

WASHINGTON STATE HOUSE OF REPRESENTATIVES

REQUEST FOR PROPOSALS (RFP)

RFP No. HOUSE-962-08-01

If you download this RFP from the Washington State House of Representatives' website located at <http://www.leg.wa.gov/House/>, you are responsible for sending your name, e-mail address, and telephone number to the RFP Coordinator in order for your organization to receive any RFP amendments or proposers' questions/agency answers.

PROJECT TITLE: Evaluation of Washington State's Approach to Information Technology

PROPOSAL DUE DATE:

August 29, 2008
12 (noon), Pacific Daylight Time
Olympia, Washington, USA

ESTIMATED TIME PERIOD FOR CONTRACT: September 25, 2008, - June 30, 2009. At the sole discretion of the Washington State House of Representatives, the right is reserved to extend the contract for up to two additional one-year periods.

CONSULTANT ELIGIBILITY: This procurement is open to consultants that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

CONTENTS OF THE REQUEST FOR PROPOSALS:

- Introduction
- General Proposal Information
- Proposal Content Requirements
- Evaluation Procedures and Contract Award
- Exhibits:
 - 2007 Information Technology Work Group Report
 - Certifications and Assurance
 - Sample Contract

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I. INTRODUCTION

1.1 PURPOSE AND BACKGROUND

In 2007, the Washington State Legislature (Legislature) established a joint legislative work group known as the 2007 Information Technology Work Group as part of the 2007-09 Operating Budget. One of the recommendations of the 2007 Work Group was to hire a consultant to support the continued efforts of the Work Group in 2008 and possibly 2009. In the 2008 Supplemental Operating Budget, an appropriation of \$100,000 was included for the Washington State House of Representatives to hire an Information Technology (IT) consultant to support the efforts of the Work Group.

The Washington State House of Representatives is initiating this Request for Proposals (RFP) to firms interested in participating in a project to evaluate the state's current governing structure for IT; review best practices for IT adopted in other states; and make recommendations to the 2008 Information Technology Work Group and the Legislature for steps the state could take towards achieving greater budgetary efficiencies in IT as outlined in the Scope of Work of this RFP. A firm may apply individually or as a lead entity with other identified person or entities collaborating on this project.

The House of Representatives intends to award one contract to provide the services described in this RFP.

1.2 DEFINITIONS

Definitions for the purposes of this RFP include:

Apparent Successful Contractor -- The consultant selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

Consultant -- Individual or company interested in the RFP and that may or does submit a proposal in order to attain a contract with the Washington State House of Representatives.

Contractor -- Individual or company whose proposal has been accepted by the Legislature and is awarded a full executed, written contract.

House -- The Washington State House of Representatives that is issuing this RFP.

Proposal -- A formal offers submitted in response to this solicitation.

Proposer - Individual or company submitting a proposal in order to attain a contract with the Washington State House of Representatives.

Request for Proposals -- Formal procurement document in which a service or need is identified.

1.3 SCOPE OF WORK

The scope of work under this RFP includes the following:

1.3.1 Report: Part 1

Describe in detail how your organization will prepare the first part of a two-part report by **December 1, 2008**. The first part of the report must include:

1.3.1.1. Establish a baseline

The Consultant will review the executive branch agencies' IT assets, infrastructure, personnel, and budget to establish a baseline of the state's IT resources as reported in the 2008 Agency IT Portfolios. This will not include a review of institutions of higher education in Washington or the Washington State Department of Transportation.

1.3.1.2. Evaluate current governing structure

The Consultant will evaluate the state's current governing structure for IT, including the Information Services Board, Office of Financial Management, and the Department of Information Services. This evaluation must include a review of a representative sample of executive branch agencies' understanding of potential opportunities and barriers resulting from a change to the state's current governing structure for IT.

1.3.1.3. Evaluate other state approaches to IT

The Consultant will analyze other states that have recently modified their governing structure and/or approach to IT and provide a detailed description of best practices for IT adopted in those states. This analysis should include:

A. Other states' governing statutes and administrative rules pertaining to each state's central technology department, including an analysis of the responsibilities and the authority explicitly granted to the central technology department;

B. The actions taken by other states to increase efficiencies in IT spending, which may include consolidation of portions or all of IT services;

C. A survey of the common or shared IT services that have been adopted by other states; and

D. The pros, cons, and barriers that other states have identified when making changes to their central IT organizations.

1.3.1.4. Provide preliminary recommendations

The Consultant will provide preliminary recommendations on what structural changes to Washington's governing structure for IT may be necessary in order to increase budgetary efficiency in IT in the short term and create a more effective and efficient governing structure.

1.3.2. Report: Part 2

Describe in detail how your organization will prepare the second part of the report, which must be completed no later than **June 1, 2009**. The second part of the report must outline strategies for the state of Washington to achieve greater efficiency in IT based on best practices and analysis of effective IT service delivery models. Specifically, the second part of the report must include:

1.3.2.1. Evaluate the efficiency of providing IT services through a central provider

The Consultant will review existing IT services currently used by state agencies and identify any increases in efficiency in performance or potential cost savings that could result from the service being provided by a central provider.

1.3.2.2. Review best practices in other states and their potential effectiveness in achieving greater budgetary efficiency in IT for Washington state

The Consultant will review best practices adopted in other states, as outlined in Section 1.3.1.3., and analyze which approaches would be the most effective in achieving greater budgetary efficiency in IT in Washington. This review will include, at a minimum, a review of how consolidation of IT services might benefit the state, and what IT services, if any, may be appropriate for consolidation.

1.3.2.3. Provide final recommendations

The Consultant will build upon the preliminary recommendations prepared pursuant to Section 1.3.1.4. and provide final recommendations regarding incremental short and long-term steps the state could take toward achieving greater budgetary efficiencies in IT, including recommendations on what structural changes to the state's governing structure for IT may be necessary.

1.3.3. Available for Future Meetings

The consultant must be available to engage in discussions with the IT Work Group; attend IT Work Group meetings; and provide progress reports during the remainder of 2008 through June 30, 2009. The next IT Work Group meeting is tentatively scheduled for **Wednesday, September 10, 2008**, from 3:30 p.m. to 5:30 p.m.

1.4. DELIVERABLE DUE DATES

October 1, 2008 - A **final work plan** shall be submitted, if revised, for approval by the Contract Manager. The final work plan could incorporate any changes to the proposed work plan and be included in the appendices of the final report. Refined deliverable dates, if any, will be established in the final work plan.

October 14 - 16, 2008 - The consultant must be available to attend the Information Processing Management Association (IPMA) Executive Seminar in Chelan, WA on October 14-16, 2008, and make a presentation to the IPMA on the final work plan.

November 1, 2008 - A progress report must be submitted to the Contract Manager.

December 1, 2008 - The first part of the report identified in Section 1.3.1., "Scope of Work," shall be submitted to the Contract Manager.

December 2008 - The consultant must be available, upon request, to present the results of the first part of the report to the 2008 Information Technology Group.

February 1, 2009 - A progress report must be submitted to the Contract Manager.

March 1, 2009 - A progress report must be submitted to the Contract Manager.

April 1, 2009 - A progress report must be submitted to the Contract Manager.

May 1, 2009 - A draft of the second part of the report identified in Section 1.3.2., "Scope of Work," shall be submitted to the Contract Manager.

June 1, 2009 - The final report, which must include both the first and second part of the report identified in Sections 1.3.1 and 1.3.2., "Scope of Work," shall be submitted to the Contract Manager.

1.5. MINIMUM QUALIFICATIONS

Minimum qualifications include:

- Licensed to do business in the State of Washington or provide a commitment that it will become licensed within thirty (30) calendar days of being selected as the Apparent Successful Contractor.

- Knowledge of approaches taken in other states to manage information technology services, including knowledge of other states' efforts to consolidate IT, if appropriate.
- Experience in evaluating organizational approaches to managing information technology.
- Familiarity with public sector information technology and telecommunications systems and applications.

1.6. FUNDING

The House budgeted an amount not to exceed one hundred thousand dollars (\$100,000) for this project. Consultants are encouraged to submit proposals that are consistent with government efforts to conserve state resources.

Any contract awarded as a result of this procurement is contingent upon the availability of funding. In the event additional funding becomes available, any contract awarded may be re-negotiated to provide for additional related services.

1.7 PERIOD OF PERFORMANCE

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on September 25, 2008, and to end on June 1, 2009. Amendments extending the period of performance, if any, shall be at the sole discretion of the House.

1.8 CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Proposers should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

1.9 ADA

The House complies with the Americans with Disabilities Act (ADA). Proposers may contact the RFP Coordinator to receive this Request for Proposals in Braille or on tape.

2 GENERAL PROPOSAL INFORMATION

2.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact for the House for this procurement. All communication between the Consultant and the House upon release of this RFP shall be with the RFP Coordinator, as follows:

Name	Kara Durbin
E-Mail Address	Durbin.Kara@leg.wa.gov
Mailing Address	PO Box 40600 Olympia, WA 98504-0600
Physical Address for Delivery	House of Representatives Room 248 John L. O'Brien Building Olympia, WA 98504-0600
Phone Number	(360) 786-7133
Fax Number	(360) 786-7018

Communications between proposers and/or the Consultant must be conducted in writing. Any other communication will be considered unofficial and non-binding on the House. Consultants are to rely on written statements issued by the RFP Coordinator. Communication directed to parties other than the RFP Coordinator may result in disqualification of the Consultant.

2.2 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES*

Issue Request for Proposals	August 8, 2008
Question submission period	August 8 – August 13, 2008
Question responses posted	August 18, 2008
Issue last addendum to RFP (if applicable)	August 20, 2008
Proposals due -- 12 Noon Pacific Standard Time	August 29, 2008
Evaluate proposals	September 2 - September 5, 2008
Conduct oral interviews with finalists, if required	September 8 - September 10, 2008
Announce "Apparent Successful Contractor" and send notification via fax or e-mail to unsuccessful proposers	September 12, 2008

Hold debriefing conferences (if requested)	September 15 - September 17, 2008
Negotiate and execute contract	September 17 - September 19, 2008
Begin contract work	September 25, 2008

* This schedule reflects the preferred schedule of procurement activities. This schedule is subject to change at the discretion of the House.

2.3 REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be sent via e-mail to all who received the RFP. Addenda will also be published on the House of Representatives RFP web page at: <http://www.leg.wa.gov/House/>

For this purpose, the published questions and answers and any other pertinent information shall be provided as an addendum to the RFP.

If you downloaded this RFP from the Legislative RFP web page, you are responsible for sending your name, e-mail address, and telephone number to the RFP Coordinator in order to receive any RFP addenda.

The House reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.

2.4 SUBMISSION OF PROPOSALS

Proposals can be submitted either hard copy or electronically. Proposals may not be transmitted using facsimile transmission. Whether submitted in hard copy or electronically, the proposal **must be received by the RFP Coordinator at the House in Olympia, Washington, no later than 12 noon, Pacific Daylight Time, on August 29, 2008.**

Late proposals will not be accepted and will be automatically disqualified from further consideration.

Signatures must be of the individual within the organization authorized to bind the Consultant to the offer.

All proposals and any accompanying documentation become the property of the House and will not be returned.

2.4.1 Hard Copy Proposals

Proposals must be written in English and submitted on eight and one-half by eleven inch (8 ½" x 11") paper with tabs separating the major sections of the proposal. Consultants are required to submit seven (7) copies of their proposal. Two of the seven copies must have original signatures and five copies can have photocopied signatures.

The proposal may be either mailed or hand delivered, but is subject to the submission due date and time identified in Section 2.4.

The proposal must be clearly marked, "Attention: RFP Coordinator" and sent to the address noted in Section 2.1.

Consultants mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals by the RFP Coordinator. Consultants assume the risk for the method of delivery chosen. The House assumes no responsibility for delays caused by any delivery service.

2.4.2 Electronic Copy Proposals

Proposals must be written in English and submitted electronically as an attachment to an e-mail to the RFP Coordinator, at the e-mail address listed in Section 2.1. The cover submittal letter and the Certifications and Assurances form must have scanned signatures.

The email subject line must be clearly marked, "Attention: RFP Coordinator."

Attachments to e-mail shall be in Microsoft Word format or Adobe Acrobat PDF. Zipped files cannot be received by the House and cannot be used for submission of proposals.

The House does not assume responsibility for problems with Consultant's e-mail. If the House's e-mail is not working, appropriate allowances will be made.

Consultants should allow sufficient time to ensure timely receipt of the proposal by the RFP Coordinator.

2.5. PROPRIETARY INFORMATION/PUBLIC DISCLOSURE

Proposals submitted in response to this competitive procurement shall become the property of the House.

All proposals received shall remain confidential until the contract, if any, is executed and signed by the Chief Clerk of the House and the apparent successful Contractor. Thereafter, the proposals shall become public records as defined in RCW 42.56.

Any information in the proposal that the Consultant desires to claim as proprietary and exempt from disclosure under the provisions of RCW 42.56 must be clearly designated. The page must be identified and the particular exception from disclosure upon which the Consultant is making the claim. Each page claimed to be exempt from disclosure must be clearly identified by the word "Confidential" printed on the lower right hand corner of the page.

The House will consider a Consultant's request for exemption from disclosure; however, the final decision will be predicated upon RCW 42.56. Marking the entire proposal exempt from disclosure will not be honored. The Consultant must be reasonable in designating information as confidential. If it is determined disclosure law applies to information that is marked as proprietary in the proposal, such information will not be made available until the affected proposer has been given an opportunity to seek a court injunction against the requested disclosure.

For a disclosure request, a charge will be made for copying and shipping, as outlined in RCW 42.56. No fee shall be charged for inspection of contract files, but twenty-four (24) hours' notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

2.6 RESPONSIVENESS

All proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The Consultant is specifically notified that failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.

The House also reserves the right at its sole discretion to waive minor administrative irregularities.

2.7 MOST FAVORABLE TERMS

The House reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the Consultant can propose. There will be no best and final offer procedure. The House reserves the right to contact a Consultant for clarification of its proposal.

The Apparent Successful Contractor should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. Contract negotiations may incorporate some, or all, of the Consultant's proposal. It is understood that the proposal will become a part of the official procurement file on this matter without obligation to the House.

2.8 CONTRACT AND GENERAL TERMS & CONDITIONS

The Apparent Successful Contractor will be expected to enter into a contract which is substantially the same as the sample contract and its general terms and conditions attached as Exhibit C. In no event is a Consultant to submit its own standard contract terms and conditions in response to this solicitation. The Consultant may submit exceptions as allowed in the Certifications and Assurances form, Exhibit B to this solicitation. All exceptions to the contract terms and conditions must be submitted as an attachment to Exhibit B, Certifications and Assurances form. The House will review requested exceptions and accept or reject the same at its sole discretion.

2.9 COSTS TO PROPOSE

The House will not be liable for any costs incurred by the Consultant in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.

2.10 NO OBLIGATION TO CONTRACT

This RFP does not obligate the House to contract for services specified herein.

2.11 REJECTION OF PROPOSALS

The House reserves the right at its sole discretion to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.

2.12 COMMITMENT OF FUNDS

The Chief Clerk of the House or his or her delegate is the only individual who may legally commit the House to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

2.13 ELECTRONIC PAYMENT

The state of Washington prefers to utilize electronic payment in its transactions. The successful contractor will be provided a form to complete with the contract to authorize such payment method.

2.14 INSURANCE COVERAGE

The Contractor is to furnish the House with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The Contractor shall, at its own expense, obtain and keep in force insurance coverage which shall be maintained in full force and effect during the term of the contract. The Contractor shall furnish evidence in the form of a Certificate of Insurance that insurance shall be provided, and a copy shall be forwarded to the House within fifteen (15) days of the contract effective date.

Liability Insurance

- 1) Commercial General Liability Insurance: Contractor shall maintain commercial general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL insurance shall be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insureds (cross liability) condition.

Additionally, the Contractor is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

- 2) Business Auto Policy: As applicable, the Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Business auto coverage shall be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

Employers Liability ("Stop Gap") Insurance:

In addition, the Contractor shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

Additional Provisions

Above insurance policy shall include the following provisions:

1. **Additional Insured.** The state of Washington, House, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.

2. **Cancellation.** State of Washington, House, shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer shall give the state 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the state shall be given 10 days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The state shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the state shall be given 10 days advance notice of cancellation.
3. **Identification.** Policy must reference the state's contract number and the House.
4. **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by the House Risk Manager, or the Risk Manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC
5. **Excess Coverage.** By requiring insurance herein, the state does not represent that coverage and limits will be adequate to protect Contractor, and such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to the state in this contract.

Workers' Compensation Coverage

The Contractor will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsible in any way for claims filed by the Contractor or their employees for services performed under the terms of this contract.

3. PROPOSAL CONTENT REQUIREMENTS

Proposals can be submitted either hard copy or electronically. See Section 2.4 for submission requirements.

The four major sections of the proposal are to be submitted in the order noted below:

1. Letter of Submittal, including signed Certifications and Assurances (Exhibit B to this RFP)
2. Technical Proposal
3. Management Proposal
4. Cost Proposal

Proposals must provide information in the same order as presented in this document with the same headings. This will not only be helpful to the evaluators of the proposal, but should assist the Consultant in preparing a thorough response.

Items marked “mandatory” must be included as part of the proposal for the proposal to be considered responsive; however, these items are not scored. Items marked “scored” are those that are awarded points as part of the evaluation conducted by the evaluation team.

3.1 LETTER OF SUBMITTAL (MANDATORY)

The Letter of Submittal and the attached Certifications and Assurances form (Exhibit B) must be signed and dated by a person authorized to legally bind the Consultant to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Consultant and any proposed subcontractors:

1. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
2. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
3. Legal status of the Consultant (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.
4. Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department of Revenue. If the Consultant does not have a UBI number, the Consultant must state that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Contractor.
5. Location of the facility from which the Consultant would operate.
6. Identify any state employees or former state employees employed or on the firm’s governing board as of the date of the proposal. Include their position and responsibilities within the Consultant’s organization. If following a review of this information, it is determined by the House that a conflict of interest exists, the Consultant may be disqualified from further consideration for the award of a contract.

3.2 TECHNICAL PROPOSAL

The Technical Proposal must contain a comprehensive description of services including the following elements:

3.2.1 Work Plan/Methodology (SCORED- 50 Maximum Points)

Include a complete description of the Consultant's proposed approach and methodology for the project and how the Consultant will accomplish the services and complete the deliverables described in Section 1.

Work Phases

The work plan should include a phased approach for project completion with deliverables submitted in a sequence determined by the Consultant with funding tied to each deliverable. For each phase, include all project requirements, proposed tasks, services, and activities necessary to accomplish the scope of the project defined in this RFP.

This proposal must contain sufficient detail to convey to members of the evaluation team the Consultant's knowledge of the subject matter, available resources, and skills necessary to successfully complete the project. If the firm is applying as a lead entity, include information on activities and services that will be provided by resources from collaborating entities.

The Consultant may present any creative approaches that might be appropriate and may provide any pertinent supporting documentation.

Risks

The Consultant must identify potential risks that are considered significant to the success of the project. Include how the Consultant would propose to effectively monitor and manage these risks, including reporting of risks to the House's contract manager.

3.2.2 Project Deliverables and Schedule (SCORED- 30 Maximum Points)

Include a proposed schedule of activities and services to demonstrate the Consultant's ability to adhere to the schedule of deliverable due dates and availability to present to the House and the 2008 Information Technology Work Group. The project schedule must reflect the phased approach outlined by the Consultant in the proposed Work Plan/Methodology and must include items identified in Section 1.3 Scope of Work. The project deliverables specified in Section 1.4 should be identified on the project schedule.

3.3 MANAGEMENT PROPOSAL

3.3.1 Project Management (SCORED- 25 Maximum Points)

Project Team Structure/Internal Controls

Provide a description of the proposed project team structure, including any subcontractors, and internal controls to be used during the course of the project. If applying as a lead organization, provide a communication plan that will allow for timely completion of services and activities. Provide an organizational chart of your firm indicating lines of authority for personnel involved in performance of this potential

contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Include who within the firm will have primary responsibility and final authority for the work.

3.3.2 Staff Qualifications/Experience (SCORED- 15 Maximum Points)

Identify staff, including subcontractors, who will be assigned to the potential contract. Indicate the responsibilities and qualifications of each person, and include the amount of time each will be assigned to the project. Provide resumes' for the named staff, which include information on the individual's particular skills related to this project, education, experience, significant accomplishments and any other pertinent information. The Consultant must commit that staff identified in its proposal will actually perform the assigned work. Any staff substitution must have the prior approval of the House.

3.3.3 Experience of the Consultant (SCORED- 40 Maximum Points)

Provide information to demonstrate experience and readiness needed to accomplish the project.

3.3.3.1 Specific Experience:

Indicate the experience the Consultant and any subcontractors have in the following areas:

- a. Knowledge of approaches taken in other states to manage information technology services, including knowledge of other states' efforts to consolidate, if appropriate.
- b. Experience in evaluating organization approaches to managing information technology.
- c. Familiarity with public sector information technology and telecommunications systems and applications.
- d. Experience working in information technology in Washington state.

3.3.3.2 Other Relevant Experience:

Indicate other relevant experience that indicates the qualifications of the Consultant, and any subcontractors, for the performance of the potential contract.

3.3.3.3 Previous Contracts:

Include a list of contracts the Consultant has had during the last five years that relate to the Consultant's ability to perform the services needed under this RFP. List contract reference numbers, contract period of performance, contact persons, telephone numbers, and fax numbers/e-mail addresses.

3.3.4 Related Information (Mandatory- Not Scored)

If the Consultant or any subcontractor contracted with the state of Washington during the past 24 months, indicate the name of the agency or entity, the contract number and project description and/or other information available to identify the contract.

If the Consultant's staff or subcontractor's staff was an employee of the state of Washington during the past 24 months, or is currently a Washington State employee, identify the individual by name, the agency previously or currently employed by, job title or position held and separation date.

If the Consultant has had a contract terminated for default in the last five years, describe such incident. Termination for default is defined as notice to stop performance due to the Consultant's non-performance or poor performance and the issue of performance was either: (a) not litigated due to inaction on the part of the Proposer, or (b) litigated and such litigation determined that the Proposer was in default.

Submit full details of the terms for default including the other party's name, address, and phone number. Present the Consultant's position on the matter. The House will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience. If no such termination for default has been experienced by the Consultant in the past five years, so indicate.

3.3.5 References (Mandatory – Not Scored)

List names, addresses, telephone numbers, and fax numbers/e-mail addresses of three (3) business references for the Consultant and three (3) business references for the lead staff person for whom work has been accomplished and briefly describe the type of service provided. Do not include current staff to the House as references. The Consultant and the lead staff person must grant permission to the House to contact the references and others who may have pertinent information regarding the Consultant's and the lead staff person's qualifications and experience to perform the services required by this RFP. The House may evaluate references at its discretion. References, if used, will be contacted for the top-scoring proposal(s) only.

3.3.6 OMWBE Certification (Optional – Not Scored)

Include proof of certification issued by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) if certified minority-owned firm and/or women-owned firm(s) will be participating on this project. For information: <http://www.omwbe.wa.gov>.

3.4 COST PROPOSAL

The Legislature budgeted an amount not to exceed one hundred thousand dollars (\$100,000) for this project. The evaluation process is designed to award this procurement not necessarily to the Consultant of least cost, but rather to the Consultant whose proposal best meets the requirements of this RFP. However,

Consultants are encouraged to submit proposals which are consistent with state government efforts to conserve state resources.

3.4.1. Identification of Costs (SCORED- 40 Points)

Identify all costs in U.S. dollars including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. The Consultant is to submit a fully detailed budget including staff costs and any expenses necessary to accomplish the tasks and to produce the deliverables under the contract. The Consultant should also suggest funding amounts to be tied to each deliverable. The budget must reflect the phased approach outlined by the Consultant in the proposed Work Plan/Methodology. Consultants are required to collect and pay Washington state sales and use taxes, as applicable.

Costs for subcontractors are to be broken out separately. Please note if any subcontractors are certified by the Office of Minority and Women's Business Enterprises.

4 EVALUATION PROCEDURE AND CONTRACT AWARD

4.1 EVALUATION PROCEDURE

Responsive proposals will be evaluated strictly in accordance with the requirements stated in this solicitation and any addenda issued. The evaluation of proposals shall be accomplished by an evaluation team(s), to be designated by the House, which will determine the ranking of the proposals.

The RFP Coordinator may contact the Consultant for clarification of any portion of the Consultant's proposal.

4.2 EVALUATION WEIGHTING AND SCORING

The following weighting and points will be assigned to the proposal for evaluation purposes:

Technical Proposal – 45%	80 points
Work Plan/Methodology	50 points (max.)
Project Deliverables/Schedule	30 points (max.)

Management Proposal – 45%		80 points
Project Management	25 points (maximum)	
Staff Qualifications/Experience	15 points (maximum)	
Experience of the Consultant	40 points (maximum)	
Cost Proposal – 20%		40 points
		<hr/>
TOTAL		200 POINTS

The House reserves the right to award the contract to the Consultant whose proposal is deemed to be in the best interest of the House and the state of Washington.

The House, at its sole discretion, may elect to schedule oral presentations and/or interviews of the top two finalists for final determination of the contract award. If the House elects to hold oral presentations and/or interviews, it will contact the top two scoring firm(s) from the written evaluation to schedule an oral presentation and/or interview. Commitments made by the Consultant at the oral presentation and/or interview, if any, will be considered binding. The oral presentation and/or interview, if scheduled, will determine the apparent successful contractor. The House will not reimburse proposers for any travel or other expenses related to oral presentations and/or interviews.

4.3 NOTIFICATION TO PROPOSERS

The RFP Coordinator will notify the Apparently Successful Contractor of their selection via email upon completion of the evaluation process. Individuals or firms whose proposals were not selected for further negotiation or award will be notified separately by e-mail.

4.4 DEBRIEFING OF UNSUCCESSFUL PROPOSERS

Upon request, a debriefing conference will be scheduled with an unsuccessful Proposer. The request for a debriefing conference must be received by the RFP Coordinator within three (3) business days after the Unsuccessful Consultant Notification is e-mailed to the Consultant. The House will schedule a debriefing within two (2) business days of the request.

Discussion at the debriefing conference will be limited to a critique of the requesting Consultant's proposal. Comparisons between proposals or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour.

An architectural line drawing of a grand building with a large dome. The dome is topped with a spire. Below the dome is a portico with several columns. In the foreground, there are trees and a street lamp. The drawing is rendered in a clean, technical style.

INFORMATION TECHNOLOGY WORK GROUP REPORT

NOVEMBER 30, 2007

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EXECUTIVE SUMMARY

Section 962 of the 2007-09 Operating Budget created an Information Technology Work Group (Work Group) to examine opportunities to improve the administration and coordination of state information technologies and submit a report to the Governor and the Legislature by December 1, 2007.

This report summarizes the work and subsequent recommendations of the Work Group. The Work Group identified several changes that could improve the efficiency and cost effectiveness of Washington's information technology (IT) investment strategy. The Work Group believes that further study may be necessary to develop a comprehensive response to some of the questions posed by the Legislature.

INTRODUCTION

During the 2007 Legislative Session, the House of Representatives divided the work of the Appropriations Committee into two subcommittees: the Appropriations Subcommittee on Education and the Appropriation Subcommittee on General Government & Audit Review. The Subcommittee on General Government & Audit Review (Subcommittee) spent several weeks reviewing agency budget requests. While reviewing those budget requests, the Subcommittee observed that Information Technology (IT) requests being made by state agencies appeared to strengthen existing silos within state government, and that there was a need for a business plan for the state to address and coordinate IT expenditures.

Section 962 of the 2007-09 Operating Budget created an Information Technology Work Group (Work Group) to examine opportunities to improve the administration and coordination of state information technologies and submit a report to the Governor and the Legislature by December 1, 2007. The Work Group consists of:

- (1) the Director or designee of the Department Information Services (DIS) and the Director or designee of the Office of Financial Management;
- (2) a member of the Information Services Board (ISB);
- (3) two members of the Senate; and
- (4) two members of the House of Representatives.

The Work Group is directed to invite participation by representatives of:

- (1) a large state agency;
- (2) a small state agency;
- (3) the State Board for Community and Technical Colleges;
- (4) the State Library;
- (5) a research university;
- (6) a regional university; and
- (7) the public (two members).

The Work Group is directed to study:

- (1) the development of a statewide information services strategy;
- (2) the approval and oversight process of information technology projects;
- (3) leveraging the expertise and purchasing power of the DIS;
- (4) strengthening the role of the ISB in enhancing the utilization of services offered by the DIS; and
- (5) opportunities to provide cost effective and equitable access to digital resources.

In conducting its studies the Work Group is directed to consider the approaches that other states have taken in the procurement of IT products and services. The Work Group must submit a report to the Governor and the Legislature no later than December 1, 2007.

BACKGROUND

Department of Information Services

The Department of Information Services (DIS) was created in 1987 under RCW 43.105. The DIS is a cabinet-level agency led by the agency director who is the state's Chief Information Officer (CIO). The DIS provides technology to state agencies, local governments, and qualified non-profit organizations. The use of the DIS services is not mandatory.

The stated legislative intent for creating the DIS was to provide for the coordinated planning and management of state information resources. The statute states that "services provided by the DIS are for discretionary use by customers and customers may elect other alternatives for service if those alternatives are more cost-effective or provide better service." (RCW 43.105.052).

Information Services Board

The Legislature created the Information Services Board (ISB) in 1987 under RCW 43.105 to provide coordinated planning and management of state information technology (IT) services. The ISB is a 15-member board that includes technology leaders from the executive, judicial, and legislative branches; the Office of the Superintendent of Public Instruction; a representative from higher education; a statewide elected official other than the Governor; and the private sector. The ISB reviews IT projects as required by Washington's investment and portfolio management policies, and provides spending authorization and oversight of larger, higher risk IT projects administered by executive branch agencies. Additionally, the ISB develops and approves state IT standards and the statewide IT strategic plan.

Major Policy Changes in the 2007-09 Operating Budget

Section 903

Section 903 of the 2007-09 Operating Budget requires agencies to consult with the DIS when making an investment in IT services. Agencies are not required to utilize the services provided by the DIS; however, they must submit a request for consultation to the DIS so that they may be advised of opportunities to acquire services through the DIS.

Section 1621

The process for approving requests for IT project funding was also modified in the 2007-09 Operating Budget. Section 1621 of the 2007-09 Operating Budget created an \$83 million pool of funds for IT projects that were approved by the Legislature. The release of funds for these projects is subject to approval by the DIS and the Office of Financial Management (OFM). In evaluating projects, the DIS and the OFM seek opportunities to: (1) make use of common services; (2) ensure that state IT policies and best practices are being utilized; and (3) foster the development of applications that can be used by more than one department. Additionally, Section 1621 directs the DIS and the OFM to develop criteria to facilitate the coordination of technology and data solutions within the state.

RECOMMENDATIONS OF THE IT WORK GROUP

The IT Work Group recommends that the state take the following steps in order to improve management of IT investments. These recommendations were developed with the intent of improving both the effectiveness and cost-efficiency of the state's IT systems, with the ultimate goal of enhancing agencies' ability to achieve their individual missions.

For the purposes of this report, "state agency" refers to all offices, departments, agencies, institutions, boards, and commissions of state government, except institutions of higher education. The IT Work Group recommends that further study be conducted with respect to institutions of higher education to determine ways to enhance the cost effectiveness and delivery of their IT services.

The recommendations in this report reflect the general consensus of the IT Work Group members.

These recommendations were developed by the IT Work Group over the course of four meetings held between September and November of 2007. The draft report was discussed by the Work Group at the November 14 meeting, with final approval given the week of November 26 after circulation for review by electronic mail.

Developing a Statewide Information Services Strategy

Recommendation #1:

While the Information Technology (IT) Work Group created in Section 962 of the 2007-09 Operating Budget has satisfied the intent of the budget proviso, the IT Work Group should reconvene in April of 2008 to continue to study these issues in a collaborative and open process with active engagement from stakeholders.

The Legislature should extend the IT Work Group's sunset date to allow the Work Group to meet longer. The IT Work Group should continue to meet for the remainder of 2008, and evaluate at the end of 2008 whether to continue meeting in 2009. The IT Work Group should submit a progress report to the Governor and the Legislature by December 1, 2008. If the IT Work Group decides to meet in 2009, it should complete its work by August of 2009.

The Legislature should expand the membership of the IT Work Group to include one state agency chief information officer (CIO).

The Legislature should appropriate funds to support the efforts of the IT Work Group. A consultant should be hired in early 2008 to evaluate the state's strategy for delivery and management of state IT services and report back to the IT Work Group. The overall goal of this process is to enhance the business effectiveness of state agencies and to improve citizen access to government in a cost efficient manner.

Recommendation #2:

A consultant should be hired to support the efforts of the IT Work Group. The consultant should conduct an evaluation of the state's current IT structure, including:

- an inventory of state agency IT assets, infrastructure, personnel, and budget;
- the state's current governing structure for IT; and
- other ways to provide IT services, including approaches taken by other states.

After conducting an evaluation of the state's current IT structure, the consultant should develop a statewide strategic plan regarding information technology and services. This plan should address the following:

- whether or not to consolidate IT services and which services are appropriate for consolidation;
- a strategy with incremental steps towards achieving IT consolidation;
- other ways to structure the state's IT business model in order to improve the efficiency and level of service to citizens; and
- what statutory changes are needed, if any, to the authority and structure of the Department of Information Services and the Information Services Board to achieve IT consolidation and to implement the recommended changes to the delivery and procurement of IT.

The consultant should report to the IT Work Group no later than the end of 2008.

Recommendation #3:

State agency web pages should be designed so that the public can interact seamlessly with multiple state and local agencies, similar to the Washington State Business Portal.

Providing cost-efficient and equitable access to digital resources

Recommendation #4:

The state should optimize its purchasing power by developing strategies to provide cost-efficient and equitable access to digital resources, such as online databases provided by libraries, for the citizens of Washington State.

The approval and oversight process of IT projects

Recommendation #5:

The state should revise its budgeting process for information technology (IT) projects. All projects should be considered through a budget process that is similar to the capital budget model. This process should provide a more complete picture of the full life-cycle costs of IT projects, recognizing that the costs of many projects span multiple biennia.

A dedicated IT fund should be created with a sustainable revenue stream to support required upgrades and operational improvements in key enterprise systems over time.

Agency budget requests submitted to the OFM should clearly identify all IT expenditures and be required to include an investment plan and a Section 903 consultation.

The OFM should work with the DIS to prepare a summary report of IT investments included in the Governor's Budget submittal to the Legislature.

Recommendation #6:

The 2007-09 Operating Budget created an "IT Pool." This "pool" contained the funding increases for IT projects, and serves, in part, as a mechanism to increase the visibility and oversight of total IT expenditures as they relate to major projects. The IT Work Group recognizes the importance of visibility and oversight in IT spending, but believes that there may be a more effective budgeting approach that may provide better information on the total and anticipated future costs of a given IT project. This could lead to greater understanding and accountability of IT spending, and create a baseline from which cost improvements can be evaluated, which may lead to a better use of state tax dollars.

The budget for major IT systems, or projects, in which the investment of resources spans more than one biennium should be re-evaluated in their entirety during the legislative annual budget processes. This would entail an evaluation of a project's "base" budget in addition to any proposed incremental expenditure increases. When considering the budget of these IT projects, a life-cycle cost approach should be considered and include, but not be limited to: infrastructure investments, systems development and contracting, consumables, operations and ongoing maintenance, updates and replacement costs, and personnel related costs.

The OFM should work with the DIS and agencies to prepare a summary report of IT investments, predicated on each agency providing detailed IT budget packages that include past investment history to capture a projects' "base" budget and should be included as part of the Governor's Budget submittal to the Legislature.

It is recommended that the IT Pool be continued until such a budget process is fully implemented.

Recommendation #7:

The state has often used outside contractors to manage the development of the highest risk and most significant IT projects. The investments made in project management resources are not retained by the state once the projects are completed. Not retaining skilled, knowledgeable project management staff can result in reduced success rates and higher costs for IT projects.

The state should provide additional funds, subject to availability, to establish a recruitment and retention program for state IT project managers to include:

- adoption of a common project management methodology;
- incentives and opportunities for professional development; and
- development of a more competitive salary structure.

Recommendation #8:

In order to better track IT expenditures, an IT expenditure "object" should be created in the state's accounting system. This will allow for separate tracking from other consumables and contracted services.

Leveraging the expertise and purchasing power of DIS

Recommendation #9:

The Legislature should require state agencies to use state master contracts for the purchase of information technology products and services. The state Chief Information Officer may grant exemptions on a case-by-case basis.

Master contracts should be evaluated periodically to ensure that the contracts offer a competitive price.

Strengthening the role of the ISB in enhancing the utilization of services offered by DIS infrastructure

Recommendation #10:

The state should adopt a common systems approach for “back office systems” in state agencies, such as state e-mail, Enterprise Active Directory, and user authentication services. Common e-mail convention standards should be adopted for all state agencies.

In addition, the state should adopt a common set of data standards and a common approach to data management and archiving to allow state agencies to share data.

Recommendation #11:

A timeline should be developed for state agencies not currently operating on the State Government Network (SGN) to join the SGN. All state agencies should use state-managed local circuits.

Recommendation #12:

State agency mainframe computers and file servers should be located in a DIS-approved data center. The state Chief Information Officer may grant exemptions on a case-by-case basis. In addition, business continuity, disaster recovery and operational computer data services should be provided in a separate geographical area so that government services will continue to operate in case of service interruption or disaster.

APPENDICES

Appendix A - Section 903 of the 2007-2009 Operating Budget

Appendix B - Section 962 of the 2007-2009 Operating Budget

Appendix C - Section 1621 of the 2007-2009 Operating Budget

Appendix D - Information Technology Work Group Membership

APPENDIX A

Section 903 of the 2007-09 Operating Budget – Creation of the Consultation Process

NEW SECTION. Sec. 903 INFORMATION TECHNOLOGY ENTERPRISE SERVICES.
Agencies may make use of the Department of Information Services when acquiring information technology services, products, and assets.

“Information technology services” means the acquisition, provisioning, or approval of hardware, software, and purchased or personal services provided by the Department of Information Services.

If an information technology enterprise service is provided by the department, or an agency has a specific requirement to acquire hardware, software, or purchased or personal services directly, the agency shall consult with the Department of Information Services.

APPENDIX B

Section 962 of the 2007-09 Operating Budget – Creation of the IT Work Group

(1) The Legislature intends to improve the administration and coordination of state information technology. The Legislature finds that opportunities are being missed to use the expertise in the Department of Information Services and to leverage the purchasing power of the department to drive down the cost of securing information services.

(2) The Office of Financial Management, the Department of Information Services, and the Legislature shall form a 2007 interim workgroup on improving state strategies, administration, and coordination of information technology. The workgroup shall consist of:

- (a) The director or designee of the Department of Information Services, and the director or designee of the Office of Financial Management;
- (b) A member of the Information Services Board;
- (c) Two members of the Senate, appointed by the President of the Senate, one member from each of the two largest caucuses of the Senate;
- (d) Two members of the House of Representatives, appointed by the Speaker of the House, one member from each of the two largest caucuses of the House of Representatives;
- (e) The workgroup shall invite representatives of the following to participate:
 - (i) One large state agency;
 - (ii) One small agency;
 - (iii) The State Board for Community and Technical Colleges;
 - (iv) The state library;
 - (v) A research university;
 - (vi) A regional university; and
 - (vii) Two members of the public.
- (f) The workgroup shall choose its co-chairs from among its legislative membership.

(3) The workgroup shall review the following issues:

- (a) A statewide information services strategy;
- (b) The approval and oversight process of information technology projects;
- (c) Leveraging the expertise and purchasing power of the Department of Information Services;
- (d) Strengthening the role of the Information Services Board in enhancing the utilization of services offered by the Department of Information Services; and
- (e) Opportunities to provide cost efficient and equitable access to digital resources, including online databases, for faculty and students at public institutions of higher education, state employees, and the public.

Section 962 of the 2007-09 Operating Budget (continued)

(4) As part of its review, the workgroup shall consider approaches used in other states to achieve its goals.

(5) Staff support for the workgroup shall be provided by the Senate Committee Services, the House of Representatives Office of Program Research, the Office of Financial Management, and the Department of Information Services.

(6) Legislative members of the workgroup shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(7) The task force shall report its findings and recommendations to the Governor and the appropriate committees of the Legislature by December 1, 2007.

(8) This section expires December 31, 2007.

APPENDIX C

Section 1621 of the 2007-09 Operating Budget - Creation of the IT Pool

NEW SECTION. Sec. 1621. A new section is added to 2005 c 518 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--TECHNOLOGY FUNDING

General Fund--State Appropriation (FY 2007)	\$26,277,000
Special Technology Funding Revolving Account	
Appropriation (FY 2008)	\$37,964,000
TOTAL APPROPRIATION	\$64,241,000

The appropriations in this section are provided solely for deposit to and expenditure from the data processing revolving account and are subject to the following conditions and limitations:

(1) The appropriations in this section, for expenditure to the data processing revolving account, are to be known as the "information technology funding pool" and are under the joint control of the Department of Information Services and the Office of Financial Management. The Department of Information Services shall review information technology proposals and work jointly with the Office of Financial Management to determine the projects to be funded and the amounts and timing of release of funds. To facilitate the transfer of moneys from dedicated funds and accounts, the State Treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special technology funding revolving account, hereby created in the State Treasury, in accordance with schedules provided by the Office of Financial Management pursuant to LEAP Document ITA-2007 as developed by the Legislative Evaluation and Program Committee on April 20, 2007, at 13:01 hours.

(2) In exercising this authority, the Department of Information Services and the Office of Financial Management shall:

- (a) Seek opportunities to reduce costs and achieve economies of scale by leveraging statewide investments in systems and data and other common or enterprise-wide solutions within and across state agencies that include standard software, hardware, and other information technology systems infrastructure, and common data definitions and data stores that promote the sharing of information across agencies whenever possible;
- (b) Ensure agencies incorporate project management best practices and consider lessons learned from other information technology projects; and
- (c) Develop criteria for the evaluation of information technology project funding proposals to include the determination of where common or coordinated technology or

data solutions may be established, and identification of projects that cross fiscal biennia or are dependent on other prior, current, or future related investments.

Section 1621 of the 2007-09 Operating Budget (continued)

(3) In allocating funds for the routine replacement of software and hardware, the Information Services Board and Office of Financial Management shall presume that agencies should have sufficient funding in their base allocation to pay for such replacement and that any allocations out of these funds are for extraordinary maintenance costs.

~~(4) Funds appropriated in this section shall not be released for information technology projects with a risk-severity assessment level two or greater under the policies of the Information Services Board until a feasibility study has been completed and approved by the Information Services Board. If the feasibility study indicates a need for funding exceeding that allocated for the current biennium, justification of increased project costs shall be incorporated in an annual report from the Department of Information Services to the Information Services Board, the Office of Financial Management, and the Legislative Evaluation and Accountability Program Committee. Implementation funds shall not be released until the project is approved by the Legislature.*~~

(5) Funds in the 2007-09 biennium may only be expended on the projects listed on LEAP Document IT-2007, as generated by the Legislative Evaluation and Accountability Program Committee on April 20, 2007, at 13:01 hours. Future biennia allocations from the information technology funding pool shall be determined jointly by the Department of Information Services and the Office of Financial Management.

(6) Beginning December 1, 2008, and every biennium thereafter, the Department of Information Services shall submit a statewide information technology plan to the Office of Financial Management and the Legislative Evaluation and Accountability Program Committee that supports a consolidated funding request. In alternate years, a plan addendum shall be submitted that reflects any modified funding pool request requiring action in the ensuing supplemental budget session.

(7) The Department of Information Services shall report to the Office of Financial Management and the Legislative Evaluation and Accountability Program Committee by October 1, 2007, and annually thereafter, the status of planned allocations from funds appropriated in this section.

(8) State agencies shall report project performance in consistent and comparable terms using common methodologies to calculate project performance by measuring work accomplished (scope and schedule) against work planned and project cost against planned budget. The Department of Information Services shall provide implementation guidelines and oversight of project performance reporting.

(9) The Information Services Board shall require all agencies receiving funds appropriated in this section to account for project expenses included in an information technology portfolio report submitted annually to the Department of Information Services, the Office of Financial Management, and the Legislative Evaluation and Accountability Program Committee by October 1st of each year. The Department of Information Services, with the advice and approval of the

Office of Financial Management, shall establish criteria for complete and consistent reporting of expenditures from these funds and project staffing levels.

Section 1621 of the 2007-09 Operating Budget (continued)

(10) In consultation with the Legislative Evaluation and Accountability Program Committee, the Department of Information Services shall develop criteria for evaluating requests for these funds and shall report annually to the Office of Financial Management and the Legislative Evaluation and Accountability Program Committee by November 1st the status of distributions and expenditures from this pool.

*** Veto message: Section 1621(4), page 506, for the Office of Financial Management, Technology Funding**

This proviso would prohibit the release of funds to pay for at least 35 projects with a risk severity assessment of level 2 or greater until a feasibility study is completed and the project is approved by the Information Services Board. While I agree that these projects need careful review and scrutiny before they proceed, I am vetoing Section 1621(4) because of the added workload and complexity introduced by these requirements. However, I direct the Department of Information Services and the Information Services Board to use their existing authority to provide the review and analysis desired in this proviso so that future costs and risks are better understood before the projects are allowed to move forward.

In addition, I share the intention expressed by the Legislature in Section 903 of this bill to better manage technology investments to achieve more common and coordinated technology and data solutions. Therefore, I also direct the Department of Information Services and Information Services Board to use their existing authority to review and strengthen investment planning for information technology projects to include, at a minimum, a review of the ability of projects to better use common services and solutions. Doing so can help reduce costs and risks for individual projects and can help the state realize greater economies of scale across multiple projects. (<http://www.governor.wa.gov/billaction/2007/veto/1128.pdf>)

APPENDIX D INFORMATION TECHNOLOGY WORK GROUP

WORK GROUP MEMBERS

Representative Mark Ericks, Co-Chair
Senator Dan Swecker, Co-Chair
Representative Larry Crouse
Senator Chris Marr

Earl Heister, Information Services Board
Wolfgang Opitz, Office of Financial Management
Gary Robinson, Department of Information Services

WORK GROUP INPUT MEMBERS

Large Agency Representative

Robin Arnold-Williams, *Secretary*, Department of Social and Health Services

Small Agency Representative

Lowell Porter, *Director*, Washington Traffic Safety Commission

State Board of Community and Technical Colleges Representative

Michael Scroggins, *Director of Information Technology*, State Board of Community and Technical Colleges

State Library Representative

Jan Walsh, *State Librarian*, State Library

Research University Representative

Clare Donahue, *Assistant Vice President, Network Architecture & Engineering, Computing and Communications*, University of Washington

Regional University Representative

Aaron Powell, *Director, Computing and Communications*, The Evergreen State College

Member of the Public

Scott Griffin, *Boeing Vice President & Chief Information Officer, Retired*

Member of the Public

Matt Miszewski, *Managing Director for eGovernment, Worldwide Public Sector*, Microsoft Corporation

Legislative Staff:

Kara Durbin, *Counsel*, House Office of Program Research
Owen Rowe, *Fiscal Analyst*, House Office of Program Research
Erik Sund, *Fiscal Analyst*, Senate Committee Services

Agency Staff:

Tamara Jones, *Government and Association Liaison*, Department of Information Services

CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:

1. I/we declare that all answers and statements made in the proposal are true and correct.
2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
3. The attached proposal is a firm offer for a period of 60 days following receipt, and it may be accepted by the House without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 60-day period.
4. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.
5. I/we understand that the House will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of the House, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.
6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Proposer and will not knowingly be disclosed by him/her prior to opening, directly or indirectly, to any other Proposer or to any competitor.
7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.
8. No attempt has been made or will be made by the Proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.
9. I/we grant the House the right to contact references and others, who may have pertinent information regarding the ability of the Consultant and the lead staff person to perform the services contemplated by this RFP.

We (circle one) are / are not submitting proposed Contract exceptions. (See Request for Proposals # HOUSE-962-08-01, Section 2.8 Contract and General Terms and Conditions). If Contract exceptions are being submitted, I/we have attached them to this form.

On behalf of the Consultant submitting this proposal, my name below attests to the accuracy of the above statement. *If electronic, also include:* We are submitting a scanned signature on this form with our proposal.

Signature of Proposer

Title

Date

**CONTRACT FOR PERSONAL SERVICES
BETWEEN
THE STATE OF WASHINGTON
HOUSE OF REPRESENTATIVES
AND**

This Contract is made and entered into by and between the Washington State House of Representatives, hereinafter referred to as the "HOUSE", and the below named firm, hereinafter referred to as "CONTRACTOR,"

(Contractor Name)

(Address)

(City, State Zip)

Phone: [REDACTED]

Email: [REDACTED]

Federal ID No.: [REDACTED]

WA State UBI No.: [REDACTED]

PURPOSE

The purpose of this contract is to evaluate the state's current governing structure for information technology (IT); review best practices for IT adopted in other states; and make recommendations to the 2008 Information Technology Work Group and the Legislature for steps the state could take towards achieving greater budgetary efficiencies in IT as outlined in the Scope of Work of RFP HOUSE-962-08-01.

SCOPE OF WORK

The CONTRACTOR will provide services, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Option 1: Identify all tasks, work elements and objectives of the contract, and timetables by which major parts of the work are to be completed. The scope of work may be included within the text of the contract or attached as a separate exhibit as shown in Option 2 below.

Option 2: As included in the HOUSE'S Request for Proposals attached as Exhibit A and CONTRACTOR's Proposal dated _____ attached as Exhibit B.

Exhibit A contains the General Terms and Conditions governing work to be performed under this contract, the nature of the working relationship between the HOUSE and the CONTRACTOR, and specific obligations of both parties.

The CONTRACTOR shall produce the following written reports or other written documents (deliverables) by the dates indicated below:

All written reports required under this contract must be delivered to Kara Durbin, the Contract Manager, in accordance with the schedule above.

PERIOD OF PERFORMANCE

Subject to other contract provisions, the period of performance under this contract will be from September 25, 2008, or date of execution, whichever is later, through June 30, 2009, unless sooner terminated or extended as provided herein.

COMPENSATION AND PAYMENT

The HOUSE shall pay an amount not to exceed one hundred thousand (\$100,000) or less for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

NOTE: *List detail of compensation to be paid, e.g., hourly rates, number of hours per task, unit prices, cost per task, cost per deliverable, etc. Or reference documents that specify Contractor's compensation and payment, e.g. Contractor's compensation for services rendered shall be based on the schedule set forth in Exhibit B, Fees and Expenses.*

NOTE: *Expenses are optional. Do not include Expenses paragraph below if expenses are not allowable. If allowable, include only expenses which are appropriate for the contract.*

Expenses: CONTRACTOR shall receive reimbursement for travel and other expenses as identified below or as authorized in advance by the HOUSE as reimbursable. The maximum amount to be paid to the CONTRACTOR for authorized expenses shall not exceed \$100,000, which amount is included in the contract total above. Such expenses may include: airfare (economy or coach class only), other transportation expenses, and lodging and subsistence necessary during periods of required travel. CONTRACTOR shall receive compensation for travel expenses at current state travel reimbursement rates.

BILLING PROCEDURES AND PAYMENT

The HOUSE will pay CONTRACTOR upon receipt of properly completed invoices, which shall be submitted to the Contract Manager not more often than monthly. The invoices shall describe and document to the HOUSE'S satisfaction a description of the work performed, the progress of the project, and fees. To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when. A receipt must accompany any single expenses in the amount of \$50.00 or more in order to receive reimbursement.

Payment shall be considered timely if made by the HOUSE within thirty (30) days after receipt of properly completed invoices. Payment shall be sent to the address designated by the CONTRACTOR.

The HOUSE may, in its sole discretion, terminate the contract or withhold payments claimed by the CONTRACTOR for services rendered if the CONTRACTOR fails to satisfactorily comply with any term or condition of this contract.

No payments in advance or in anticipation of services or supplies to be provided under this contract shall be made by the HOUSE.

CONTRACT MANAGEMENT

The Contract Manager for each of the parties shall be the contact person for all communications and billings regarding the performance of this Contract.

CONTRACTOR Contract Manager	HOUSE Contract Manager
<p>Enter Contract Manager's Name</p> <p>Enter Name of CONTRACTOR</p> <p>Enter CONTRACTOR Address</p> <p>Enter City, State & Zip Code</p> <p>Phone : (<input type="text"/>) <input type="text"/></p> <p>Fax: (<input type="text"/>) <input type="text"/></p> <p>Email address: <input type="text"/></p>	<p>Kara Durbin, House of Representatives</p> <p>Technology, Energy and Communications Committee</p> <p>PO Box 40600</p> <p>248 John L. O'Brien Building</p> <p>Olympia, WA 98504-0600</p> <p>(360) 786-7133</p> <p>Email address: Durbin.Kara@leg.wa.gov</p>

INSURANCE

The CONTRACTOR shall provide insurance coverage as set forth in the Request for Proposals. The intent of the required insurance is to protect the HOUSE should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the CONTRACTOR or subcontract, or agents of either, while performing under the terms of this contract.

ASSURANCES

The HOUSE and the CONTRACTOR agree that all activity pursuant to this contract will be in accordance with all the applicable current federal, state and local laws, rules, and regulations.

ORDER OF PRECEDENCE

Each of the exhibits listed below is by this reference hereby incorporated into this contract. In the event of an inconsistency in this contract, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Special Terms and Conditions as contained in this basic contract instrument
- Exhibit A – Request for Proposals No. HOUSE-962-08-01
- Exhibit B – Contractor’s Proposal dated _____
- Any other provision, term or material incorporated herein by reference or otherwise incorporated

ENTIRE AGREEMENT

This contract including referenced exhibits represents all the terms and conditions agreed upon by the parties. No other statements or representations, written or oral, shall be deemed a part hereof.

CONFORMANCE

If any provision of this contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

APPROVAL

This contract shall be subject to the written approval of the HOUSE'S authorized representative and shall not be binding until so approved. The contract may be altered, amended, or waived only by a written amendment executed by both parties.

THIS CONTRACT, consisting of _____ pages and _____ attachment(s), is executed by the persons signing below who warrant that they have the authority to execute the contract.

[CONTRACTOR'S NAME]

WASHINGTON STATE HOUSE OF REPRESENTATIVES

Signature

Signature

Title **Date**

Title **Date**

Signature

Title **Date**

GENERAL TERMS AND CONDITIONS

DEFINITIONS - As used throughout this contract, the following terms shall have the meaning set forth below:

- A. "HOUSE" shall mean the Washington State House of Representatives issuing this contract.
- B. "Agent" shall mean the administrative officers for the Washington State House of Representatives and the Chief Clerk of the House, respectively, or their designees.
- C. "Contractor" shall mean that firm, provider, organization, individual or other entity performing service(s) under this contract, and shall include all employees of the Contractor.
- C. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this contract under a separate contract with the Contractor. The terms "Subcontractor" and "Subcontractors" means Subcontractor(s) in any tier.
- D. "Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers. Personal Information includes "Protected Health Information" as set forth in 45 CFR § 164.50 as currently drafted and subsequently amended or revised and other information that may be exempt from disclosure to the public or other unauthorized persons under either chapter 42.56 RCW or other state and federal statutes.

AMENDMENTS - This contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 28 CFR Part 35 - The Contractor must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

ASSIGNMENT – Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of the HOUSE.

ATTORNEYS' FEES - In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorneys' fees and costs.

CONFIDENTIALITY / SAFEGUARDING OF INFORMATION - The Contractor shall not use or disclose any information concerning the HOUSE, or information which may be classified as confidential, for any purpose not directly connected with the administration of this contract, except with prior written consent of the HOUSE, or as may be required by law.

CONFLICT OF INTEREST - Notwithstanding any determination by the Legislative Ethics Board or other tribunal, the HOUSE may, in its sole discretion, by written notice to the Contractor terminate this contract if it is found after due notice and examination by the Agent that there is a violation of the Ethics in Public Service Act, chapter 42.52 RCW; or any similar statute involving the Contractor in the procurement of, or performance under, this contract.

In the event this contract is terminated as provided above, the HOUSE shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the

contract by the Contractor. The rights and remedies of the HOUSE provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which the Agent makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this contract.

COPYRIGHT PROVISIONS - Unless otherwise provided, all Materials produced under this contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by the HOUSE. The HOUSE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, Contractor hereby irrevocably assigns all right, title, and interest in Materials, including all intellectual property rights, to the HOUSE effective from the moment of creation of such Materials.

Materials means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, and register and the ability to transfer these rights.

For Materials that are delivered under the contract, but that incorporate pre-existing materials not produced under the contract, Contractor hereby grants to the HOUSE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to the HOUSE.

The Contractor shall exert all reasonable effort to advise the HOUSE, at the time of delivery of Materials furnished under this contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this contract. The HOUSE shall receive prompt written notice of each notice or claim of infringement received by the Contractor with respect to any data delivered under this contract. The HOUSE shall have the right to modify or remove any restrictive markings placed upon the data by the Contractor.

COVENANT AGAINST CONTINGENT FEES - The Contractor warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the Contractor for the purpose of securing business. The HOUSE shall have the right, in the event of breach of this clause by the Contractor, to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

DISPUTES - Except as otherwise provided in this contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute review with Agent.

1. The request for a dispute review must:

- Be in writing
- State the disputed issue(s)
- State the relative positions of the parties
- State the contractor's name, address, and contract number
- Be mailed to the agent and the other party's (respondent's) contract manager within 3 working days after the parties agree that they cannot resolve the dispute.

2. The respondent shall send a written answer to the requester's statement to both the agent and the requester within 5 working days.
3. The Agent shall review the written statements and reply in writing to both parties within 10 working days. The Agent may extend this period if necessary by notifying the parties.
4. The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Contract shall be construed to limit the parties' choice of a mutually acceptable ADR method in addition to the dispute resolution procedure outlined above.

GOVERNING LAW - This contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

INDEMNIFICATION - To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless the House and all officials, agents and employees of the House, from and against all claims for injuries or death arising out of or resulting from the performance of the Contract. Contractor's obligation to indemnify, defend, and hold harmless includes any claim by Contractors' agents, employees, representatives, or any subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless the House for any claim arising out of or incident to Contractor's or any subcontractor's performance or failure to perform the Contract. Contractor's obligation to indemnify, defend, and hold harmless the House shall not be eliminated or reduced by any actual or alleged concurrent negligence of the House or its officials, agents, and employees.

Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless state and its agencies, officials, agents or employees.

INDEPENDENT CAPACITY OF THE CONTRACTOR - The parties intend that an independent contractor relationship will be created by this contract. The Contractor and his or her employees or agents performing under this contract are not employees or agents of the HOUSE. The Contractor will not hold himself/herself out as or claim to be an officer or employee of the HOUSE or of the state of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit which would accrue to such employee under law. Conduct and control of the work will be solely with the Contractor.

INDUSTRIAL INSURANCE COVERAGE - The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, the HOUSE may collect from the Contractor the full amount payable for Industrial Insurance coverage. The HOUSE may deduct the amount owed by the Contractor for Industrial Insurance coverage from the amount payable to the Contractor by the HOUSE under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

LICENSING, ACCREDITATION AND REGISTRATION - The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this contract.

LIMITATION OF AUTHORITY - Only the Agent or Agent's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver or any clause or condition of this contract is not effective or binding unless made in writing and signed by the Agent.

NONDISCRIMINATION - During the performance of this contract, the Contractor shall comply with all federal and state nondiscrimination laws, regulations and policies.

NONCOMPLIANCE WITH NONDISCRIMINATION LAWS - In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with the HOUSE. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

OVERPAYMENTS AND ASSERTION OF LIEN - In the event that the HOUSE establishes overpayments or erroneous payments made to the Contractor under this contract, the HOUSE may secure repayment, plus interest, if any, through the filing of a lien against the Contractor's real property or by requiring the posting of a bond, assignment of deposit or some other form of security acceptable to the HOUSE or by doing both.

PUBLICITY - The Contractor agrees to submit to the HOUSE all advertising and publicity matters relating to this Contract wherein the HOUSE'S name is mentioned or language used from which the connection of the HOUSE'S name may, in the HOUSE'S judgment, be inferred or implied. The Contractor agrees not to publish or use such advertising and publicity matters without the prior written consent of the HOUSE.

RECORDS MAINTENANCE - The Contractor shall maintain books, records, documents, data and other evidence relating to this Contract and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. Contractor shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review or audit by the HOUSE, personnel duly authorized by the HOUSE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

REGISTRATION WITH DEPARTMENT OF REVENUE - The Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this contract.

RIGHT OF INSPECTION - The Contractor shall provide right of access to its facilities to the HOUSE, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract.

The Contractor shall make available information necessary for HOUSE to comply with the client's right to access, amend, and receive an accounting of disclosures of their Personal Information according to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or any regulations enacted or revised pursuant to the HIPAA provisions and applicable provisions of Washington State law. The Contractor's internal policies and procedures, books, and records relating to the safeguarding, use, and disclosure of Personal Information obtained or used as a result of this contract shall be made available to HOUSE and the U.S. Secretary of the Department of Health & Human Services, upon request.

SAFEGUARDING OF INFORMATION - The Contractor shall not use or disclose Personal Information in any manner that would constitute a violation of federal law, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or any regulations enacted or revised pursuant to the HIPAA provisions and applicable provisions of Washington State law. The Contractor agrees to comply with all federal and state laws and regulations, as currently enacted or revised, regarding data security and electronic data interchange of all Personal Information.

The Contractor shall protect Personal Information collected, used, or acquired in connection with this Contract, against unauthorized use, disclosure, modification or loss. The Contractor shall ensure its directors, officers, employees, subcontractors or agents use it solely for the purposes of accomplishing the services set forth in this agreement. The Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make it known to unauthorized persons without the express written consent of HOUSE or as otherwise required by law. The Contractor agrees to implement physical, electronic, and managerial policies, procedures, and safeguards to prevent unauthorized access, use, or disclosure of data in any form. The Contractor shall make the Personal Information available to amend as directed by HOUSE and incorporate any amendments into all the copies maintained by the Contractor or its Subcontractors.

The Contractor shall certify its return or destruction upon expiration or termination of this Contract and the Contractor shall retain no copies. If the Contractor and HOUSE mutually determine that return or destruction is not feasible, the Contractor shall not use the Personal Information in a manner other than those permitted or required by state and federal laws.

Personal information collected, used or acquired in connection with this contract shall be used solely for the purposes of this contract. Contractor and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the HOUSE or as provided by law. Contractor agrees to implement physical, electronic and managerial safeguards to prevent unauthorized access to personal information.

The HOUSE reserves the right to monitor, audit, or investigate the use of personal information collected, used or acquired by the contractor through this contract. The monitoring, auditing, or investigating may include, but is not limited to, "salting" by HOUSE. Salting is the act of introducing data containing unique but false information that can be used later to identify inappropriate disclosure of data.

The Contractor shall notify the HOUSE in writing within 5 working days of becoming aware of any unauthorized access, use or disclosure. The contractor will take steps necessary to mitigate any known harmful effects of such unauthorized access including, but not limited to sanctioning employees, notifying subjects, and taking steps necessary to stop further unauthorized access. The Contractor agrees to indemnify and hold harmless the HOUSE for any damages related to unauthorized use or disclosure by the Contractor, its officers, directors, employees, Subcontractors or agents.

Any breach of this provision may result in termination of the contract and the demand for return of all personal information. The Contractor agrees to indemnify and hold harmless the HOUSE for any damages related to the Contractor's unauthorized use of personal information.

SAVINGS - In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to normal completion, the HOUSE may terminate the contract under the "Termination for Convenience" clause, without the ten day notice requirement, subject to renegotiation at the HOUSE'S discretion under those new funding limitations and conditions.

SEVERABILITY - The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

SITE SECURITY - While on HOUSE'S premises, Contractor, its agents, employees, or subcontractors shall conform in all respects with physical, fire or other security policies or regulations.

SUBCONTRACTING - Neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the HOUSE. In no event shall the existence of the subcontract operate to release or reduce the liability of the Contractor to the HOUSE for any breach in the performance of the contractor's duties. This clause does not include contracts of employment between the contractor and personnel assigned to work under this contract.

Additionally, the Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this agreement are carried forward to any subcontracts. Contractor and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the HOUSE or as provided by law.

TAXES - All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

TERMINATION FOR CAUSE – In the event the HOUSE determines the Contractor has failed to comply with the conditions of this Contract in a timely manner, the HOUSE has the right to suspend or terminate this Contract. Before suspending or terminating the Contract, the HOUSE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 days, the Contract may be terminated or suspended. In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement or cover Contract and all administrative costs directly related to the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising and staff time. The HOUSE reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by the HOUSE to terminate the Contract. A termination shall be deemed to be a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence. The rights and remedies of the HOUSE provided in this Contract are not exclusive and are in addition to any other rights and remedies provided by law.

TERMINATION FOR CONVENIENCE - Except as otherwise provided in this contract, the HOUSE may, by 10 days written notice, beginning on the second day after the mailing, terminate this contract, in whole or in part. If this contract is so terminated, the HOUSE shall be liable only for payment required under the terms of this contract for services rendered or goods delivered prior to the effective date of termination.

TERMINATION PROCEDURES - Upon termination of this contract, the HOUSE, in addition to any other rights provided in this contract, may require the Contractor to deliver to the HOUSE any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

The HOUSE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by the HOUSE, and the amount agreed upon by the Contractor and the HOUSE for (1) completed work and services for which no separate price is stated, (2i) partially completed work and services, (3) other property or services which are accepted by the HOUSE, and (4) the protection and preservation of property, unless the termination is for default, in which case the Agent shall determine the extent of the liability of the HOUSE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. The HOUSE may withhold from any amounts due the Contractor such sum as the Agent determines to be necessary to protect the HOUSE against potential loss or liability.

The rights and remedies of the HOUSE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Agent, the Contractor shall:

1. Stop work under the contract on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
3. Assign to the HOUSE, in the manner, at the times, and to the extent directed by the Agent, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the HOUSE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
4. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Agent to the extent Agent may require, which approval or ratification shall be final for all the purposes of this clause;
5. Transfer title to the HOUSE and deliver in the manner, at the times, and to the extent directed by the Agent any property which, if the contract had been completed, would have been required to be furnished to the HOUSE;
6. Complete performance of such part of the work as shall not have been terminated by the Agent; and
7. Take such action as may be necessary, or as the Agent may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the HOUSE has or may acquire an interest.

TREATMENT OF ASSETS -

- A. Title to all property furnished by the HOUSE shall remain in the HOUSE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in the HOUSE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in the HOUSE upon (1) issuance for use of such property in the performance of this contract, or (2) commencement of use of such property in the performance of this contract, or (3) reimbursement of the cost thereof by the HOUSE in whole or in part, whichever first occurs.
- B. Any property of the HOUSE furnished to the Contractor shall, unless otherwise provided herein or approved by the HOUSE, be used only for the performance of this contract.
- C. The Contractor shall be responsible for any loss or damage to property of the HOUSE which results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.
- D. If any HOUSE property is lost, destroyed or damaged, the Contractor shall immediately notify the HOUSE and shall take all reasonable steps to protect the property from further damage.

- E. The Contractor shall surrender to the HOUSE all property of the HOUSE prior to settlement upon completion, termination or cancellation of this contract.
- F. All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

WAIVER - Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by authorized representative of the HOUSE.