Connecticut, this fourth day of August, 1999.



JOHN G. ROWLAND, Governor

Filed this 4th day of August, 1999.

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SUSAN BYSIEWICZ, Secretary of the State





## **ATTACHMENT 1**

### **Disclosure of Known and/or Potential Conflicts of Interest**

*Please disclose all known and/or potential conflicts of interest. If no such conflicts exist, either leave the following space blank or write or type "None."*

## **ATTACHMENT 2**

### **FORM A3: FOR COMPLETION BY ALL VENDORS BEFORE CONTRACTING**

**STATE OF CONNECTICUT**  
**OFFICE OF THE STATE TREASURER**

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#### **AFFIDAVIT OF THIRD PARTY FEES AND DISCLOSURE OF CONSULTING AGREEMENTS**

I, \_\_\_\_\_, a duly authorized officer and/or representative of \_\_\_\_\_, being duly sworn, hereby depose and say that:

1. I am over eighteen (18) years of age and believe in the obligations of an oath.
2. \_\_\_\_\_ (firm name) intends to enter into a contract to furnish services to the Office of the State Treasurer (the "Contract").
3. All third party fees, agreements to pay third party fees, and consulting agreements attributable to the Contract are as follows (If no such agreements exist, either leave the following table blank or write or type in "None."): \_\_\_\_\_

<b>NAME OF PAYEE</b>	<b>DOLLAR AMOUNT PAID OR VALUE OF NON- CASH COMPENSATION AND DATE</b>	<b>FEES ARRANGEMENT</b>	<b>SPECIFIC SERVICES PERFORMED OR TO BE PERFORMED BY PAYEE<sup>1</sup></b>

(Attach additional copies of this page as necessary.)

**NOTE: For each third party fee or consulting arrangement described above, complete the attached Form A3a.**

4. The information set forth herein is true, complete and accurate to the best of my knowledge and belief under penalty of perjury.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

---

Notary Public/Commissioner of the Superior Court

<sup>1</sup>

Please attach documents evidencing the terms of the fee arrangement and services.

## **ATTACHMENT 2**

**STATE OF CONNECTICUT**  
**OFFICE OF THE STATE TREASURER**

**FORM A3A**

### **ADDENDUM TO AFFIDAVIT OF THIRD PARTY FEES**

A. For each fee arrangement disclosed in the attached Affidavit, provide the following information about the third party payee:

- (1) Name
- (2) Address
- (3) Is the person or entity registered with the Securities and Exchange Commission, a state regulatory authority or FINRA? If so, provide details
- (4) Name of the President/Chief Executive Officer
- (5) Name, telephone number and email address of the individual principally responsible for work performed in connection with the contract, investment or proposed investment with the Office of the Treasurer

B. Please explain whether and how each such payment falls within one or more of the following categories of compensation providing an exception to the prohibition on finder's fees:

- (1) Compensation earned for the rendering of legal services when provided by an attorney while engaged in the ongoing practice of law;
- (2) Compensation earned for the rendering of investment services, other than legal services, when provided by an investment professional while engaged in the ongoing business of providing investment services;
- (3) Compensation for placement agent, due diligence or comparable tangible marketing services when paid to a person who is an investment professional (i) engaged in the ongoing business of representing providers of investment services, or (ii) in connection with the issuance of bonds, notes or other evidence of indebtedness by a public agency;
- (4) Compensation earned by a licensed real estate broker or real estate salesperson while engaging in the real estate business on an ongoing basis; or
- (5) Payments for client solicitation activities meeting the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940.

C. Attach a copy of the agreement evidencing the terms of the fee arrangement and the services, and provide a narrative description of any services actually rendered by the third party payee in connection with the contract, investment or proposed investment with the Office of the Treasurer.

D. For each fee arrangement disclosed in the affidavit, please respond to the following:

- (1) Is the fee paid to a former state employee or public official? If so, please identify such person's former agency, position and the date such employment was terminated.

“Consulting agreement” shall have the meaning set forth in Section 4a-81(b)(1).

“Third party fees” includes those activities enumerated in Section 3-13j of the Connecticut General Statutes, and includes direct and indirect payments, such as payments by a placement agent to a subagent and payments attributable to a contract made by a **general partner, principal, or employee** of the firm.

## **ATTACHMENT 2**

E. Respondents disclosing payments to, or agreements to pay, placement agents have a duty to inquire and shall report any payments to, or agreements to pay, subagents, and provide all information and documentation requested under A through D, above, with respect to any sub-agent.

**ATTACHMENT 2**



**ATTACHMENT 3**  
EMPLOYMENT INFORMATION FORM  
OFFICE OF THE STATE TREASURER

**WORKPLACE ANALYSIS AFFIRMATIVE ACTION REPORT**

PLEASE GO TO <http://www.state.ct.us/ott/PolicyCompliance.htm> AND CLICK ON THE “COMPLIANCE” LINK TO DOWNLOAD A FILLABLE EMPLOYER INFORMATION FORM. COMPLETE THE FORM, PRINT IT AND ATTACH IT TO THIS ATTACHMENT 3.

## **ATTACHMENT 4**

***STATE OF CONNECTICUT***  
***OFFICE OF THE STATE TREASURER***

**Gift Affidavit**

**COMPANY NAME:** \_\_\_\_\_ (“Respondent”)

I, \_\_\_\_\_, am authorized  
(name and title)

to sign a contract on behalf of the Respondent. I hereby certify that between mm/dd/yy [planning date] and the date of the execution of the attached contract that neither I, the Contractor, nor any of its principals or key personnel who participated directly, extensively and substantially in the preparation of the bid or proposal or in the negotiation of this contract, nor any agent of the above, gave a gift, as defined in Conn. Gen. Stat. § 1-79(e), including a life event gift as defined in Conn. Gen. Stat. § 1-79(e)(12), to (1) any public official or state employee of the Office of the State Treasurer who participated directly, extensively, and substantially in the preparation of the bid solicitation or request for proposals for the contract or in the negotiation or award of this contract; or (2) any public official or state employee of any other state agency who has supervisory or appointing authority over the Office of the State Treasurer.

Further, neither I nor any principals or key personnel of the Contractor, nor any agent of the above, knows of any action by Contractor to circumvent such prohibition on gifts by providing for any other principals, key personnel, officials, employees of Contractor, nor any agent of the above, to provide a gift to any such public official or state employee.

Further, the Contractor made its bid or proposal without fraud or collusion with any person.

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

---

Signature

Date

Sworn and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

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Commissioner of the Superior Court/  
Notary Public

## **ATTACHMENT 5**



## INSURANCE CERTIFICATION

I, \_\_\_\_\_, a duly authorized officer and/or representative of \_\_\_\_\_ ("Contractor"), being duly sworn, hereby certify and attest that:

As of the date hereof, Contractor has obtained and shall maintain the following insurance and fidelity bond coverage in the following amounts in accordance with the terms of the Agreement by and between Contractor and the Treasurer of the State of Connecticut, (*please detail the coverage, including name of provider, name of applicable loss payees, amount and type of coverage, and policy period*):

Sworn as true to the best of my knowledge and belief, false statement punishable under law:

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Print Name:

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Date

Title:

## Notary Public

**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 beginning on page 2):

**Campaign Contribution and Solicitation Ban**

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

**Civil penalties**—Up to \$2000 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 the possible consequences of their violations may also be subject to civil penalties of up to \$2000 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 \$5000 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 will 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.

**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 or 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 31 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, a 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 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.

Receipt acknowledged: \_\_\_\_\_

(signature)

(date)

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

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

## **NONDISCRIMINATION AFFIDAVIT**

*(To be signed under penalty of false statement by a chief executive officer, president, chairperson, member, or other corporate officer duly authorized to adopt corporate, company, or partnership policy)*

### **AFFIDAVIT:**

I, the undersigned, am over the age of eighteen (18) and understand and appreciate the obligations of

an oath. I am \_\_\_\_\_ of \_\_\_\_\_, an entity  
Signatory's Title Name of Entity

duly formed and existing under the laws of \_\_\_\_\_.  
Name of State or Commonwealth

I certify that I am authorized to execute and deliver this affidavit on behalf of

\_\_\_\_\_ and that \_\_\_\_\_  
Name of Entity Name of Entity

has a policy in place that complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

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Authorized Signatory

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Printed Name

**Sworn and subscribed to before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**

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**Commissioner of the Superior Court/  
Notary Public**

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**Commission Expiration Date**

**Office of the Connecticut State Treasurer**  
**Legal and Policy Attachments**

Directions for completion of Legal and Policy Attachments

**A link to each of the statutes cited is provided at the end of this document.**

**A. Attachment A CHRO CONTRACT COMPLIANCE REGULATIONS NOTIFICATION TO RESPONDENTS and BIDDER CONTRACT COMPLIANCE MONITORING REPORT:**

This document informs you of the Treasurer's obligation to consider certain factors relating to equal opportunity and affirmative action in her review of all respondents' qualifications, as required under Regulations of the Commission on Human Rights and Opportunities, Conn. Agency Regs. §§46a-68j-21 through 43. You may review those regulations by clicking on the following link:

<http://www.state.ct.us/chro/metapages/regulations/CCRegs.htm>

In addition, you are required to complete the questions on the BIDDER CONTRACT COMPLIANCE MONITORING REPORT. Please complete the form, and notarize where indicated. We request that you complete the Employer Information Report (see below) for the current year and each of the 2 prior reporting periods **(for a total of 3 years of data).**

**Employer Information Report**--Please download the form at [www.state.ct.us/ott](http://www.state.ct.us/ott).

Click on the Doing Business link, and then on the "Compliance" tab.

**B. Attachment B NONDISCRIMINATION CERTIFICATION:** Any entity or individual entering into a contract with the state to provide documentation that the entity or individual has a policy that complies with the nondiscrimination agreement and warranty under Connecticut General Statutes § 4a-60(a)(1) (which prohibits discrimination based on race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents the performance of the work involved) and § 4a-60a(a)(1) (which prohibits discrimination based on sexual orientation). Public Act 09-158 defines "marital status" and "mental disability". Connecticut recognizes same sex marriages. See P.A. 09-13, which amended Conn. Gen. Stat. §46b-20 to define "marriage" as the "legal union of two persons." P.A. 11-55 defines "gender identity or expression."

An authorized signatory must execute a **NONDISCRIMINATION CERTIFICATION** on behalf of corporate or business entities, evidencing compliance with the above requirements at the time the contract is signed.

**We are asking at this time for your firm to provide us with a written statement that if your firm is selected, you will provide the Office of the Treasurer with an executed certification document. A firm that cannot provide the requested written statement will be eliminated from further consideration.**

A sample **CERTIFICATION** form is attached as Attachment B.

**C. Attachment C EMPLOYMENT PRACTICES INFORMATION:**

The information requested expands on the information provided in Attachment A, by asking for information on the demographics of Respondents' upper level management, recent promotion statistics, and your equal opportunity and affirmative action policy. Please provide all requested information, being sure to identify it by the subsection to which it responds, and notarize where indicated.

**D. Attachment D AFFIDAVIT OF THIRD PARTY FEES AND DISCLOSURE OF CONSULTING AGREEMENTS:**

Any person or entity wishing to do business with the State Treasurer must disclose in writing any payment or receipt of third party fees, or agreement to pay or receive third party fees attributable to the contract. This includes direct and indirect payments, including any payments made or to be made to subagents, and Respondent has a duty to inquire with respect to indirect payments. This disclosure requirement is

imposed by Conn. Gen. Stat. § 3-13j for all investment services contracts. The following links will provide useful guidance on the types of payments that must be reported and those fees that are impermissible under Conn. Gen. Stat. §3-13l:

<http://www.state.ct.us/ott/reform/reforminterincriteria.pdf>  
<http://www.state.ct.us/ott/pensiondocs/amendedregulations.pdf>

In addition, you must report on this affidavit any “consulting agreement” entered into in connection with this contract, pursuant to the requirements of Conn. Gen. Stat. § 4a-81. “Consulting agreement” means “any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (A) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the state, (B) contacting, whether in writing or orally, any executive, judicial, or administrative office of the state, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction, requests for information or (C) any other similar activity related to such contract. Consulting agreement does not include any agreements entered into with a consultant who is registered under the provisions of chapter 10 of the general statutes as of the date such affidavit is submitted.” If the consultant identified is a former Connecticut public official or state employee, you must also report the former agency of such consultant and his/her employment termination date. Such affidavit shall be amended whenever the vendor awarded the contract enters into any new consulting agreement during the term of the contract.

This affidavit must be signed by the chief official of the Respondent. Please provide the requested information, and notarize where indicated. If you have no fees or agreements to report, please insert “none” on the affidavit.

**E. Attachment E TREASURY GIFT AFFIDAVIT:**

State law prohibits state agencies from executing a contract with a person or firm, having a total cost to the state of more than \$500,000 in a calendar or fiscal year, unless the agency receives an affidavit from the person or firm attesting that no gifts as defined in Conn. Gen. Stat. § 1-79 were given by the firm or by any principals or key personnel of the firm since the date that planning began for the contract. See Conn. Gen. Stat. §4-250 et seq. The Treasurer requires **all** selected vendors to complete a Gift Certification when the contract is executed, regardless of the value of the proposed contract. Please complete the affidavit, and notarize where indicated. You are required to perform the necessary inquiry to enable you to complete this affidavit.

**F. Attachment F CORPORATE CITIZENSHIP:**

All Respondents are asked to demonstrate their commitment to being a good corporate citizen by providing information on charitable and civic activities they sponsor or participate in which improve the communities in which they are located and do business. Attachment F includes a list of representative activities that would satisfy this request. However, if your company engages in other activities that are not listed there, you are encouraged to report them. Please provide information on your corporate citizenship activities.

**G. Attachment G NOTICE OF CERTAIN LEGAL PROCEEDINGS:**

The purpose of this disclosure is to inform the Treasurer of any legal proceedings or investigations in the recent past or that are ongoing that could have a material effect on your ability to perform services for the Treasury or affect your business relationship with this office. Please provide the requested information, and notarize where indicated. Please do not respond by referring the State Treasurer to online filings with public agencies, such as the SEC. It is your obligation to provide the information with your response. If you have no information to report in response to any of the disclosure requests, you may indicate “none” on the Supplemental Information attachment.

**H. Attachment H CAMPAIGN CONTRIBUTION AFFIDAVIT:**

State law prohibits the State Treasurer from entering into a contract for investment services with any firm when a political committee established by the firm, or any “principal of the investment services firm,” as defined in the law, has contributed to or solicited contributions on behalf of an exploratory or candidate committee established by the State Treasurer for her nomination or election to the Office of State Treasurer. See Conn. Gen. Stat. §§1-84(n), 9-612(f). In addition, state law prohibits certain entities and individuals from making contributions to or knowingly soliciting contributions from employees, subcontractors or principals of subcontractors on behalf of candidates for statewide office or the General Assembly. Please complete the requested attestation that no prohibited contributions or solicitations have been made, and notarize where indicated. If your firm does not maintain in the ordinary course of business the information needed to

complete the required attestation, you are required to perform the necessary inquiry to enable you to complete this affidavit.

**I. Attachment I NOTICE TO STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN.**

Pursuant to Conn. Gen. Stat. § 9-612(g) and (h), all state agencies are required to provide a Notice to their Prospective State Contractors, informing them of (1) the ban on campaign contributions to and limits on solicitation of contributions on behalf of candidates for statewide elective office, (2) their duty to inform their principals of the law, and (3) the possible consequences of violation of the law. The Notice is Attachment I, hereto. An authorized signatory of the firm must acknowledge receipt of the State Elections Enforcement Commission's Notice (Attachment I) as indicated.

**J. Attachment J ANTI-TERRORISM; FOREIGN ASSET CONTROL REGULATIONS; FOREIGN CORRUPT PRACTICES ACT:**

The purpose of this attachment is to assist the Treasurer in fulfilling her statutory duty under Conn. Gen. Stat. §3-13d(a) to consider the implications of any investment in relation to the foreign policy and national interests of the United States and to avoid the investment of pension funds in entities that are contributing to the threat of global terrorism. We are requesting Respondents to provide us with assurance that they have adequate procedures in place to ensure compliance with federal anti-terrorism laws. Please complete the requested attestations for the preceding 3 year period and notarize where indicated.

**K. Attachment K CONFLICTS OF INTEREST:**

Please disclose any material conflicts of interest and sign where indicated. If you have no conflicts to report, state "None".

### **Links to Statutes**

Conn. Gen. Stat. § 1-79 <http://www.cga.ct.gov/2011/pub/chap010.htm#Sec1-79.htm>  
Conn. Gen. Stat. § 1-84 <http://www.cga.ct.gov/2011/pub/chap010.htm#Sec1-84.htm>  
Conn. Gen. Stat. § 3-13d <http://www.cga.ct.gov/2011/pub/chap032.htm#Sec3-13d.htm>  
Conn. Gen. Stat. § 3-13j <http://www.cga.ct.gov/2011/pub/chap032.htm#Sec3-13j.htm>  
Conn. Gen. Stat. § 3-13l <http://www.cga.ct.gov/2011/pub/chap032.htm#Sec3-13l.htm>  
Conn. Gen. Stat. § 4-250 et seq. <http://www.cga.ct.gov/2011/pub/chap055c.htm>  
Conn. Gen. Stat. § 4a-81 <http://www.cga.ct.gov/2011/pub/chap058.htm#Sec4a-81.htm>  
Conn. Gen. Stat. § 9-612 <http://www.cga.ct.gov/2011/pub/chap155.htm#Sec9-612.htm>  
Conn. Public Act 09-158 <http://www.cga.ct.gov/2009/ACT/PA/2009PA-00158-R00SB-01127-PA.htm>  
Conn. Public Act 09-13 <http://www.cga.ct.gov/2009/ACT/PA/2009PA-00013-R00SB-00899-PA.htm>  
Conn. Public Act 11-55 <http://www.cga.ct.gov/2011/ACT/PA/2011PA-00055-R00HB-06599-PA.htm>

**ATTACHMENT A****COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES  
CONTRACT COMPLIANCE REGULATIONS****NOTIFICATION TO BIDDERS**

(Revised 09/17/07)

The contract to be awarded is subject to contract compliance requirements mandated by Sections 4a-60 and 4a-60a of the Connecticut General Statutes; and, when the awarding agency is the State, Sections 46a-71(d) and 46a-81i(d) of the Connecticut General Statutes. There are Contract Compliance Regulations codified at Section 46a-68j-21 through 43 of the Regulations of Connecticut State Agencies, which establish a procedure for awarding all contracts covered by Sections 4a-60 and 46a-71(d) of the Connecticut General Statutes.

According to Section 46a-68j-30(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance requirements has an obligation to “aggressively solicit the participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials.” “Minority business enterprise” is defined in Section 4a-60 of the Connecticut General Statutes as a business wherein fifty-one percent or more of the capital stock, or assets belong to a person or persons: “(1) Who are active in daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are members of a minority, as such term is defined in subsection (a) of Section 32-9n.” “Minority” groups are defined in Section 32-9n of the Connecticut General Statutes as “(1) Black Americans . . . (2) Hispanic Americans . . . (3) persons who have origins in the Iberian Peninsula . . . (4) Women . . . (5) Asian Pacific Americans and Pacific Islanders; (6) American Indians . . .” An individual with a disability is also a minority business enterprise as provided by Section 4a-60g of the Connecticut General Statutes. The above definitions apply to the contract compliance requirements by virtue of Section 46a-68j-21(11) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder’s qualifications under the contract compliance requirements:

- (a) the bidder’s success in implementing an affirmative action plan;
- (b) the bidder’s success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (c) the bidder’s promise to develop and implement a successful affirmative action plan;
- (d) the bidder’s submission of employment statistics contained in the “Employment Information Form”, indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- (e) the bidder’s promise to set aside a portion of the contract for legitimate minority business enterprises. See Section 46a-68j-30(10)(E) of the Contract Compliance Regulations.

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**INSTRUCTIONS AND OTHER INFORMATION**

The following BIDDER CONTRACT COMPLIANCE MONITORING REPORT must be completed in full, signed, and submitted with the bid for this contract. The contract awarding agency and the Commission on Human Rights and Opportunities will use the information contained thereon to determine the bidders compliance to Sections 4a-60 and 4a-60a CONN. GEN. STAT., and Sections 46a-68j-23 of the Regulations of Connecticut State Agencies regarding equal employment opportunity, and the bidder’s  good faith efforts to include minority business enterprises as subcontractors and suppliers for the work of the contract.

**1) Definition of Small Contractor**

Section 4a-60g CONN. GEN. STAT. defines a small contractor as a company that has been doing business under the same management and control and has maintained its principal place of business in Connecticut for a one year period immediately prior to its application for certification under this section, had gross revenues not exceeding ten million dollars in the most recently completed fiscal year, and at least fifty-one percent of the ownership of which is held by a person or persons who are active in the daily affairs of the company, and have the power to direct the management and policies of the company, except

that a nonprofit corporation shall be construed to be a small contractor if such nonprofit corporation meets the requirements of subparagraphs (A) and (B) of subdivision 4a-60g CONN. GEN. STAT.

2) Description of Job Categories (for Part IV Bidder Employment Information)

**DEFINITIONS**

**Executive/Senior Level Officials and Managers.** Individuals who plan, direct and formulate policies, set strategy and provide the overall direction of enterprises/organizations for the development and delivery of products or services, including investment management services, within the parameters approved by boards of directors or other governing bodies. Residing in the highest levels of organizations, these executives plan, direct or coordinate activities with the support of subordinate executives and staff managers. They include, in larger organizations, those individuals within two reporting levels of the CEO, whose responsibilities require frequent interaction with the CEO. Examples of these kinds of managers are: chief executive officers, chief operating officers, chief financial officers, line of business heads, presidents or executive vice presidents of functional areas or operating groups, chief information officers, chief investment officers and/or senior portfolio managers, chief human resources officers, chief marketing officers, chief legal officers, management directors and managing partners.

**First/Mid Level Officials and Managers.** Individuals who serve as managers, other than those who serve as Executive/Senior Level Officials and Managers, including those who oversee and direct the delivery of products, services or functions at group, regional or divisional levels of organizations. These managers receive directions from the Executive/Senior Level management and typically lead major business units. They implement policies, programs and directives of executive/senior management through subordinate managers and within the parameters set by Executive/Senior Level management. Examples of these kinds of managers are: vice presidents and directors, group, regional or divisional controllers; treasurers; human resources, information systems, marketing, and operations managers. The First/Mid Level Officials and Managers subcategory also includes those who report directly to middle managers. These individuals serve at functional, line of business segment or branch levels and are responsible for directing and executing the day-to-day operational objectives of enterprises/organizations, conveying the directions of higher level officials and managers to subordinate personnel and, in some instances, directly supervising the activities of exempt and non-exempt personnel. Examples of these kinds of managers are: portfolio managers; first-line managers; team managers; unit managers; operations and production mangers; branch managers; administrative services managers; purchasing and transportation managers; storage and distribution managers; call center or customer service managers; technical support managers; and brand or product mangers.

**Professionals.** Most jobs in this category require bachelor and graduate degrees, and/or professional certification. In some instances, comparable experience may establish a person's qualifications. Examples of these kinds of positions include: accountants and auditors; airplane pilots and flight engineers; analysts (budget, credit, financial, management); architects; artists; chemists; computer programmers; designers; dieticians; economists; editors; engineers; human resource specialists; lawyers; librarians; mathematical scientists; natural scientists; registered nurses; physical scientists; physicians and surgeons; social scientists; teachers; and surveyors.

**Sales Workers.** These jobs include non-managerial activities that wholly and primarily involve direct sales. Examples of these types of positions include: advertising sales agents; insurance sales agents; real estate brokers and sales agents; wholesale sales representatives; securities, commodities, and financial services sales agents; telemarketers; demonstrators; retail salespersons; counter and rental clerks; and cashiers.

**Administrative Support Workers.** These jobs involve non-managerial tasks providing administrative and support assistance, primarily in office settings. Examples of these types of positions include: office and administrative support workers; bookkeeping; accounting and auditing clerks; cargo and freight agents; dispatchers; couriers; data entry keyers; computer operators; shipping, receiving and traffic clerks; word processors and typists; proofreaders; desktop publishers; and general office clerks.

3) Definition of Racial and Ethnic Terms (as used in Part IV Bidder Employment Information)

White (not of Hispanic Origin)- All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.

Black(not of Hispanic Origin)- All persons having origins in any of the Black racial groups of Africa.

Hispanic- All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

Asian or Pacific Islander- All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes China, India, Japan, Korea, the Philippine Islands, and Samoa.

American Indian or Alaskan Native- All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

G.

H. BIDDER CONTRACT COMPLIANCE MONITORING REPORT

**PART I - Bidder Information**

Company Name Street Address City & State Chief Executive	Bidder Federal Employer Identification Number _____ Or Social Security Number _____
Major Business Activity (brief description)	Bidder Identification (response optional/definitions on page 1)  -Bidder is a small contractor. Yes <input type="checkbox"/> No <input type="checkbox"/> -Bidder is a minority business enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> (If yes, check ownership category) Black <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian American <input type="checkbox"/> American Indian/Alaskan Native <input type="checkbox"/> Iberian Peninsula <input type="checkbox"/> Individual(s) with a Physical Disability <input type="checkbox"/> Female <input type="checkbox"/>
Bidder Parent Company (If any)	- Bidder is certified as above by State of CT Yes <input type="checkbox"/> No <input type="checkbox"/>
Other Locations in Ct. (If any)	- DAS Certification Number _____

**PART II - Bidder Nondiscrimination Policies and Procedures**

1. Does your company have a written Affirmative Action/Equal Employment Opportunity statement posted on company bulletin boards? Yes <input type="checkbox"/> No <input type="checkbox"/>	7. Do all of your company contracts and purchase orders contain non-discrimination statements as required by Sections 4a-60 & 4a-60a Conn. Gen. Stat.? Yes <input type="checkbox"/> No <input type="checkbox"/>
2. Does your company have the state-mandated sexual harassment prevention in the workplace policy posted on company bulletin boards? Yes <input type="checkbox"/> No <input type="checkbox"/>	8. Do you, upon request, provide reasonable accommodation to employees, or applicants for employment, who have physical or mental disability? Yes <input type="checkbox"/> No <input type="checkbox"/>
3. Do you notify all recruitment sources in writing of your company's Affirmative Action/Equal Employment Opportunity employment policy? Yes <input type="checkbox"/> No <input type="checkbox"/>	9. Does your company have a mandatory retirement age for all employees? Yes <input type="checkbox"/> No <input type="checkbox"/>
4. Do your company advertisements contain a written statement that you are an Affirmative Action/Equal Opportunity Employer? Yes <input type="checkbox"/> No <input type="checkbox"/>	10. If your company has 50 or more employees, have you provided at least two (2) hours of sexual harassment training to all of your supervisors? Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
5. Do you notify the Ct. State Employment Service of all employment openings with your company? Yes <input type="checkbox"/> No <input type="checkbox"/>	11. If your company has apprenticeship programs, do they meet the Affirmative Action/Equal Employment Opportunity requirements of the apprenticeship standards of the Ct. Dept. of Labor? Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
6. Does your company have a collective bargaining agreement with workers? Yes <input type="checkbox"/> No <input type="checkbox"/> 6a. If yes, do the collective bargaining agreements contain non-discrimination clauses covering all workers? Yes <input type="checkbox"/> No <input type="checkbox"/>	12. Does your company have a written affirmative action Plan? Yes <input type="checkbox"/> No <input type="checkbox"/> If no, please explain.

13. Is there a person in your company who is responsible for equal employment opportunity? Yes        No         
 If yes, give name and phone number.  
 \_\_\_\_\_

### Part III - Bidder Subcontracting Practices

(Page 4)

1. Will the work of this contract include subcontractors or suppliers? Yes        No       

1a. If yes, please list all subcontractors and suppliers and report if they are a small contractor and/or a minority business enterprise. (defined on page 1 / use additional sheet if necessary)

1b. Will the work of this contract require additional subcontractors or suppliers other than those identified in 1a. above? Yes        No       

### PART IV - Bidder Employment Information

**PLEASE GO TO [WWW.STATE.CT.US/OTT](http://WWW.STATE.CT.US/OTT) AND CLICK ON THE DOING BUSINESS LINK AND THEN ON THE “COMPLIANCE” TAB TO DOWNLOAD A FILLABLE EMPLOYER INFORMATION FORM.**

**PLEASE PROVIDE EMPLOYMENT DATA FOR THE CURRENT YEAR AND EACH OF THE PREVIOUS 2 YEARS (for a total of 3 years data).**

### PART V - Bidder Hiring and Recruitment Practices

1. Which of the following recruitment sources are used by you? (Check yes or no, and report percent used)				2. Check (X) any of the below listed requirements that you use as a hiring qualification  (X)	3. Describe below any other practices or actions that you take which show that you hire, train, and promote employees without discrimination
SOURCE	YES	NO	% of applicants provided by source		
State Employment Service				Work Experience	
Private Employment Agencies				Ability to Speak or Write English	
Schools and Colleges				Written Tests	
Newspaper Advertisement				High School Diploma	
Walk Ins				College Degree	
Present Employees				Union Membership	
Labor Organizations				Personal Recommendation	
Minority/Community Organizations				Height or Weight	
Others (please identify)				Car Ownership	
				Arrest Record	
				Wage Garnishments	

MONITORING REPORT are complete and true to the best of my knowledge and belief, and are made in good faith. I understand that if I knowingly make any misstatements of facts, I am subject to be declared in non-compliance with Section 4a-60, 4a-60a, and related sections of the CONN. GEN. STAT.

(Signature)	(Title)	(Date Signed)	(Telephone)
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**NONDISCRIMINATION AFFIDAVIT**

*(To be signed under penalty of false statement by a chief executive officer, president, chairperson, member, or other corporate officer duly authorized to adopt corporate, company, or partnership policy)*

**AFFIDAVIT:**

I, the undersigned, am over the age of eighteen (18) and understand and appreciate the obligations of an oath. I am \_\_\_\_\_ of \_\_\_\_\_, an entity  
Signatory's Title Name of Entity

duly formed and existing under the laws of \_\_\_\_\_.  
Name of State or Commonwealth

I certify that I am authorized to execute and deliver this affidavit on behalf of

\_\_\_\_\_ and that \_\_\_\_\_  
Name of Entity Name of Entity

has a policy in place that complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1)and 4a-60a(a)(1), as amended.

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Printed Name

**Sworn and subscribed to before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**

\_\_\_\_\_  
**Commissioner of the Superior Court/  
Notary Public**

\_\_\_\_\_  
**Commission Expiration Date**

**STATE OF CONNECTICUT  
OFFICE OF THE STATE TREASURER**

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**EMPLOYMENT PRACTICES INFORMATION**

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**COMPANY Name** \_\_\_\_\_ (“Respondent”)

**Please provide the following information:**

- a. A current list of the titles and years of employment of women and minority key managers and/or senior officers.
- b. Documentation of any promotions in the past three (3) years among
  - i. minority professionals or managers
  - ii. women professionals and managers
- c. A copy of your firm’s equal opportunity and affirmative action policy.
- d. Any other information that would demonstrate the firm’s commitment to expanding diversity in the workplace, including recruiting initiatives, retention and promotion efforts, and ongoing assessment of the firm’s progress.

The undersigned, on behalf of the company identified above, hereby certifies that the information provided in response to this Attachment C is true and accurate to the best of his/her knowledge and belief under penalty of false statement.

Certifying Official:

Signature\_\_\_\_\_

\_\_\_\_\_  
(type name and title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public/Commissioner of the Superior Court

**FORM A3: FOR COMPLETION BY ALL VENDORS BEFORE CONTRACTING**

**STATE OF CONNECTICUT**  
**OFFICE OF THE STATE TREASURER**

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**AFFIDAVIT OF THIRD PARTY FEES AND  
DISCLOSURE OF CONSULTING AGREEMENTS**

I, \_\_\_\_\_, a duly authorized officer and/or representative of \_\_\_\_\_, being duly sworn, hereby depose and say that:

3. I am over eighteen (18) years of age and believe in the obligations of an oath.
4. \_\_\_\_\_ (firm name) intends to enter into a contract to furnish services to the Office of the State Treasurer (the "Contract").
3. All third party fees, agreements to pay third party fees, and consulting agreements attributable to the Contract are as follows:

<b>NAME OF PAYEE</b>	<b>DOLLAR AMOUNT PAID OR VALUE OF NON- CASH COMPENSATION AND DATE</b>	<b>FEES ARRANGEMENT</b>	<b>SPECIFIC SERVICES PERFORMED OR TO BE PERFORMED BY PAYEE<sup>2</sup></b>

*(Attach additional copies of this page as necessary.)*

**NOTE: For each third party fee or consulting arrangement described above, complete the attached Form A3a.**

4. The information set forth herein is true, complete and accurate to the best of my knowledge and belief under penalty of perjury.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public/Commissioner of the Superior Court

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<sup>2</sup>

Please attach documents evidencing the terms of the fee arrangement and services.

**STATE OF CONNECTICUT  
OFFICE OF THE STATE TREASURER**

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**ADDENDUM TO AFFIDAVIT OF THIRD PARTY FEES**

A. For each fee arrangement disclosed in the attached Affidavit, provide the following information about the third party payee:

- (6) Name
- (7) Address
- (8) Is the person or entity registered with the Securities and Exchange Commission, a state regulatory authority or FINRA? If so, provide details
- (9) Name of the President/Chief Executive Officer
- (10) Name, telephone number and email address of the individual principally responsible for work performed in connection with the contract, investment or proposed investment with the Office of the Treasurer

B. Please explain whether and how each such payment falls within one or more of the following categories of compensation providing an exception to the prohibition on finder's fees:

- (1) Compensation earned for the rendering of legal services when provided by an attorney while engaged in the ongoing practice of law;
- (2) Compensation earned for the rendering of investment services, other than legal services, when provided by an investment professional while engaged in the ongoing business of providing investment services;
- (3) Compensation for placement agent, due diligence or comparable tangible marketing services when paid to a person who is an investment professional (i) engaged in the ongoing business of representing providers of investment services, or (ii) in connection with the issuance of bonds, notes or other evidence of indebtedness by a public agency;
- (4) Compensation earned by a licensed real estate broker or real estate salesperson while engaging in the real estate business on an ongoing basis; or
- (6) Payments for client solicitation activities meeting the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940.

C. Attach a copy of the agreement evidencing the terms of the fee arrangement and the services, and provide a narrative description of any services actually rendered by the third party payee in connection with the contract, investment or proposed investment with the Office of the Treasurer.

D. For each fee arrangement disclosed in the affidavit, please respond to the following:

- (2) Is the fee paid to a former state employee or public official? If so, please identify such person's former agency, position and the date such employment was terminated.

“Consulting agreement” shall have the meaning set forth in Section 4a-81(b)(1).

“Third party fees” includes those activities enumerated in Section 3-13j of the Connecticut General Statutes, and includes direct and indirect payments, such as payments by a placement agent to a subagent.

E. Respondents disclosing payments to, or agreements to pay, placement agents have a duty to

inquire and shall report any payments to, or agreements to pay, subagents, and provide all information and documentation requested under A through D, above, with respect to any sub-agent.

## ATTACHMENT E

**STATE OF CONNECTICUT  
OFFICE OF THE STATE TREASURER**

### **Gift Affidavit**

**COMPANY NAME:** \_\_\_\_\_ (“Respondent”)

I, \_\_\_\_\_, am authorized  
(name and title)

to submit a proposal on behalf of the Respondent. I hereby certify that between January 1, 2011 [planning date] and the date of the attached proposal that neither I, the Respondent, nor any of its principals or key personnel who participated directly, extensively and substantially in the preparation of the bid or proposal, nor any agent of the above, gave a gift, as defined in Conn. Gen. Stat. § 1-79(e), including a life event gift as defined in Conn. Gen. Stat. § 1-79(e)(12), to (1) any public official or state employee of the Office of the State Treasurer who participated directly, extensively, and substantially in the preparation of the bid solicitation or request for proposals for the contract; or (2) any public official or state employee of any other state agency who has supervisory or appointing authority over the Office of the State Treasurer.

Further, neither I nor any principals or key personnel of the Respondent, nor any agent of the above, knows of any action by Respondent to circumvent such prohibition on gifts by providing for any other principals, key personnel, officials, employees of Respondent, nor any agent of the above, to provide a gift to any such public official or state employee.

Further, the Respondent made its bid or proposal without fraud or collusion with any person.

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

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Signature

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Date

Sworn and subscribed before me on this

day of \_\_\_\_\_, 20\_\_.

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Commissioner of the Superior Court/  
Notary Public

## ATTACHMENT F

**STATE OF CONNECTICUT**  
**OFFICE OF THE STATE TREASURER**

---

**CORPORATE CITIZENSHIP**

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**COMPANY Name** \_\_\_\_\_ (“**Respondent**”)

For the past three years, please provide the Office of the Treasurer with the following information regarding any of the respondent’s policies/practices that demonstrate respondent’s positive commitment to the communities in which it does business. The following is a representative list of the types of activities that would satisfy this request:

1. A summary of respondent’s charitable giving activities including matching charitable contributions of employees and an outline of respondent’s strategy for charitable giving activities.
2. A representative list of organizations that respondent supports or events that respondent has sponsored; indicate any Connecticut-based groups.
3. A list of names and addresses of women-owned, minority-owned, and emerging businesses with which respondent does business.
4. A brief description of any internship programs respondent offers and the applicable percentage of minority and women recipients.
5. A brief description of any scholarships respondent provides to students and the applicable percentage of minority and women recipients.
6. A description of any written policies maintained by respondent that foster good corporate citizenship, and those that encourage respondent’s employees to volunteer time or make charitable contributions. Particular focus should be given to efforts to promote good corporate citizenship in Connecticut.
7. A description of any written procurement policies or programs used by respondent to foster business relationships with women-owned, minority-owned and/or emerging businesses.
8. Any other information not covered above that would help give the Treasurer a better understanding of respondent’s views on corporate citizenship.

**STATE OF CONNECTICUT  
OFFICE OF THE STATE TREASURER**

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**NOTICE OF LEGAL PROCEEDINGS**

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**COMPANY (“Respondent”)** \_\_\_\_\_

I \_\_\_\_\_ (name and title) hereby represent that:

1. I have the requisite knowledge and authority, and have made any inquiry necessary, to fully, completely and accurately provide the information requested in this affidavit;
2. I have disclosed in the Supplemental Information attached to this affidavit:
  - a. any and all material lawsuits, legal or administrative proceedings or governmental investigations, criminal actions or law enforcement activities (including those by federal, state or local authorities, or self-regulatory organizations) or non-routine Securities and Exchange Commission inquiries or investigations relating to Respondent or any of Respondent’s affiliates, including any proceedings to which Respondent, its affiliates, or any of their respective officers, directors or employees is a named party or of which any of such has been the focus, that have occurred in the last five (5) years or that are currently threatened, including whether Respondent or any of its affiliates, or their respective officers, directors or employees has been censured by any regulatory body;
  - b. any claim for errors & omissions, fiduciary liability and/or fidelity bond insurance coverage submitted by Respondent, its principals or any of Respondent’s affiliates in the past five (5) years;
  - c. any and all ongoing internal investigations of any of Respondent’s officers, directors or employees, giving specific attention to those persons who would be closely responsible for the products or services sought by the Office of the Treasurer.
3. Except as disclosed in the Supplemental Information attached hereto, I am not aware of any activities of the Respondent, its affiliates, or any officers, directors or employees of the Respondent or its affiliates, that are likely to result in any of the above investigations or proceedings.
4. Respondent has adequate procedures in place to undertake internal investigations of its employees, officers and directors, which procedures are described in the Supplemental Information attached hereto.

The undersigned, on behalf of the Respondent identified above, hereby certifies that the information set forth in response to this Attachment G, including any and all Supplemental Information, is sworn to as true, complete and accurate to the best of my knowledge and belief, under penalty of false statement.

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\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Sworn and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**SUPPLEMENTAL INFORMATION**  
**to Attachment G**

**Respondent's Name** \_\_\_\_\_

**2a.**

**2b.**

**2c.**

**4.**

## ATTACHMENT H

**STATE OF CONNECTICUT  
OFFICE OF THE STATE TREASURER**

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**CAMPAIGN CONTRIBUTION DISCLOSURE**

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**COMPANY (“Respondent”)** \_\_\_\_\_

I, \_\_\_\_\_ (name and title), duly authorized, after diligent inquiry, hereby certify that none of the following have

(1) made a contribution to (a) 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, (b) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (c) a party committee; or

(2) since January 1, 2011, knowingly solicited contributions from Respondent’s employees, subcontractors, or principals of subcontractors on behalf of (a) 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, (b) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (c) a party committee:

- a. Director of or person having an ownership interest in the Respondent of 5% or greater;
- b. The President, Treasurer, or Executive Vice President (or similar positions) of the Respondent;
- c. An officer or employee of the Respondent having managerial or discretionary responsibilities with respect to services provided to the Office of the Connecticut State Treasurer;
- d. The spouse or dependent child aged 18 or older of any individuals described in subsections a-c; or
- e. A political committee established or controlled by the Respondent or an individual identified in subsections a-d.

Sworn to as true, accurate and complete to the best of my knowledge and belief, under penalty of false statement.

Signed: \_\_\_\_\_

Print name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Sworn and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

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\_\_\_\_\_  
Commissioner of the Superior Court/Notary Public

# SEEC FORM 10

## ATTACHMENT I

CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION

Rev. 1/11

Page 1 of 3

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

#### *Acknowledgement of Receipt of Explanation of Prohibitions for Incorporation in Contracting and Bidding Documents*

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 or 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 the 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 resulting 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.

## **SEEC FORM 10**

CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION

Rev. 1/11

Page 2 of 3

## **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.

**SEEC FORM 10**

CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION

Rev. 1/11

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**ACKNOWLEDGEMENT OF RECEIPT**

SIGNATURE

DATE (mm/dd/yyyy)

**NAME OF SIGNER**

First Name	MI	Last Name	Suffix
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**TITLE****COMPANY NAME**

**STATE OF CONNECTICUT  
OFFICE OF THE STATE TREASURER**

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**ANTI-TERRORISM  
FOREIGN ASSET CONTROL REGULATIONS,  
FOREIGN CORRUPT PRACTICES ACT**

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**COMPANY (“Respondent”)** \_\_\_\_\_

I \_\_\_\_\_ (name, title and company name) hereby represent that:

1. I have the requisite knowledge and authority, and have made any inquiry necessary, to fully, completely and accurately provide the information requested in this affidavit, for the three year period up to and including the date of this affidavit;
2. Respondent is not and has not been included on the Specially Designated Nationals and Blocked Persons List of the United States Treasury Department’s Office of Foreign Assets Control.
3. By agreeing to provide, and in providing, the services pursuant to this RFP, the Respondent will not be in violation of the United State Executive Order 13224 of September 24, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, (the Anti-Terrorism Order) or the provisions of The USA Patriot Act, title III, or the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001 (as it may be amended from time to time) and any regulations promulgated thereunder.
4. The Respondent is not a party with which the Treasurer is prohibited from dealing under the laws of the United States.
5. The Respondent has not made any direct or indirect payments to any foreign government official, government employee, political party or official in violation of the United States Foreign Corrupt Practices Act.

The undersigned, on behalf of the Respondent identified above, hereby certifies that the information set forth in response to this Attachment J including any and all Supplemental Information is sworn as true and accurate to the best of my knowledge and belief, under penalty of false statement.

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Signature \_\_\_\_\_

Date \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Sworn and subscribed before me on this day of \_\_\_\_\_, 20\_\_.

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Commissioner of the Superior Court/Notary Public

**STATE OF CONNECTICUT**  
**OFFICE OF THE STATE TREASURER**

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**CONFLICTS OF INTEREST**

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**COMPANY (“Respondent”)** \_\_\_\_\_

In accordance with the State of Connecticut laws and regulations, for the years 2007 to the present, the Respondent must provide the Office of the Treasurer with information regarding any agreements, relationships, retainers or other arrangements that your firm or any employee of your firm has with any other investment banking firm, financial advisory firm, law firm, or other person or entity that may create a conflict of interest or the appearance of a conflict of interest.

Please list any possible, known or potential conflicts of interests with the Office of the Treasurer that the Respondent may have. Please also describe the arrangement and the parties involved. If necessary, the Respondent should attach additional sheets labeled as Supplemental Information to Attachment K.

The undersigned, on behalf of the Respondent identified above, hereby certifies that the information set forth in this Attachment K and any Supplemental Information to Attachment K is true, complete and accurate.

Sworn as true to the best of my knowledge and belief, false statement punishable under law:

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Signature \_\_\_\_\_

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Date \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Sworn and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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\_\_\_\_\_  
Commissioner of the Superior Court/Notary Public