

<b>STATE OF NORTH CAROLINA</b> <b>DEPARTMENT OF PUBLIC SAFETY</b> <b>NC Office of Recovery and Resiliency</b>	<b>REQUEST FOR PROPOSAL NO.19-RFP-748447155-SME</b>	
	Offers will be publicly opened: August 17, 2023 @ 2:00 PM ET	
	Issue Date: July 11, 2023	
<b>Refer <u>ALL</u> inquiries regarding this RFP to:</b>  <i>Via the Message Board of the Sourcing Tool, per Section 6.2.2</i>	Commodity Number: 811118	
	Description: Strategic Buyout Solution (CDBG-MIT/DR)	
	Purchasing Agency: NC Office of Recovery and Resiliency	
	Requisition No.: TBD	

**OFFER**

The Purchasing Agency solicits offers for Services and/or goods described in this solicitation. All offers and responses received shall be treated as Offers to contract as defined in 9 NCAC 06A.0102(12).

**EXECUTION**

In compliance with this Request for Proposal, and subject to all the conditions herein, the undersigned offers and agrees to furnish any or all Services or goods upon which prices are offered, at the price(s) offered herein, within the time specified herein.

**Failure to execute/sign offer prior to submittal shall render offer invalid. Late offers are not acceptable.**

COMPLETE/FORMAL NAME OF VENDOR:		SAM.GOV UNIQUE ENTITY ID:	
STREET ADDRESS:		P.O. BOX:	ZIP:
CITY & STATE & ZIP:		TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE:			
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:		FAX NUMBER:	
VENDOR'S AUTHORIZED SIGNATURE:	DATE:	EMAIL:	

Offer valid for one hundred twenty (120) days from date of bid opening unless otherwise stated here: \_\_\_\_ days

**ACCEPTANCE OF OFFER**

If any or all parts of this offer are accepted, an authorized representative of the NC Office of Recovery and Resiliency (NCORR) shall affix a signature hereto and any subsequent Request for Best and Final Offer, if issued. Acceptance shall create a contract having an order of precedence as follows: Best and Final Offers, if any, Special terms and conditions specific to this RFP, Specifications of the RFP, the Department of Information Technology Terms and Conditions, and the agreed portion of the awarded Vendor's Offer. A copy of this acceptance will be forwarded to the awarded Vendor(s).

<b>FOR STATE USE ONLY:</b> Offer accepted and Contract awarded as indicated on the attached certification, by	
_____ Authorized representative of NC Office of Recovery and Resiliency	_____ Date

## TABLE OF CONTENTS

1.0	ANTICIPATED Procurement Schedule .....	4
2.0	Purpose of RFP.....	4
2.1	Introduction.....	4
2.2	CONTRACT TERM.....	7
2.3	EFFECTIVE DATE.....	7
2.4	Contract Type .....	8
3.0	RFP requirements and Specifications .....	8
3.1	General requirements and Specifications .....	8
3.2	Solutions Not Hosted on State Infrastructure.....	9
3.3	Enterprise Specifications .....	10
3.4	Business definitions .....	11
3.5	solution SECURITY REQUIREMENTS.....	13
3.6	solution specifications.....	15
4.0	Cost of Vendor's Offer.....	25
4.1	Offer Costs.....	25
4.2	Payment Schedule.....	26
5.0	Evaluation .....	28
5.1	Source Selection.....	28
5.2	Evaluation Criteria.....	28
5.3	Best and Final Offers (BAFO) .....	29
5.4	possession and review.....	29
6.0	Vendor Information and Instructions .....	29
6.1	General Conditions of Offer .....	29
6.2	General Instructions for Vendor .....	31
6.3	Instructions for Offer Submission.....	34
7.0	Other Requirements and Special Terms.....	37
7.1	Vendor Utilization Of Workers Outside of U.S. ....	37
7.2	Financial Statements .....	37
7.3	Financial Resources Assessment, Quality Assurance, Performance and Reliability .....	38
7.4	Vendor's License or Support Agreements .....	38
7.5	Resellers.....	38
7.6	DISCLOSURE OF LITIGATION.....	39
7.7	CRIMINAL CONVICTION .....	39
7.8	Security and Background Checks.....	40
7.9	Assurances.....	40
7.10	Confidentiality of offers .....	40
7.11	Project Management .....	41
7.12	Meetings.....	41
7.13	Recycling and Source Reduction – Reserved.....	41
7.14	Special Terms and Conditions – Reserved. ....	41
	Attachment A: Definitions.....	42
	Attachment B: Department of Information Technology Terms and Conditions.....	44
	Attachment C: Agency Terms and Conditions .....	61
	Attachment D: Description of Offeror .....	69

Attachment E: Cost summary ..... 71  
Attachment F: Vendor Certification Form ..... 73  
Attachment G: Location of Workers Utilized by Vendor ..... 74  
Attachment H: References ..... 75  
Attachment I: Financial Review Form ..... 76  
Attachment J: NCORR Strategic Buyout Program Business Process ..... 78

## 1.0 ANTICIPATED PROCUREMENT SCHEDULE

The Agency will make every effort to adhere to the following schedule:

Action	Responsibility	Date
RFP Issued	Agency	July 11, 2023
Urged and Cautioned Pre-Bid Conference	Agency/Potential Vendors	July 25, 2023
Written Questions Deadline	Potential Vendors	July 28, 2023
Respond to Written Questions / Issue Addendum	Agency	On or before August 4, 2023
Offer Opening Deadline	Agency	August 17, 2023
Offer Evaluation	Agency	TBD
Selection of Finalists	Agency	TBD
Oral Presentation and/or Product Demonstrations by Finalists	Agency	TBD
Negotiations with Finalists	Agency designees and selected Vendor(s)	TBD
Best and Final Offers Deadline from Finalists	Selected Vendors	TBD
Contract Award	Agency	TBD
Protest Deadline	Responding Vendors	15 days after award

## 2.0 PURPOSE OF RFP

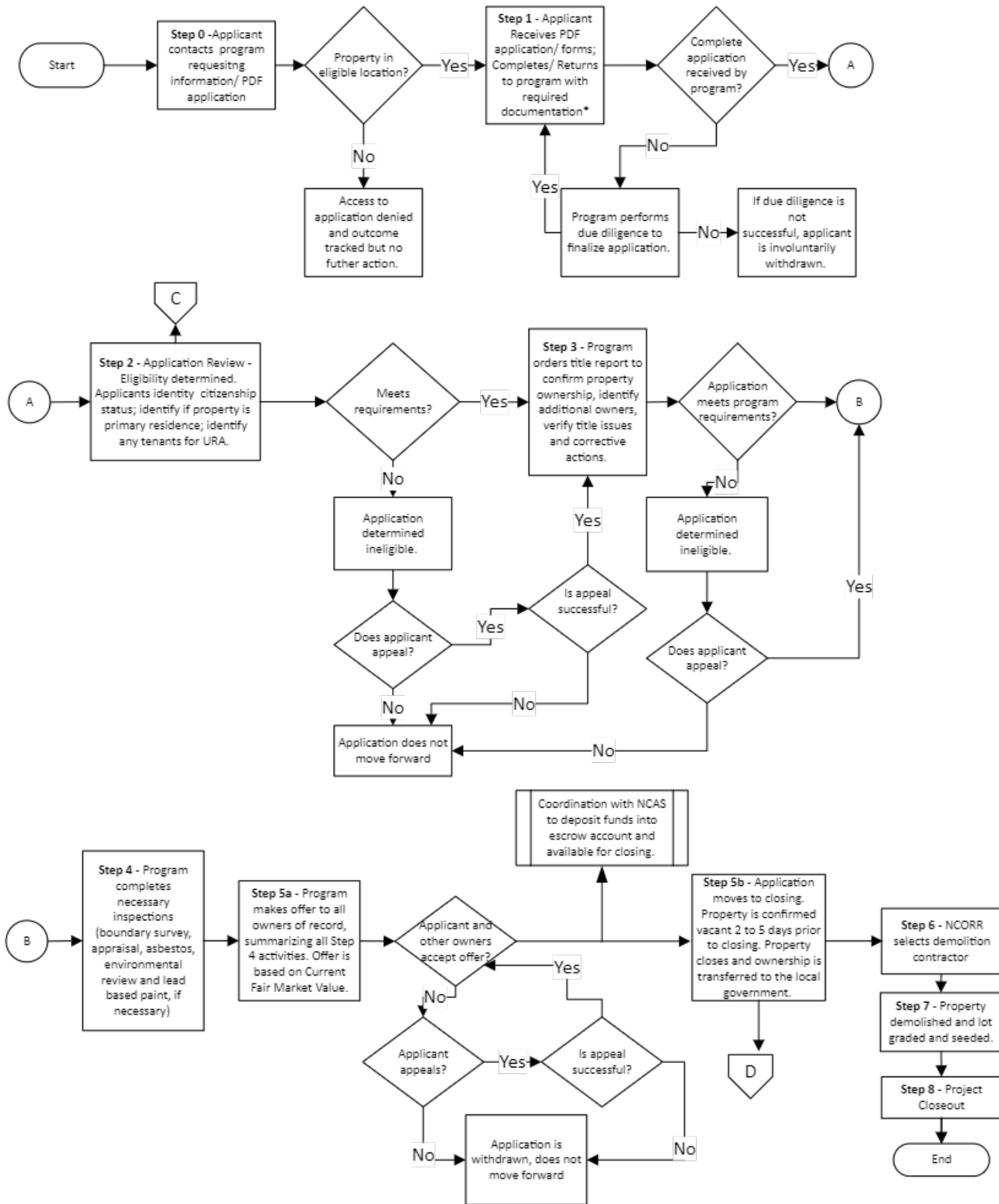
### 2.1 INTRODUCTION

In the wake of Hurricane Florence, Governor Roy Cooper established the North Carolina Office of Recovery and Resiliency (NCORR) to lead the State's efforts in rebuilding communities and increasing resiliency in:

- Human-made and nature-based infrastructure
- Ecosystems and natural habitats that provide critical services and assets
- Social and financial systems that drive prosperity
- Health and well-being of North Carolinians statewide

NCORR manages nearly one billion dollars in U.S. Department of Housing and Urban Development funding in the form of two different Community Development Block Grants: Disaster Recovery (CDBG-DR) and Mitigation (CDBG-MIT). One activity funded by CDBG-MIT funds is the Strategic Buyout Program (SBP), which offers eligible property owners in flood-prone areas the opportunity to sell their home and relocate to a safer area. Properties purchased by SBP are converted to green spaces that are maintained by the local government.

NCORR receives approximately one thousand SBP applications each year and utilizes Salesforce® to manage these applications. Many of the tasks in the SBP process workflow below involve manual processes. See Attachment J for a description of these processes.



**Figure 1: NC Strategic Buyout As-Is Workflow**

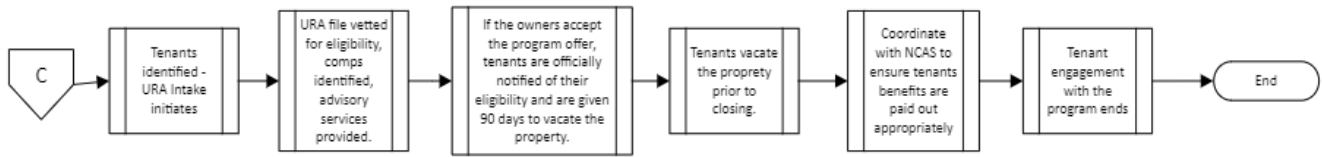


Figure 2: NC Strategic Buyout As Is Workflow - Part 2

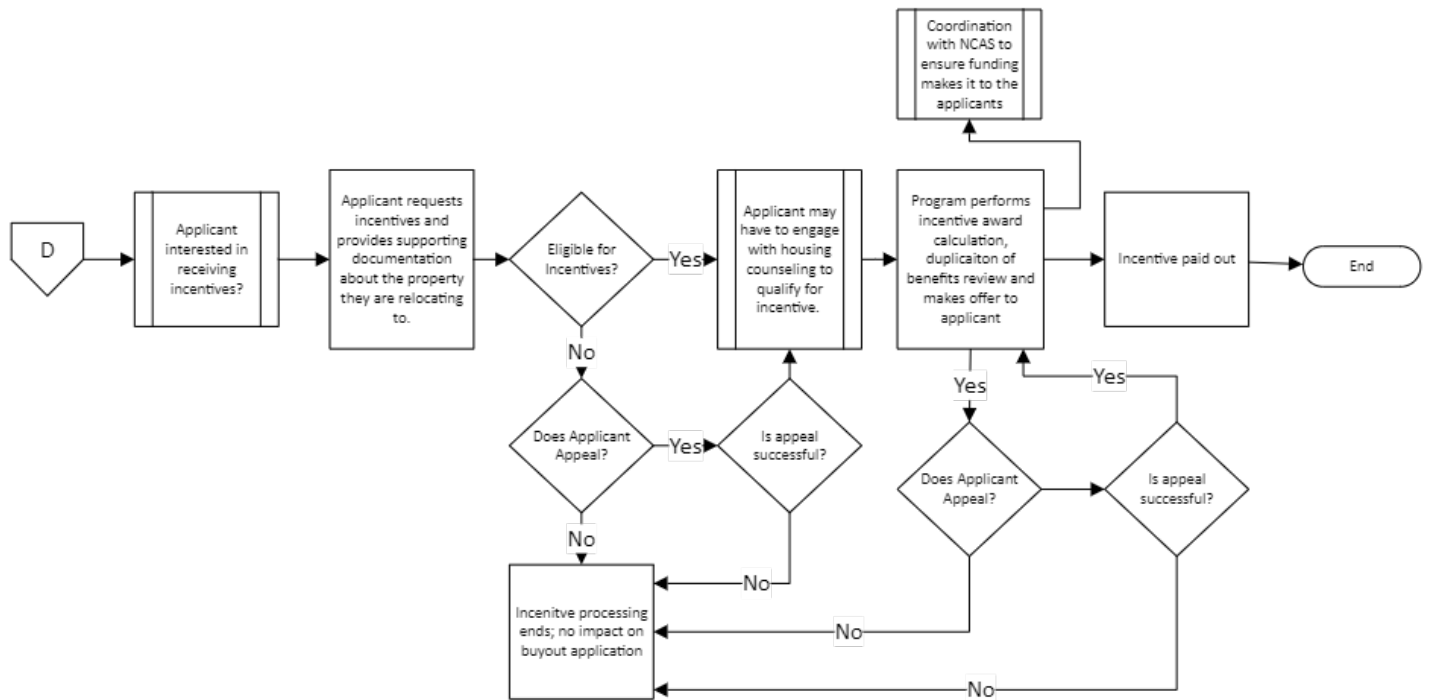


Figure 3: NC Strategic Buyout As-Is Workflow - Part 3

NCORR seeks to replace the current Salesforce system with a software as a service (SaaS) solution that will:

1. Reduce backlogs by eliminating the manual processing of forms
2. Automate communications and status updates
3. Document customer communications
4. Automate monitoring, compliance, and fraud prevention
5. Centralize data management and storage
6. Expedite real time reporting and data quality assurance
7. Manage vendor workflows and productivity, including construction or demolition contractors

The Solution must be fully implemented within six (6) months of contract award.

The Solution must interface with the following applications:

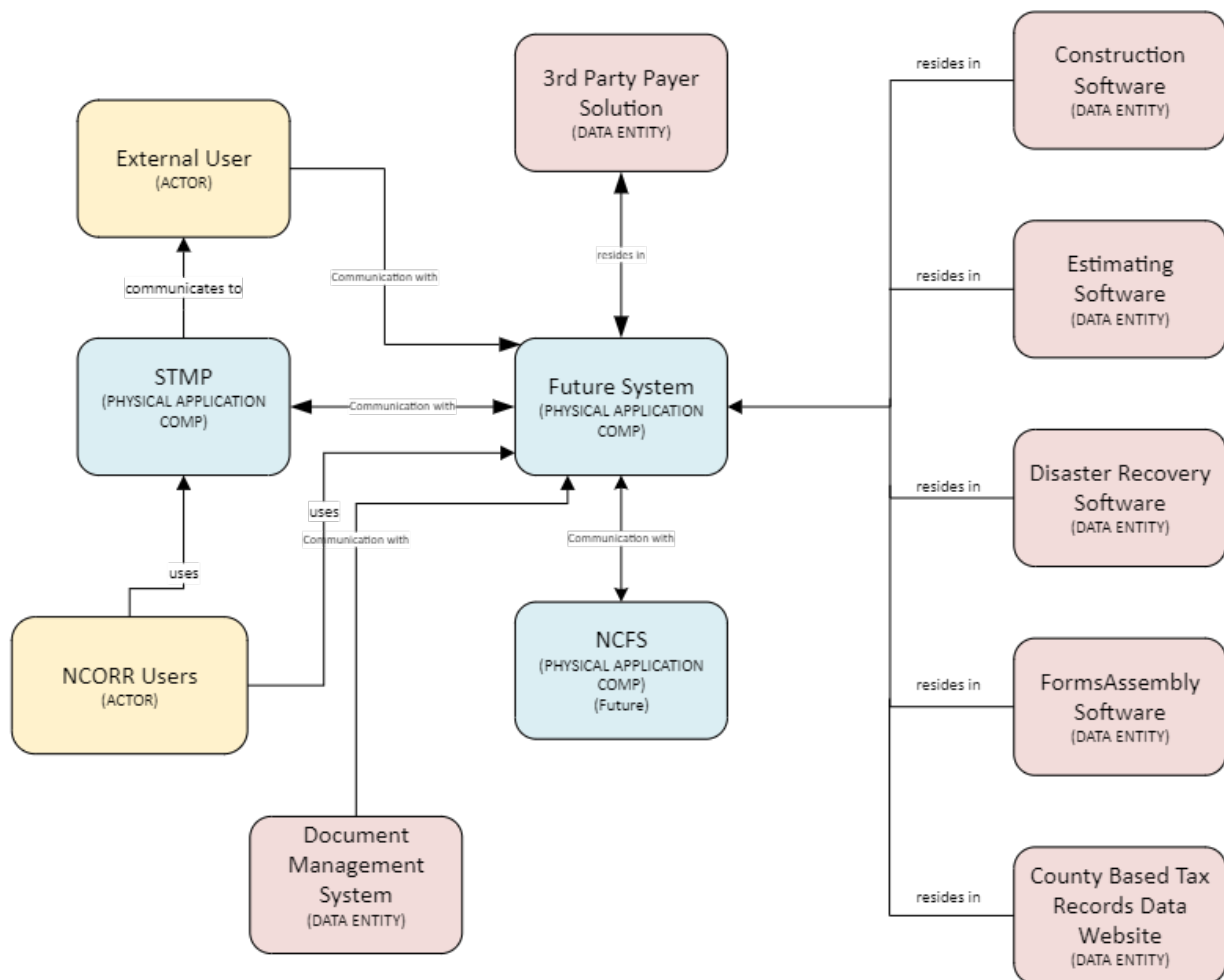


Figure 4: NC Strategic Buyout Solution To-Be Context Diagram

## 2.2 CONTRACT TERM

A contract awarded pursuant to this RFP shall have an effective date as provided in the Notice of Award. The term shall be **three (3) years** and will expire upon the anniversary date of the effective date unless otherwise stated in the Notice of Award, or unless terminated earlier.

The State retains the option to extend the term for **seven (7) twelve (12) month periods** at its sole discretion for operations and maintenance.

## 2.3 EFFECTIVE DATE

This solicitation, including any Exhibits, or any resulting contract or amendment shall not become effective nor bind the State until the appropriate State purchasing authority/official or Agency official has signed the document(s), contract or amendment; the effective award date has been completed on the document(s), by the State purchasing official, and that date has arrived or passed. The State

shall not be responsible for reimbursing the Vendor for goods provided nor Services rendered prior to the appropriate signatures and the arrival of the effective date of the Agreement. No contract shall be binding on the State until an encumbrance of funds has been made for payment of the sums due under the Agreement.

## **2.4 CONTRACT TYPE**

Definite Quantity Contract - This request is for a close-ended contract between the awarded Vendor and the State to furnish a pre-determined quantity of a good or service during a specified period of time.

The State reserves the right to make partial, progressive or multiple awards where it is advantageous to award separately by items; where more than one supplier is needed to provide the contemplated specifications as to quantity, quality, delivery, service, geographical areas; or where other factors are deemed to be necessary or proper to the purchase in question.

## **3.0 RFP REQUIREMENTS AND SPECIFICATIONS**

### **3.1 GENERAL REQUIREMENTS AND SPECIFICATIONS**

#### **3.1.1 REQUIREMENTS**

Requirement means, as used herein, a function, feature, or performance that the system must provide.

#### **3.1.2 SPECIFICATIONS**

Specification means, as used herein, a detailed description that documents the function and performance of a system or system component.

The apparent silence of the specifications as to any detail, or the apparent omission of detailed description concerning any point, shall be regarded as meaning that only the best commercial practice is to prevail and that only processes, configurations, materials and workmanship of the first quality may be used. Upon any notice of noncompliance provided by the State, Vendor shall supply proof of compliance with the specifications. The Vendor must provide written notice of its intent to deliver alternate or substitute Services, products, goods or other Deliverables. Alternate or substitute Services, products, goods or Deliverables may be accepted or rejected in the sole discretion of the State; and any such alternates or substitutes must be accompanied by Vendor's certification and evidence satisfactory to the State that the function, characteristics, performance and endurance will be equal or superior to the original Deliverables specified.

#### **3.1.3 SITE AND SYSTEM PREPARATION**

Vendors shall provide the Purchasing State Agency complete site requirement specifications for the Deliverables, if any. These specifications shall ensure that the Deliverables to be installed or implemented shall operate properly and efficiently within the site and system environment. Any alterations or modification in site preparation, which are directly attributable to incomplete or erroneous specifications provided by the Vendor and which would involve additional expenses to the State, shall be made at the expense of the Vendor.



### 3.1.4 EQUIVALENT ITEMS

Whenever a material, article or piece of equipment is identified in the specification(s) by reference to a manufacturer's or Vendor's name, trade name, catalog number or similar identifier, it is intended to establish a standard for determining substantial conformity during evaluation, unless otherwise specifically stated as a brand specific requirement (no substitute items will be allowed). Any material, article or piece of equipment of other manufacturers or Vendors shall perform to the standard of the item named. Equivalent offers must be accompanied by sufficient descriptive literature and/or specifications to provide for detailed comparison.

### 3.1.5 ENTERPRISE LICENSING

In offering the best value to the State, Vendors are encouraged to leverage the State's existing resources and license agreements, which can be viewed here:

<https://it.nc.gov/resources/statewide-it-procurement/statewide-it-contracts>

- a) Identify components or products that are needed for your Solution that may not be available with the State's existing license agreement.
- b) Identify and explain any components that are missing from the State's existing license agreement.
- c) If the Vendor can provide a more cost effective licensing agreement, please explain in detail the agreement and how it would benefit the State.

## 3.2 SOLUTIONS NOT HOSTED ON STATE INFRASTRUCTURE

The Solution will be required to receive and securely manage data that is classified as **Highly Restricted**.

Refer to the North Carolina Statewide Data Classification and Handling policy for more information: <https://it.nc.gov/document/statewide-data-classification-and-handling-policy>.

To comply with the State's Security Standards and Policies, State agencies are required to perform annual security/risk assessments on their information systems using NIST 800-53 controls. This requirement additionally applies to all Vendor-provided, agency-managed Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted) data.

- (a) Vendors shall provide a completed Vendor Readiness Assessment Report Non-State Hosted Solutions (VRAR) at offer submission. This report is located at the following website: <https://it.nc.gov/documents/vendor-readiness-assessment-report>
- (b) Upon request, Vendors shall provide a current independent third party assessment report in accordance with the following subparagraphs (i)-(iii) prior to contract award. However, Vendors are encouraged to provide a current independent third party assessment report in accordance with subparagraphs (i)-(iii) at the time of offer submission.
  - (i) Federal Risk and Authorization Management Program (FedRAMP) certification, SOC 2 Type 2, ISO 27001, or HITRUST are the preferred assessment reports for any Vendor solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted).

- (ii) A Vendor that cannot provide a preferred independent third party assessment report as described above may submit an alternative assessment such as a SOC 2 Type 1 assessment report. The Vendor shall provide an explanation for submitting the alternative assessment report. If awarded this contract, a Vendor who submits an alternative assessment report shall submit one of the preferred assessment reports no later than 365 days of the Effective Date of the contract. Timely submission of this preferred assessment report shall be a material requirement of the contract.
  - (iii) An IaaS vendor cannot provide a certification or assessment report for a SaaS provider UNLESS permitted by the terms of a written agreement between the two vendors and the scope of the IaaS certification or assessment report clearly includes the SaaS Solution.
- (c) Additional Security Documentation. Prior to contract award, the State may in its discretion require the Vendor to provide additional security documentation, including but not limited to vulnerability assessment reports and penetration test reports. The awarded Vendor shall provide such additional security documentation upon request by the State during the term of the contract.

### **3.3 ENTERPRISE SPECIFICATIONS**

#### **3.3.1 ENTERPRISE STRATEGIES, SERVICES, AND STANDARDS**

Agencies and vendors should refer to the Vendor Resources Page for information on North Carolina Information Technology enterprise services, security policies and practices, architectural requirements, and enterprise contracts. The Vendor Resources Page can be found at <https://it.nc.gov/vendor-engagement-resources>. This site provides vendors with statewide information and links referenced throughout the RFP document. Agencies may request additional information.

#### **3.3.2 ARCHITECTURE DIAGRAMS**

The State utilizes architectural diagrams to better understand the design and technologies of a proposed solution. These diagrams should be included in the proposal and can be found at <https://it.nc.gov/architectural-artifacts>.

There may be additional architectural diagrams requested of the Vendor after contract award. This will be communicated to the Vendor by the Agency as needed during the project.

#### **3.3.3 VIRTUALIZATION**

The State desires the flexibility to host the Vendor's proposed Solution in a virtualized environment, should it determine in the future that virtualized hosting for such Solution would be more economical or efficient.

#### **3.3.4 IDENTITY AND ACCESS MANAGEMENT (IAM)**

The proposed Solution must externalize identity and access management. The protocols describing the State's Identity and Access Management can be found at the following link: <https://it.nc.gov/services/vendor-engagement-resources#identity-access-management>

Describe how your Solution supports the above protocols as well as making them available for application integration/consumption.

### **3.4 BUSINESS DEFINITIONS**

1. ABFE: Advisory Base Flood Elevation
2. ACM: Asbestos Containing Materials
3. AFWA: Fraud, Waste and Abuse Policy
4. AMI: Area Median Income
5. BFE: Base Flood Elevation
6. BPR: Strategic Buyout Property Recipient
7. CDBG-DR: Community Development Block Grant - Disaster Recovery
8. CDBG-MIT: Community Development Block Grant - Mitigation
9. CMV: Current Fair Market Value
10. DOB: Duplication of Benefits
11. DOC: Department of Commerce
12. DRA: Disaster Recovery Act
13. DRGR: Disaster Recovery Grant Reporting System
14. DRRA: Disaster Risk Reduction Area
15. EPA: Environmental Protection Agency
16. ERR: Environmental Review Record
17. ESA: Environmental Site Assessment
18. FEMA: Federal Emergency Management Agency
19. FIRM: Flood Insurance Rate Maps
20. FHA: Federal Housing Administration
21. FMV: Fair Market Value
22. FRIS: Flood Risk Information System
23. GIS: Geographic Information System
24. HMGP: Hazard Mitigation Grant Program
25. HUD: Department of Housing and Urban Development
26. ION: Initiation of Negotiations
27. IPMC: International Property Maintenance Code

28. IRS: Internal Revenue Service
29. LEP: Limited English Proficiency
30. LLC: Limited Liability Corporation
31. LLP: Limited Liability Partnership
32. LMH: Low/Mod Housing (CDBG-DR National Objective)
33. LMHI: Low/Mod Housing Incentive (CDBG-DR National Objective)
34. LMI: Low- and Moderate-Income
35. LP: Limited Partnership
36. MTD: Maximum Tolerable Downtime - The amount of time mission/business processes can be disrupted without causing significant harm to NCORR's mission
37. MID: Most Impacted and Distressed
38. MPS: Minimum Property Standards
39. MBE: Minority Business Enterprise
40. NCAS: North Carolina Accounting System
41. NCFS: North Carolina Financial System
42. NCEM: North Carolina Emergency Management
43. NCORR: North Carolina Office of Recovery and Resiliency
44. NCDPS: North Carolina Department of Public Safety
45. NEPA: National Environmental Policy Act
46. NESHAP: National Emission Standards for Hazardous Air Pollutants
47. NFIP: National Flood Insurance Program
48. OIA: Office of Internal Audit
49. OIG: Office of Inspector General
50. PCB: Polychlorinated Biphenyls
51. PMF: Project Management File
52. POA: Power of Attorney
53. QPR: Quarterly Performance Report
54. RA: Review Appraiser
55. RACM: Regulated Asbestos Containing Material

- 56. RE: Responsible Entity
- 57. REO: Real Estate Owned Property
- 58. RPO: Recovery Point Objective – Time-based measurement of the maximum amount of data loss that is tolerable by NCORR
- 59. SaaS: Software as a Service
- 60. SAVE: Systematic Alien Verification for Entitlements
- 61. SBA: Small Business Administration
- 62. SFHA: Special Flood Hazard Area
- 63. SOW: Scope of Work
- 64. SSC: Site Specific Checklist
- 65. SSDI: Social Security Disability Income
- 66. UGLG: Unit of General Local Government
- 67. URA: Uniform Relocation Act
- 68. VOB: Verification of Benefits

## **3.5 SOLUTION SECURITY REQUIREMENTS**

### **3.5.1 COMPLIANCE**

#### **1. NC Department of Information Technology (NCDIT) Statewide Information Security Manual**

The Vendor must include the following statement in its proposal:

"We affirm and explicitly acknowledge that our proposed Solution at time of award and for the duration of the contract will comply with all applicable State policies, guidelines, standards, practices, procedures, and safeguards as defined in the North Carolina Department of Information Technology Statewide Information Security Manual (SISM)."

SISM introduction and individual SISM control family policy locations:

<https://it.nc.gov/documents/statewide-information-security-manual>

<https://it.nc.gov/resources/cybersecurity-risk-management/initiatives/information-security-policies>

#### **2. Security of State Data**

##### **a. Solution Components**

The Vendor's security standards and any system(s), tools, technology, and/or procedures for providing the Services under this Contract must comply with the provisions regarding the security of State data in accordance with Attachment B:

Department of Information Technology Terms and Conditions, Section 1, Paragraph 18) Security of State Data.

The Vendor must complete the following table to identify all systems, tools, technologies, and/or procedures proposed for providing Services under this Contract:

System(s), Tools, Technologies	Type of Assertion / Date

A favorable third-party security opinion or attestation consistent with the data classification level and security controls appropriate for MODERATE information system(s) per the National Institute of Standards and Technology (NIST) SP 800-53 Rev. 4, or the most recent revision must be identified. To satisfy this requirement, such reports must have been issued within twelve (12) months prior to the anticipated Contract award date or be supplemented by bridge letters covering no more than two (2) years after the initial report issuance date.

**b. Security Contact Person**

The Vendor must provide the name, title, email address and phone number of the Vendor staff person who will be responsible for ensuring compliance with all associated favorable third-party risk assessment(s) for all Services to be provided under this Contract. Prior to an award, the Department may have the Vendor provide documented evidence of all certified security attestations for the NCORR Information Security Officer’s review and approval.

Contact Name: \_\_\_\_\_

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

Email Address: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

### 3.5.2 MAXIMUM TOLERABLE DOWNTIME

1. The Solution must have a Maximum Tolerable Downtime (MTD) of twenty-four (24) hours. Specify and describe in detail how the Solution will be recoverable via a non-State hosted (e.g., third-party, vendor, offeror, subcontractor, partner, cloud), State-hosted, or other Solution scenario.
2. The Solution must have a Recovery Point Objective (RPO) of four (4) hours.

### 3.5.3 INCIDENT RESPONSE POLICY

The Vendor must submit with its proposal a current Incident Response policy and process/procedure. Regarding any suspected security incident or security breach involving or impacting State data, the Incident Response policy and process/procedure will describe, affirm and explicitly acknowledge:

- a. That the Vendor will notify the State (NCORR and NCDIT) within twenty-four (24) hours of confirmation of the incident and/or breach
- b. How the Vendor will notify the State of the incident and/or breach.
- c. That the Vendor will provide the full details of the incident and/or breach to the State.

## 3.6 SOLUTION SPECIFICATIONS

The Vendor must describe in detail how its proposed Solution meets the following specifications.

1. SYSTEM INTERFACE	
INT-1	Interface with other NCORR applications (see Figure 4) to submit/transmit data: <ol style="list-style-type: none"><li>a. Document Management Software</li><li>b. Adobe Software</li><li>c. Nintex Software</li><li>d. Microsoft Office Suite, specifically Microsoft Word and Microsoft Excel®</li></ol>
INT-2	Complete multiple tasks in real time, within the same record
INT-3	Interface with other applications such as those listed in INT-1, and any others identified by the Vendor, to search for and extract data
INT-4	Propose and describe the available support integration methods and the integration environment.

<b>2. USER INTERFACE</b>	
UI-1	Be accessible through multiple client platforms and devices such as laptops, desktops (Microsoft Windows®, Apple Mac®, Google Chromebook®), tablets, smart phones (Apple iPhone®, Google Android®) and other mobile devices.
UI-2	Support modern browsers (current version and one (1) previous version). Provide a list of all web browsers supported by the Solution.
UI-3	Has a responsive design for mobile user access.
UI-4	Be accessible to users with disabilities (including low/no-vision users), adhere to best practices established by the Web Accessibility Initiative (such as consistent use of the "title" tag on every webpage and using descriptive alternative text for any image that conveys information), and enable form fields to be accessible and usable by screen reading devices.
UI-5	Offers flexibility for NCORR staff to configure screen layout, create customized fields and reports, create, or modify programs, multiple funding sources, program requirements and workflows

<b>3. TECHNICAL SPECIFICATIONS</b>	
TC-1	Be modular, scalable and has business resiliency to accommodate all users.
TC-2	Provide data exchange that conforms to non-proprietary and industry standard exchange format.
TC-3	The Solution will require a secure connection. Describe in detail how you will develop an interface to retrieve information from FormsAssembly Salesforce, and Construction Software.
TC-4	Work with State and Contract development teams to determine the data and communications requirements for required interfaces.
TC-5	Support the confirmation or rejection of a transaction such as submittal of forms or payments.
TC-6	Provide detailed descriptive codes including explanations for all rejection, warning, and error messages.
TC-7	Provide all software licenses required to support the Solution.
TC-8	Offers flexibility for NCORR staff to configure screen layout, create customized fields and reports, create, or modify programs, multiple funding sources, program requirements and workflows.
TC-8	Be accessible through multiple client platforms and devices such as laptops, desktops (Windows, Mac, Chromebook), tablets, smart phones (iPhone, Android) and other mobile devices.
TC-9	Support modern browsers (current version and one (1) previous version). Provide a list of all web browsers supported by the Solution.



4. AVAILABILITY																					
AVA-1	<p>Describe how your service level agreement addresses:</p> <ol style="list-style-type: none"> <li>The parties' roles, responsibilities, duties and dependencies</li> <li>Description and scope of Services to be provided</li> <li>Typical performance of the Solution</li> <li>Timeliness and problem management for various response, restore recovery, escalation, and performance thresholds</li> <li>Availability of the services including various service levels offered</li> <li>Reliability of the services provided</li> <li>Description of metrics to be used</li> <li>Reporting on key metrics identified by NCORR including, but not limited to, application date, geographic location, current program step, and program status</li> <li>Estimate of services for continued coverage past the Solution's initial warranty</li> </ol>																				
AVA-2	<p>Describe how System errors or anomalies will be reported to the State in accordance with the following response times:</p> <table border="1"> <thead> <tr> <th>Priority</th> <th>Response Target</th> <th>Resolution Target</th> <th>Nature of Resolution</th> </tr> </thead> <tbody> <tr> <td>Critical</td> <td>One (1) hour</td> <td>Four (4) hours or less</td> <td>Workaround and product patch is provided; fix incorporated into future release</td> </tr> <tr> <td>High</td> <td>Two (2) hours</td> <td>Eight (8) hours or less</td> <td>Workaround and product patch is provided; fix incorporated into future release</td> </tr> <tr> <td>Medium</td> <td>Upon Request</td> <td>Twenty-four (24) hours or less</td> <td>Answer to inquiry(ies) and workaround provided; fix incorporated into future release</td> </tr> <tr> <td>Low</td> <td>Upon Request</td> <td>Three (3) Business Days</td> <td>Answer to inquiry(ies) and/or workaround or fix is provided</td> </tr> </tbody> </table>	Priority	Response Target	Resolution Target	Nature of Resolution	Critical	One (1) hour	Four (4) hours or less	Workaround and product patch is provided; fix incorporated into future release	High	Two (2) hours	Eight (8) hours or less	Workaround and product patch is provided; fix incorporated into future release	Medium	Upon Request	Twenty-four (24) hours or less	Answer to inquiry(ies) and workaround provided; fix incorporated into future release	Low	Upon Request	Three (3) Business Days	Answer to inquiry(ies) and/or workaround or fix is provided
Priority	Response Target	Resolution Target	Nature of Resolution																		
Critical	One (1) hour	Four (4) hours or less	Workaround and product patch is provided; fix incorporated into future release																		
High	Two (2) hours	Eight (8) hours or less	Workaround and product patch is provided; fix incorporated into future release																		
Medium	Upon Request	Twenty-four (24) hours or less	Answer to inquiry(ies) and workaround provided; fix incorporated into future release																		
Low	Upon Request	Three (3) Business Days	Answer to inquiry(ies) and/or workaround or fix is provided																		

5. CORE FUNCTIONS	
COR-1	Facilitate application intake of both physical and online applications from property owners.
COR-2	Facilitate customer participation with a convenient online application portal.
COR-3	<p>Interface with other applications to search for data related to individual parcels. The data will include one or more of the following:</p> <ol style="list-style-type: none"> <li>Owner Name</li> <li>Parcel number</li> <li>Street address</li> <li>Mailing address</li> </ol>
COR-4	Incorporate extracted data.
COR-5	Create unique case files for applications. Each case file can comprise multiple form submittals, document uploads, and data fields. One applicant may own multiple properties, resulting in multiple applications and therefore multiple distinct case files.

COR-6	Allow the upload and storage of images to the System.
COR-7	Associate the images with the appropriate claim file.
COR-8	Upload and store documents.
COR-9	Associate uploaded documents with the appropriate case file.
COR-10	Provide various indicators on a file, such as whether an application is ineligible, duplicated, on hold (and if so, for what reason), or related to an inquiry.
COR-11	Notify external users when a file status changes.
COR-12	Allow authorized internal (NCORR) users to manually enter and update data in files, including the following: <ul style="list-style-type: none"> <li>a. Indicate receipt of certified mail receipts</li> <li>b. Indicate a file is ready to move to the next step in the process</li> <li>c. Indicate the status of a file review</li> <li>d. Indicate receipt of required documents</li> <li>e. Notes regarding calls or discussions with applicants or others related to the file.</li> </ul>
COR-13	Support application intake and review, eligibility review, ownership verification, inspections including environmental, lead-based paint, asbestos, appraisals, and boundary surveys, offer determination and closing, incentive eligibility review and award, duplication of benefits and necessary and reasonable review, short sale negotiation, housing counseling coordination, contractor selection, demolition, clearance and restoration, and application closeout.
COR-14	Validate multiple sets of eligibility criteria (programmatic buyout eligibility, and up to four incentives requests) within one application.
COR-15	Support application inspections, including damage inspections, construction management, appeals and exception requests, award calculation, review and consultation, contractor selection, construction management, monitoring progress of subrecipient projects and facilitate subrecipient reimbursements.
COR-16	Allow NCORR users to claim or assign a case or task.
COR-17	Search the System for records based on a variety of criteria entered, including: <ul style="list-style-type: none"> <li>a. File Number</li> <li>b. Property Address</li> <li>c. Applicant Name</li> </ul>
COR-18	House templates for forms and correspondence. Describe how internal (NCORR) users will manage updating letterhead as well as the content of correspondence and forms.
COR-19	Provide interactive online form submittal.
COR-20	Support financial requests from NCORR to NCDPS Fiscal to an escrow account.
COR-21	Provide an indicator that payment request has been fulfilled.
COR-22	Process multiple payments in a case file.

COR-23	Generate, send, and track email notifications and other correspondence.
COR-24	Enable authorized users to search correspondence based on applicant number, owner information, or property address.
COR-25	Associate correspondence generated by the proposed Solution with the appropriate file.
COR-26	Enable authorized users to view, update, and resend correspondence for a file.
COR-27	Enable authorized NCORR users to create on-demand correspondence.
COR-28	Generate, send, and track certified mail.
COR-29	Generate and send first class mail.
COR-30	Enable authorized NCORR users to track applicant communications, including phone calls, in-person visits, or text messages.
COR-31	Generate electronic and printed correspondence.
COR-32	Create electronic communications to external customers.
COR-33	Manage and track process workflows, including notifications and/or correspondence appropriate to the process steps and how long each step has been in progress, correspondence, and forms.
COR-34	Gather data elements from a variety of forms, recognizing the different types of forms.
COR-35	Manage items related to the processing of applications and purchasing of properties. Explain in detail how each of the following items will be addressed: a. Indicate Type of Property (residential, commercial, vacant lot) b. Track details of the sale such as appraised value, date of sale. c. Indicate all owners of a property and track their acceptance or denial of offers.
COR-36	Provide a public-facing dashboard to allow applicants to check the status of their own application.
COR-37	Allow users to view the workflow status of applications via the public-facing dashboard
COR-38	Provide a separate dashboard for up to 150 internal NCORR users to view all information submitted and the status of each file.
COR-39	Provide an online portal for external users to submit applications.
COR-40	Manage separate but related process flows related to an application (such as supporting a tenant's relocation as required by Uniform Relocation Assistance), and facilitate visibility and communication between separate teams to ensure programmatic coordination and compliance with federal regulation and state policies and procedures governing different programs.
COR- 41	Track special circumstances (for example, tracking title issues that need time to cure) with applications to ensure eligibility questions are resolved prior to award.

<b>6. ADMINISTRATIVE FUNCTIONS</b>	
ADM-1	Manage user access to the proposed Solution.
ADM-2	Allow user access based on user role criteria - including the permissions for each role.
ADM-3	Define all modules and components of the proposed system.
ADM-4	Provide "Best Practice" guidelines for system administration, backups and disaster recovery.

<b>7. FINANCIAL MANAGEMENT</b>	
FIN-1	Combine supporting documentation and send NCORR Finance an invoice with all the documents housed in the cost record.
FIN-2	Upload and store W-9's and package information.
FIN-3	Upload wire or other documents back into the system.
FIN-4	Provide approval process flow.
FIN-5	Notify Finance users that there is package information in the Finance queue that needs processing.
FIN-6	Receive payment and reimbursement information to be housed back into the system.
FIN-7	Generate bill payment reports.
FIN-8	Manage returned checks, missing checks, and returned payments.

<b>8. REPORTING</b>	
RPT-1	Explain in detail how reports will be accessed or made available.
RPT-2	Generate pre-configured and ad hoc reports. <i>Vendor must provide sample reports in proposal.</i>
RPT-3	Generate custom reports and dashboards with customizable statistics and graphs based on user profiles.
RPT-3	Enable staff to access and generate ad-hoc reports and download canned reports including those for performance, auditing, and additional reports as requested.
RPT-4	Summarize reports at normal intervals (day, week, month, quarter, year), status, aging, funding amounts, and location, and be capable of sorting on any, all, or a selection of participants/phases (steps).

9. AUDITING	
AUD-1	Provide auditable logs on all system edits, deletes, and additions. Logs must include: <ol style="list-style-type: none"> <li>Date and time an event occurs</li> <li>Objects affected</li> <li>Identity and role of the actor performing the activity. If an identity can be assigned multiple roles, or multiple roles can authorize the same activity, this would mean the role used to authorize the activity in this case</li> <li>Outcome (success or failure) of the activity</li> <li>Audit history of a record (original data retained)</li> </ol>
AUD-2	Provide logging capabilities including system events for purposes of monitoring, maintenance, and notification of system failures and/or performance issues.

10. DATA MANAGEMENT	
DAT-1	Back up and maintain data as it is related to any CDBG-MIT/DR Grant. CDBG Grants must be retained for a minimum of five years from closeout of the particular grant between NCORR and HUD. North Carolina statute is more stringent than federal, hence the five year retention period. N.C.G.S. §§ 132-7 - 132-8.2 sets forth the statutory requirements for safekeeping, preservation and preservation advice and records management directives from the North Carolina General Assembly to public agencies and the North Carolina Department of Natural and Cultural Resources. The agency records retention guidelines and schedules can be found online at <a href="http://www.ncdcr.gov/FunctionalSchedule">Functional Schedule   NC Archives (ncdcr.gov)</a>
DAT-2	Migrate data from Salesforce to provide current and historical transactions. NC Strategic Buyout Grant data is stored in Salesforce and currently contains records with a total size of approximately one(1) GB of data storage and twenty-five (25) GB of file storage.
DAT-3	Handle data import, export, and file transfer utility processes.
DAT-4	Convert data for up to seven (7) years of prior data from Microsoft Excel spreadsheets or CSV files.
DAT-5	Acknowledge and agree that NCORR will own all data that is related to the services provided.
DAT-6	Provide data to NCORR upon termination of the Agreement. See Transition Out Specification ID (TR-2 ) a. Data access and migration

11. TESTING	
TST-1	<i>Provide a sample Test Strategy Plan for a similar project size and scope with your proposal.</i>
TST-2	Collaborate with the State to develop a final Test Strategy Plan at the appropriate and approved time as specified in the approved Project Schedule.
TST-3	Provide a System Integration Test (SIT) Plan. Describe the review and feedback process you will use to verify the effectiveness of SIT Plan to test all system functionality and configurations; compliance with requirements and design; and interfaces with external systems.
TST-4	Document and remediate SIT defects reported by State staff. Provide a SIT Defect Report template.
TST-5	Document and remediate User Acceptance Test (UAT) defects reported by State staff. Provide a UAT Defect Report template.

TST-6	Support the State to establish and load data into the test environments for SIT and UAT testing. This process includes providing test cases, core user licenses for SIT environment and application user guide.
TST-7	Provide application performance documentation including performance standards the product meets. May be presented in test results or certifications.
TST-8	Perform Hardware Configuration (if applicable) Testing, System Integration Testing, and Stress and Load Testing
TST-9	Test the Solution for accessibility based on Web Accessibility Initiative best practices and accessibility by screen reading devices before delivering it, and to test any updates or patches going forward.

12. TRANSITION	
TR-1	<p>Provide a Transition-In Plan during Plan and Design Stage that includes a schedule of tasks and activities to ensure successful transition-in. The State will review, approve the Plan and provide oversight of the transition. The Incoming Vendor will cooperate with the State to facilitate knowledge transfer from the Incumbent. The Transition-In Plan schedule must include the following considerations:</p> <ul style="list-style-type: none"> <li>a. Data Access and Migration</li> <li>b. Hardware</li> <li>c. Software</li> <li>d. Infrastructure</li> <li>e. Security</li> <li>f. Architecture</li> <li>g. Network</li> <li>h. Firewall</li> <li>i. Performance</li> <li>j. Training Documentation</li> <li>k. Support Documentation (System Administration, Operations Model, DevOps, etc.)</li> <li>l. Telecommunications</li> <li>m. Reporting</li> <li>n. Responsible, Accountable, Consulted, and Informed Matrix (RACI)</li> </ul>
TR-2	<p>Provide a Transition-Out Plan during Implementation Stage that includes a schedule of tasks and activities to ensure successful transition out. The State will review, approve and provide oversight of the transition. The development of the Transition-Out Plan will be delivered in the Implementation Stage. The Transition-Out schedule must include the following considerations as deemed necessary by the State:</p> <ul style="list-style-type: none"> <li>a. Data access and migration</li> <li>b. Hardware</li> <li>c. Software</li> <li>d. Infrastructure</li> <li>e. Security</li> <li>f. Architecture</li> <li>g. Network</li> <li>h. Firewall</li> <li>i. Performance</li> <li>j. Training Documentation</li> <li>k. Support Documentation (System Administration, Operations Model, DevOps, etc.)</li> <li>l. Telecommunications</li> <li>m. Reporting</li> <li>n. RACI</li> </ul>

<b>13. TRAINING</b>	
TRA-1	Provide training of all aspects of the Solution to include help desk, administrative, and user training. Training may include up to 100 participants at several levels of the organization. Training delivery includes documentation, hands-on, video, and classroom training for required participants. Examples of past training tools created should be provided.
TRA-2	Describe how often online training, training materials, and user manuals for internal and external users will be updated and delivered.

<b>14. SUPPORT</b>	
SUP-1	Provide support from 8:00 am to 5:00 pm ET Monday through Friday, as needed, following implementation.
SUP-2	Provide detailed support plans for help desk/call center according to the approved Project Schedule.
SUP-3	Provide post-implementation support staff who are available 24 hours a day, seven (7) days a week, during times identified by business owners as a critical need, with a maximum one hour response time to users.
SUP-4	Allow designated Strategic Buyout business owners and/or help desk personnel to configure system notification messages and communicate to all application users.
SUP-5	Provide detailed quality control measures during operations and maintenance.
SUP-6	Identify, report, track, and correct and resolve software defects and problems.
SUP-7	Provide detailed maintenance support policy for performing maintenance within the standard State maintenance window(s).

<b>15. PROJECT MANAGEMENT</b>	
PMO-1	Provide a Project Manager (PM) for the duration of the project to work closely with the State PM to increase the likelihood of successful implementation of the System. The proposed Project Manager will be the single point of contact for State management and coordination of its work performed under this contract. Describe how your proposed project team will coordinate with the State PM.
PMO-2	The State prefers the proposed PM has prior experience managing large scale IT projects and understanding of the full System Development Life Cycle (SDLC). The State prefers the proposed PM has PMP certification and at least five (5) years of prior IT project management experience. <i>Provide the resume of the proposed PM in your proposal.</i>
PMO-3	Provide a Senior Business Analyst, for the duration of the contract, to work in support of project management activities, SDLC processes and related tools to contribute to successful System implementation.
PMO-4	The State prefers the proposed Senior Business Analyst has at least five (5) years demonstrated knowledge and skills in business analysis, requirements management, test management and technical writing. The Senior Business Analyst should be able to work with large, complex application deliveries in a fast-paced environment. <i>Provide the resume of the proposed Senior Business Analyst in your proposal.</i>
PMO-5	Provide a Technical Lead for the duration of the contract to work closely with the State technical team to contribute to successful implementation of the proposed Solution.

PMO-6	<p>The State prefers the proposed Technical Lead has at least five (5) years demonstrated knowledge and skills in leading a development team, and responsibility for the quality of its technical deliverables working with large, complex application deliveries in a fast-paced environment.</p> <p><i>Provide the resume of the proposed Technical Lead in your proposal.</i></p>
PMO-7	<p>Unless otherwise approved in writing and in advance by the State, the proposed PM, Technical Lead, and Senior Business Analyst will be required to be in attendance (on-site or virtual) for project kick-off, initial gap analysis session, initial requirements gathering sessions, project implementation(s) and any other key project events the Program Management Office (PMO) identifies once the schedule is received.</p>
PMO-8	<p>For Vendor's response to PMO-8, attach a draft Schedule and the associated Work Breakdown Structure in Microsoft Project compatible with MS® Project 2016 which shows phases, activities, tasks, milestones and resource requirements. The State prefers an iterative delivery method.</p>
PMO-9	<p>The proposed PM will collaborate with the State PM to schedule an on-boarding project kick-off meeting within ten (10) days of contract award, and provide a draft meeting agenda, and presentation. Within two (2) days of completion of the project kick-off meeting, the proposed PM will provide meeting notes and follow-up action items to the Program Management Office (PMO) project manager.</p>
PMO-10	<p>Within thirty (30) days following Vendor onboarding and the project kick-off meeting, the proposed PM will provide an updated Project Schedule and will work with the State PM to update and baseline the schedule.</p>
PMO-11	<p>At State's discretion, the Vendor may be required to use internal project templates during the course of the Contract. Below is the link to the State's Enterprise Project Management Office (EPMO) project management standards for reference.  <a href="https://it.nc.gov/services/service-directory/project-management/project-approval-oversight-epmo">https://it.nc.gov/services/service-directory/project-management/project-approval-oversight-epmo</a></p> <p><i>Include samples of specific templates within your proposal for document-based deliverables.</i></p>
PMO-12	<p>Provide weekly project status reports to the State PM beginning ten (10) days following project kick off. Weekly Project status reports will minimally include brief comments on overall project progress, project milestones with progress and next steps, project issues with recommended solutions, project risks with mitigation steps.</p> <p><i>Provide a project status report template as an attachment to your proposal.</i></p>
PMO-13	<p><i>Provide a Draft Project Management Plan in your proposal as an attachment. At a minimum, the plan will include proposed overall methodology (e.g., waterfall, iterative, agile) project phases milestones, deliverables and resources. The State prefers an approach that provides value and rapid project delivery. Provide the following draft plans.</i></p> <p>a. Draft Change Management Plan. Ensure the Change Management Plan describes how changes in scope, cost and schedule will be handled and escalated throughout the project lifecycle. At a minimum, describe how changes will be identified, tracked, and classified, and how changes will be incorporated into the project or deferred.</p> <p>b. Draft Risk Management Plan. The Risk Management Plan will describe how risks will be identified and managed throughout the life of the project. The Risk Matrix will be updated for each status meeting during the project.</p> <p>c. Draft Quality Management Plan. The Quality Management Plan will define the quality requirements and/or standards for the project and its deliverables as well as document how the project will demonstrate compliance with those requirements and/or standards.</p> <p>d. Draft Staffing Plan and Organizational Chart. The Staffing Plan will include: 1) List of all key personnel along with their title, function, role, responsibilities, allocation and authority. Key personnel minimally include the proposed Project Manager, Senior Business Analyst and Technical Lead, 2) Suggested State staff with function, role, and responsibilities, and 3) An organization chart including key personnel.</p> <p>e. Draft Communications Plan. The Communications Plan will include what information is needed by certain individuals, how frequently the information should be delivered, form of information to be delivered (i.e., formal report, meeting, etc.) and the entity or person</p>



	<p>responsible for ensuring the communication is delivered. The type of information to be communicated will include reporting of project processes and progress as well as procedures and responsibilities for problem management and escalation.</p> <p>f. Draft Operations and Transition Plan. At a minimum, a draft plan should support the transition from the development and testing environment where the Offeror will implement changes to the production environment where the State implements changes and provides the day-to-day operational support. The updated Operations and Transition Plan delivered in PMO (14) will include cutover, controlled production, and operational readiness.</p> <p>g. Draft Training Plan. The Training Plan will include an appropriate training strategy to demonstrate how the System will be used by the business staff and Operations Support staff. At a minimum, the plan should include the training methodology, expected learning outcomes, the target audience and a sample training schedule.</p> <p>h. Draft Issues Management Plan. The Issues Management Plan will describe how issues will be identified, monitored, and resolved.</p> <p>i. Draft Implementation Plan. The Implementation Plan should provide a list of shared actions from scope to implementation the project team will need to perform for a successful project implementation.</p>
PMO-14	Provide an updated Project Management Plan, after collaboration with the PMO, within sixty (60) days of the project kick-off for State review and approval. In addition, the plan will include all relevant plan documents defined in PMO-13 and the Project Management Plan documentation to be updated when significant change occurs, including key resources, or at the request of the State PM.
PMO-15	Provide the System Requirements document (includes mock-up screens and workflows) at the completion of the requirements gathering sessions according to the approved Project Schedule.
PMO-16	Document and provide the Acceptance Criteria for requirements, design, and user acceptance of the Solution in accordance with the approved Project Schedule.
PMO-17	Collaborate with the State to deliver the Deployment Plan during the Execute and Build stage of the project.
PMO-18	Collaborate with the State to develop the Detailed Cutover Production Plan during the Implementation Stage of the project. It should include a production back-out plan.
PMO-19	Provide a summary of the project for closeout purposes in the form of a Final Project Report during the Project Closeout Phase. The Final Project Report should include final accomplishments, open issues, lessons learned and recommendations for future projects.

## 4.0 COST OF VENDOR'S OFFER

### 4.1 OFFER COSTS

4.1.1 The Vendor must itemize and define in detail all costs including:

- a. Software Licenses for 150 concurrent users
- b. Hosting Services
- c. Implementation/Configuration
- d. Transition In
- e. Training
- f. Maintenance and Support

- g. Transition Out
- h. Application Enhancements
- i. Any other applicable costs

4.1.2 The Vendor must also provide a summary of all costs in Attachment E – Cost Summary.

## 4.2 PAYMENT SCHEDULE

The Vendor shall propose its itemized payment schedule based on the content of its offer. All payments must be based upon acceptance of one (1) or more Deliverables.

All Deliverables shall be coordinated with and reviewed by the State’s Project Manager and require acceptance by the PM. If the Deliverable is rejected, the Vendor will be notified within ten (10) days and will have ten (10) days to correct and resubmit the Deliverable to the State’s Project Manager. The State will review and accept corrected deliverables within ten (10) days.

Milestone	Reference	Deliverable	Due Date	Payment Amt (Percent of Total Cost)
<b>1. PROJECT KICK-OFF MEETING</b>				
a	PMO-9	Draft Kick-Off Meeting Agenda and Presentation	Within Fifteen (15) Days of Award and (10) Business Days Prior to Kick-Off	
b	PMO-7, 9	Key Personnel Attend Project Kickoff Meeting	Within Fifteen (15) Days of Award	
c	PMO-9	Draft Project Kick-Off Meeting Notes	Two (2) Days After Kick-Off Meeting	
d	PMO-9	Project Kick-Off Meeting Action Items	Two (2) Days After Kick-Off Meeting	
e	PMO-12	Weekly Project Status Reports	Ten (10) Days After Kick-Off Meeting	
<b>2. PROJECT MANAGEMENT</b>				<b>10% NTE</b>
a	PMO-10	Updated Project Schedule	Within thirty (30) Days of Kick-Off Meeting	
b	PMO-14	Updated Project Management Plan with below relevant updated plan documentation: a. Change Management Plan b. Risk Management Plan c. Quality Management Plan d. Staffing Plan and Organization Chart e. Communications Plan f. Operations and Transition Plan g. Training Plan and Sample Schedule h. Issues Management Plan i. Implementation Plan	Within sixty (60) Days of Kick-Off Meeting	

<b>3. REQUIREMENTS</b>				<b>15%</b>
a	PMO-15	System Requirements document (includes Mock-Up Screens and Workflows)	Alignment with approved project schedule	
<b>4. SYSTEM INTEGRATION TESTING</b>				<b>20%</b>
a	TST-2 thru TST-4	a. System Integration Test (SIT) Plan (includes Strategy & Test Cases) b. SIT Environment Readiness (include core user licenses for SIT and application user guide) c. SIT Test Data d. SIT Defect Tracking Report Template & Resolution process	Alignment with approved project schedule	
<b>5. ACCEPTANCE CRITERIA</b>				<b>10%</b>
a	PMO-16	Acceptance Criteria for requirements specification, design, and User Acceptance	Alignment with approved project schedule	
b	TST-5, 6, 8	a.. UAT Environment b. Readiness UAT Test data c. UAT Test Cases traceability d. User's License for UAT Environment e. Functional demonstration/presentation f. Defect Tracking Report	Alignment with approved project schedule	
<b>6. USER TRAINING</b>				<b>10%</b>
a	TRN-1, 2	a. Updated Training Plan b. Conduct User Training (virtual and classroom) Provide Training & User manuals (Hardcopy & digital) c. Training documentation (users and help desk)	Alignment with approved project schedule	
<b>7. IMPLEMENTATION</b>				<b>15%</b>
a	TR-1	Transition-In Plan	During Plan & Design Stage	
b	TR-2	Transition-Out Plan	During Implementation Stage	
c	PMO-14 SUP-2, 3, 6, 7	a. Updated Operations & Transition production and help desk support plans b. Post-Production Support Model c. Defect tracking process for identifying, tracking, reporting and resolving production defects d. Maintenance Support Policy	Alignment with approved project schedule	
d	PMO-17	Final Implementation Plan	Alignment with approved schedule	
e	PMO-18	Detailed Production Cutover Plan(includes Backout Plan)	During Implementation Stage	
<b>8. RETAINAGE (RET) AND REPORT ACCEPTANCE (ACPT) PROJECT</b>				<b>10% (Ret) 10% (Acpt)</b>
a	PMO-19	Final Project Report (includes recommendations for future improvements and lessons learned document)	Per Approved Project Schedule	
<b>Total Percentage:</b>				<b>100%</b>

## 5.0 EVALUATION

### 5.1 SOURCE SELECTION

A trade-off/ranking method of source selection will be utilized to award this RFP to the Vendor providing the Best Value, and recognizing that Best Value may result in award other than the lowest price or highest technically qualified offer. By using this method, the overall ranking may be adjusted up or down when considered with, or traded-off against, other non-price factors.

- a) Evaluation Process Explanation. State Agency employees will review all offers. All offers will be initially classified as being responsive or non-responsive. If an offer is found non-responsive, it will not be considered further. All responsive offers will be evaluated based on stated evaluation criteria. Any references in an answer to another location in the RFP materials or Offer shall have specific page numbers and sections stated in the reference.
- b) To be eligible for consideration, the Vendor's offer must substantially conform to the intent of all specifications. Compliance with the intent of all specifications will be determined by the State. Offers that do not meet the full intent of all specifications listed in this RFP may be deemed deficient. Further, a serious deficiency in the offer to any one (1) factor may be grounds for rejection regardless of overall ranking
- c) The Evaluation Committee may request clarifications, an interview with, or presentation from any or all Vendors as allowed by 9 NCAC 06B.0307. However, the State may refuse to accept, in full or partially, the response to a clarification request given by any Vendor. Vendors are cautioned that the evaluators are not required to request clarifications; therefore, all offers should be complete and reflect the most favorable terms. Vendors should be prepared to send qualified personnel to Raleigh, North Carolina to discuss technical and contractual aspects of the offer.
- d) Vendors are advised that the State is not obligated to ask for, or accept after the closing date for receipt of offer, data that is essential for a complete and thorough evaluation of the offer.

### 5.2 EVALUATION CRITERIA

Evaluation shall include best value, as the term is defined in N.C.G.S. § 143-135.9(a)(1), compliance with information technology project management policies as defined by N.C.G.S. § 143B-1340, compliance with information technology security standards and policies, substantial conformity with the specifications, and other conditions set forth in the solicitation.

Vendor offers will be evaluated on the following criteria listed in order of importance:

- 1) The Vendor's approach to meeting the Requirements
- 2) How well the Vendor's offer conforms with the Specifications
- 3) Strength of references and experience in developing and supporting solutions similar to that proposed herein and working with organizations of similar size and scope (see Attachment H – References)
- 4) Total Cost of Ownership
- 5) Vendor Schedule / Timeline for completing work

- 6) Risks associated with the Vendor's offer
- 7) How each Vendor's offer compares with other Vendors' offers

### **5.3 BEST AND FINAL OFFERS (BAFO)**

The State may establish a competitive range based upon evaluations of offers and request BAFOs from the Vendor(s) within this range (i.e., Finalist Vendor(s)). If negotiations or subsequent offers are solicited, the Vendor(s) shall provide BAFO(s) in response. Failure to deliver a BAFO when requested shall disqualify the non-responsive Vendor from further consideration. The State will evaluate BAFO(s), oral presentations, and product demonstrations as part of the Vendors' respective offers to determine the final rankings.

### **5.4 POSSESSION AND REVIEW**

During the evaluation period and prior to award, possession of the bids and accompanying information is limited to personnel of the issuing agency and to the committee responsible for participating in the evaluation. Vendors who attempt to gain this privileged information, or to influence the evaluation process (i.e., assist in evaluation) will be in violation of purchasing rules and their offer will not be further evaluated or considered.

After award of contract, the complete bid file will be available to any interested persons with the exception of trade secrets, test information or similar proprietary information as provided by statute and rule. Any proprietary or confidential information, which conforms to exclusions from public records as provided by N.C.G.S. § 132-1.2 must be clearly marked as such in the offer when submitted.

## **6.0 VENDOR INFORMATION AND INSTRUCTIONS**

### **6.1 GENERAL CONDITIONS OF OFFER**

#### **6.1.1 VENDOR RESPONSIBILITY**

It shall be the Vendor's responsibility to read this entire document, review all enclosures and attachments, and comply with all specifications, requirements and the State's intent as specified herein. If the Vendor discovers an inconsistency, error or omission in this solicitation, the Vendor should request a clarification from the State's contact person.

The Vendor will be responsible for investigating and recommending the most effective and efficient solution. Consideration shall be given to the stability of the proposed configuration and the future direction of technology, confirming to the best of their ability that the recommended approach is not short lived. Several approaches may exist for hardware configurations, other products and any software. The Vendor must provide a justification for their proposed hardware, product and software solution(s) along with costs thereof. Vendors are encouraged to present explanations of benefits and merits of their proposed solutions together with any accompanying Services, maintenance, warranties, value added Services or other criteria identified herein.

#### **6.1.2 RIGHTS RESERVED**

While the State has every intention to award a contract as a result of this RFP, issuance of the RFP in no way constitutes a commitment by the State of North Carolina, or the procuring

Agency, to award a contract. Upon determining that any of the following would be in its best interests, the State may:

- a) waive any formality;
- b) amend the solicitation;
- c) cancel or terminate this RFP;
- d) reject any or all offers received in response to this RFP;
- e) waive any undesirable, inconsequential, or inconsistent provisions of this RFP;
- f) if the response to this solicitation demonstrates a lack of competition, negotiate directly with one or more Vendors;
- g) not award, or if awarded, terminate any contract if the State determines adequate State funds are not available; or
- h) if all offers are found non-responsive, determine whether Waiver of Competition criteria may be satisfied, and if so, negotiate with one or more known sources of supply.

### 6.1.3 VERBAL EXPLANATIONS

The State will not be bound by verbal explanations or instructions given at any time during the bidding process or after award. Vendor contact regarding this RFP with anyone other than the State's contact person may be grounds for rejection of said Vendor's offer. Agency contact regarding this RFP with any Vendor may be grounds for cancellation of this RFP.

### 6.1.4 E-PROCUREMENT

**This is not an E-Procurement solicitation.** Paragraphs 33 a) and b) of Section 1, Attachment B have been reserved.

The Terms and Conditions made part of this solicitation contain language necessary for the implementation of North Carolina's statewide E-Procurement initiative. It is the Vendor's responsibility to read these terms and conditions carefully and to consider them in preparing the offer. By signature, the Vendor acknowledges acceptance of all terms and conditions including those related to E-Procurement.

- a) General information on NC E-Procurement can be found at <http://eprocurement.nc.gov/>
- b) Within two (2) days after notification of award of a contract, the Vendor must register in NC E-Procurement @ Your Service at <http://eprocurement.nc.gov/Vendor.html>
- c) As of the RFP submittal date, the Vendor must be current on all E-Procurement fees. If the Vendor is not current on all E-Procurement fees, the State may disqualify the Vendor from participation in this RFP.

### 6.1.5 INTERACTIVE PURCHASING SYSTEM (IPS)

The Interactive Purchasing System (IPS) allows the public to retrieve offer award information electronically from <https://www.ips.state.nc.us/ips>. Click on the BIDS icon, click on Search for Bid, enter the solicitation number, and then Search. This information may not be available for several weeks dependent upon the complexity of the acquisition and the length of time to complete the evaluation process.

## 6.1.6 PROTEST PROCEDURES

Protests of awards exceeding \$25,000.00 in value must be submitted to the issuing Agency at the address given on the first page of this document. Protests must be received in the purchasing agency's office within fifteen (15) calendar days from the date of this RFP award and provide specific reasons and any supporting documentation for the protest. **All protests are governed by Title 9, Department of Information Technology (formerly Office of Information Technology Services), Subchapter 06B Sections .1101 - .1121.**

## 6.2 GENERAL INSTRUCTIONS FOR VENDOR

### 6.2.1 NON-MANDATORY PRE-OFFER CONFERENCE

Date: July 25, 2023

Time: 10:00 am – 12:00 pm Eastern Time

TEAMS Link: [Click here to join the meeting](#)

Call In Number: (984) 204-1487      Conference ID: 711 258 135#

Vendor Sign In: Meeting line will be opened at 9:50 am Eastern Time.

Attendees **must** enter their name and the name of the Vendor they are representing in the chat box and are encouraged to sign in early to complete. **The pre-offer conference will start promptly at 10:00 am ET.**

Vendor representatives are URGED and CAUTIONED to attend the pre-offer conference to apprise themselves of the conditions and requirements which will affect the performance of the work called for by this RFP. Submission of an offer shall constitute sufficient evidence of this compliance and no allowance will be made for unreported conditions which a prudent Vendor would recognize as affecting the performance of the work called for in this RFP.

The Vendor is cautioned that any information released to attendees during the pre-offer conference and which conflicts with, supersedes, or adds to requirements in this RFP must be confirmed by written addendum before it can be considered to be a part of this RFP and any resulting contract.

### 6.2.2 QUESTIONS CONCERNING THE RFP

Written questions will be received until **July 28, 2023 at 10:00 am Eastern Time.**

Note that Vendor contact regarding this RFP with anyone other than the individual listed on Page One of this RFP may be grounds for rejection of said Vendor's offer.

All inquiries regarding the solicitation specifications or requirements are to be addressed to the contact person listed on Page One of this solicitation via the Ariba Sourcing Tool's message board. Vendor contact regarding this Solicitation with anyone other than the contact person listed on Page One of this Solicitation may be grounds for rejection of said Vendor's offer.

Written questions related to the content of the solicitation, or the procurement process should be directed to the person on the title page of this document via the **Sourcing Tool's message board** by the date and time specified in the RFP SCHEDULE Section of this RFP. Please enter **"Questions 19-RFP-748447155-SME"** as the subject of the message. Question submittals should include a reference to the applicable RFP section.

REFERENCE	VENDOR QUESTION
RFP Section, Page Number	

### 6.2.3 ADDENDUM TO RFP

The Agency will issue an Addendum to provide a response to all questions received in accordance with Section 6.2.2 above.

The Agency may issue additional Addenda as needed to modify the RFP schedule, specifications/requirements, terms and conditions, etc.

All Addenda will be posted in the Ariba Sourcing Tool (see Section 6.3.3) and shall become Addenda to this RFP.

Critical information may be included in these Addenda. It is important that all Vendors bidding on this RFP periodically check the IPS website for any and all Addenda that may be issued prior to the offer opening date.

The Agency may require Vendors to sign an Addendum and include the signed copy with their offer. **Vendors who fail to include an executed copy of an Addendum with their offer will be deemed non-responsive and their offers will be rejected.**

### 6.2.4 COSTS RELATED TO OFFER SUBMISSION

Costs for developing and delivering responses to this RFP and any subsequent presentations of the offer as requested by the State are entirely the responsibility of the Vendor. The State is not liable for any expense incurred by the Vendors in the preparation and presentation of their offers.

All materials submitted in response to this RFP become the property of the State and are to be appended to any formal documentation, which would further define or expand any contractual relationship between the State and the Vendor resulting from this RFP process.

### 6.2.5 VENDOR ERRATA AND EXCEPTIONS

Any errata or exceptions to the State's requirements and specifications may be presented on a separate page labeled "Exceptions to Requirements and Specifications." Include references to the corresponding requirements and specifications of the Solicitation. Any deviations shall be explained in detail. **The Vendor shall not construe this paragraph as inviting deviation or implying that any deviation will be acceptable. Offers of alternative or non-equivalent goods or services may be rejected if not found substantially conforming; and if offered, must be supported by independent documentary verification that the offer substantially conforms to the specified goods or services specification.** If a Vendor materially deviates from RFP requirements or specifications, its offer may be determined to be non-responsive by the State.



Offers conditioned upon acceptance of Vendor Errata or Exceptions may be determined to be non-responsive by the State. In addition, see Section 6.2.9 below.

#### **6.2.6 ALTERNATE OFFERS**

The Vendor may submit alternate offers for various levels of service(s) or products meeting specifications. Alternate offers must specifically identify the RFP specifications and advantage(s) addressed by the alternate offer. Any alternate offers must be clearly marked with the legend as shown herein. Each offer must be for a specific set of Services or products and offer at specific pricing. If the Vendor chooses to respond with various service or product offerings, each must be an offer with a different price and a separate RFP offer. Vendors may also provide multiple offers for software or systems coupled with support and maintenance options, provided, however, all offers must satisfy the specifications.

Alternate offers must be submitted in a separate document and clearly marked "Alternate Offer for 'name of Vendor'" and numbered sequentially with the first offer if separate offers are submitted.

#### **6.2.7 MODIFICATIONS TO OFFER**

An offer may not be unilaterally modified by the Vendor.

#### **6.2.8 BASIS FOR REJECTION**

Pursuant to 9 NCAC 06B.0401, the State reserves the right to reject any and all offers in whole or in part by deeming the offer unsatisfactory as to quality or quantity, delivery, price or service offered; non-compliance with the specifications or intent of this solicitation; lack of competitiveness; error(s) in specifications or indications that revision would be advantageous to the State; cancellation or other changes in the intended project, or other determination that the proposed specification is no longer needed; limitation or lack of available funds; circumstances that prevent determination of the best offer; or any other determination that rejection would be in the best interest of the State.

#### **6.2.9 NON-RESPONSIVE OFFERS**

Vendor offers will be deemed non-responsive by the State and will be rejected without further consideration or evaluation if statements such as the following are included:

- "This offer does not constitute a binding offer",
- "This offer will be valid only if this offer is selected as a finalist or in the competitive range",
- "The Vendor does not commit or bind itself to any terms and conditions by this submission",
- "This document and all associated documents are non-binding and shall be used for discussion purposes only",
- "This offer will not be binding on either party until incorporated in a definitive agreement signed by authorized representatives of both parties", or
- A statement of similar intent

#### **6.2.10 VENDOR REGISTRATION WITH THE SECRETARY OF STATE**

Vendors do not have to be registered with the NC Secretary of State to submit an offer; but must be registered in order to receive an award/contract with the State. Registration information is posted at [https://www.sosnc.gov/Guides/launching\\_a\\_business/](https://www.sosnc.gov/Guides/launching_a_business/).

## 6.2.11 VENDOR REGISTRATION AND SOLICITATION NOTIFICATION SYSTEM

The NC electronic Vendor Portal (eVP) allows Vendors to electronically register with the State to receive electronic notification of current procurement opportunities for goods and Services available on IPS at <https://www.ips.state.nc.us/ips/>.

## 6.2.12 VENDOR POINTS OF CONTACT

Please provide the Vendor Points of Contact to be used after award of the contract.

VENDOR CONTRACTUAL POINT OF CONTACT	VENDOR TECHNICAL POINT OF CONTACT
Name: Address:  Attn:	Name: Address:  Attn:

## 6.3 INSTRUCTIONS FOR OFFER SUBMISSION

### 6.3.1 GENERAL INSTRUCTIONS FOR OFFER

Vendors are strongly encouraged to adhere to the following general instructions in order to bring clarity and order to the offer and subsequent evaluation process:

- a) Organize the offer in the exact order in which the specifications are presented in the RFP. The Execution Page must be placed at the front of the Proposal. Each page should be numbered. The offer should contain a table of contents which cross-references the RFP specification and the specific page of the response in the Vendor's offer.
- b) Provide complete and comprehensive responses with a corresponding emphasis on being concise and clear. Elaborate offers in the form of brochures or other presentations beyond that necessary to present a complete and effective offer are not desired.
- c) Clearly state your understanding of the problem(s) presented by this RFP including your proposed solution's ability to meet the specifications, including capabilities, features, and limitations, as described herein, and provide a cost offer.
- d) Supply all relevant and material information relating to the Vendor's organization, personnel, and experience that substantiates its qualifications and capabilities to perform the Services and/or provide the goods described in this RFP. If relevant and material information is not provided, the offer may be rejected from consideration and evaluation.
- e) Furnish all information requested and if response spaces are provided in this document, the Vendor shall furnish said information in the spaces provided. Further, if required elsewhere in this RFP, each Vendor must submit with its offer sketches, descriptive literature and/or complete specifications covering the products offered. References to literature submitted with a previous offer will not satisfy this provision. Proposals that do not comply with these instructions may be rejected.

- f) Any offer that does not adhere to these instructions may be deemed non-responsive and rejected on that basis.
- g) **Only information that is received in response to this RFP will be evaluated.** Reference to information previously submitted or Internet Website Addresses (URLs) will not suffice as a response to this solicitation.

**6.3.2 OFFER ORGANIZATION**

Within each section of its offer, the Vendor should address the items in the order in which they appear in this RFP. Any forms, attachments, or exhibits provided in the RFP must be completed and included in the appropriate section of the Vendor’s offer.

All costs, rates, or expenses must be presented in Section 4.0 Cost of Vendor’s Offer.

The offer should be organized and indexed in the following format and should contain, at a minimum, all listed items below.

1. Signed Execution Page
2. Table of Contents
3. Signed Copies of Addenda, if required
4. Response to Requirements and Specifications

Section 3.6 Specifications must be addressed in the order in which they appear.

Responses must be formatted as follows:

ID	Description
ID # from Section 3.6	Description of each specification as listed in the Section 3.6 tables
<b>Vendor Response</b>	Vendor to provide its response directly below each specification

5. Detailed Project Timeline
6. Security Vendor Readiness Assessment Report (VRAR)
7. Architectural Diagrams
8. Vendor’s License and Maintenance Agreements, if any
9. Errata and Exceptions, if any
10. Description of Vendor Submitting Offer (Attachment D)
11. Cost of Vendor’s Offer, Section 4.0 and Attachment E
12. Signed Vendor Certification Form (Attachment F)
13. Location of Workers Utilized by Vendor Form (Attachment G)
14. References (Attachment H)
15. Financial Statements and Attachment I
16. All pages of this RFP (including all Attachments)

17. The Vendor may attach other supporting materials that it feels may improve the quality of its response. These items should be clearly labeled in separate appendices.

### 6.3.3 OFFER SUBMITTAL

**Due Date:** August 17, 2023

**Time:** 2:00 PM Eastern Time

Vendors must submit their offers via the Ariba Sourcing Tool. Proposals submitted by any other method will NOT be accepted.

It is the Vendor's sole responsibility to upload its offer to the Ariba Sourcing Tool by the specified time and date of opening. The Vendor shall bear the risk for late electronic submission due to unintended or unanticipated delay including, but not limited to, internet issues, network issues, or application issues. Failure to submit an offer in strict accordance with instructions provided shall constitute sufficient cause to reject a Vendor's offer(s).

- a. Submit **one (1) signed electronic offer** via the Ariba Sourcing Tool.
- b. File names should identify the Vendor name, solicitation number, and document in that order (Vendor Name - RFP Number - Proposal; Vendor Name - RFP Number - Financial Statements, etc.).
- c. File contents must **NOT** be password protected, must be in .PDF, .JPEG, .DOC or .XLS format, and must be capable of being copied to other sources. Inability by the State to open the Vendor's files may result in the Vendor's offer(s) being rejected.
- d. The Vendor must indicate in Section 4 of the Sourcing Tool if its response contains any Confidential Information (as defined in Attachment B, Section 2, Paragraph 17). If so, the Vendor must attach a redacted copy of its response in Section 6 of the Sourcing Tool.

For training on how to use the Ariba Sourcing Tool to view solicitations, submit questions, develop responses, upload documents, and submit offers to the State, please go to <https://eprourement.nc.gov/training/vendor-training>

Questions or issues related to the Ariba Sourcing Tool can be directed to the North Carolina eProcurement Help Desk at 888-211-7440, Option 2. Help Desk representatives are available Monday through Friday from 7:30 AM EST to 5:00 PM EST.

#### **Tips for Using the Ariba Sourcing Tool**

1. Vendors should review available training and confirm that they are able to access the Sourcing Event, enter responses, and upload files well in advance of the response due date to provide sufficient time to resolve any issues.
2. Vendors may submit their responses early to make sure there are no issues, and then submit a revised response any time prior to the response due date and time. The State will only review the most recent response.
3. Vendors should respond to all relevant sections of the Sourcing Event. Certain questions or items are required in order to submit a response and are denoted with an asterisk.

The Ariba Sourcing Tool will not allow a response to be submitted unless all required items are completed. Error messages will be displayed to identify missing fields.

4. Simply saving your response in the Ariba Sourcing Tool is not the same as submitting your response to the State. Vendors should make sure they complete the submission process and receive a message that their response was successfully submitted.
5. The Vendor's complete proposal will be sealed by the system until the date and time of the bid offer opening.

#### 6.3.4 PROPOSAL OPENING MEETING

**DUE TO THE USE OF THE ELECTRONIC SOURCING TOOL, NCORR will be conducting the live bid openings over Microsoft Teams.** Below is the information for this procurement's proposal opening. Only the Vendor names will be announced at the proposal opening.

Date: August 17, 2023

Time: 2:00 PM Eastern Time

Location: Virtual via **MS TEAMS** **Join on your computer, mobile app or room device**  
[Click here to join the meeting](#)

Attendees **must** enter their name and the name of the Vendor they are representing in the chat box and are encouraged to sign in early to complete. **The proposal opening will start promptly at 2:00 PM ET.**

Call In # (Audio ONLY): **(984) 204-1487**

Phone Conference ID: **804 376 429#**

## 7.0 OTHER REQUIREMENTS AND SPECIAL TERMS

### 7.1 VENDOR UTILIZATION OF WORKERS OUTSIDE OF U.S.

In accordance with N.C.G.S. § 143B-1361(b), the Vendor must detail in its RFP response the manner in which it intends to utilize resources or workers. The State of North Carolina will evaluate the additional risks, costs, and other factors associated with such utilization prior to making an award for any such Vendor's offer.

Complete Attachment G - Location of Workers Utilized by Vendor and submit with your offer.

### 7.2 FINANCIAL STATEMENTS

The Vendor **must** provide evidence of financial stability by including with its offer (1) completed Financial Review Form (Attachment I); **and** (1) copy of the Financial Statements as described below. As used herein, Financial Statements shall exclude tax returns and compiled statements.

- a) For a publicly traded company, Financial Statements for the past three (3) fiscal years, including at a minimum, income statements, balance sheets, and statement of changes in financial

position or cash flows. If three (3) years of financial statements are not available, this information shall be provided to the fullest extent possible, but not less than one (1) year. If less than three (3) years, the Vendor must explain the reason why they are not available.

- b) For a privately held company, when certified audited financial statements are not prepared: a written statement from the company's certified public accountant stating the financial condition, debt-to-asset ratio for the past three (3) years and any pending actions that may affect the company's financial condition.
- c) The State may, in its sole discretion, accept evidence of financial stability other than Financial Statements for the purpose of evaluating Vendors' responses to this RFP. The State reserves the right to determine whether the substitute information meets the requirements for Financial Information sufficiently to allow the State to evaluate the sufficiency of financial resources and the ability of the business to sustain performance of this RFP award. Scope Statements issued may require the submission of Financial Statements and specify the number of years to be provided, the information to be provided, and the most recent date required.

### **7.3 FINANCIAL RESOURCES ASSESSMENT, QUALITY ASSURANCE, PERFORMANCE AND RELIABILITY**

- a) Contract Performance Security. The State reserves the right to require performance guaranties pursuant to N.C.G.S. §143B-1340(f) and 09 NCAC 06B.1207 from the Vendor without expense to the State.
- b) Project Assurance, Performance and Reliability Evaluation – Pursuant to N.C.G.S. § 143B-1340, the State CIO may require quality assurance reviews of Projects as necessary.

### **7.4 VENDOR'S LICENSE OR SUPPORT AGREEMENTS**

The Vendor should present its license or support agreements for review and evaluation. Terms offered for licensing and support of Vendors' proprietary assets will be considered.

The terms and conditions of the Vendor's standard services, license, maintenance or other agreement(s) applicable to Services, Software and other Products acquired under this RFP may apply to the extent such terms and conditions do not materially change the terms and conditions of this RFP. In the event of any conflict between the terms and conditions of this RFP and the Vendor's standard agreement(s), the terms and conditions of this RFP relating to audit and records, jurisdiction, choice of law, the State's electronic procurement application of law or administrative rules, the remedy for intellectual property infringement and the exclusive remedies and limitation of liability in the DIT Terms and Conditions herein shall apply in all cases and supersede any provisions contained in the Vendor's relevant standard agreement or any other agreement. The State shall not be obligated under any standard license and/or maintenance or other Vendor agreement(s) to indemnify or hold harmless the Vendor, its licensors, successors or assigns, nor arbitrate any dispute, nor pay late fees, penalties, legal fees or other similar costs.

### **7.5 RESELLERS**

If the Offer is made by a Reseller that purchased the offered items for resale or license to the Agency, or offered based upon an agreement between the Offeror and a third party, and that the proprietary and intellectual property rights associated with the items are owned by parties other than the Reseller ("Third Parties"). The Agency further acknowledges that except for the payment to the Reseller for the Third Party items, all of its rights and obligations with respect thereto flow from and to the Third Parties. The Reseller shall provide the Agency with copies of all documentation and warranties for

the Third Party items which are provided to the Reseller. The Reseller shall assign all applicable third party warranties for Deliverables to the Agency. The State reserves all rights to utilize existing agreements with such Third Parties or to negotiate agreements with such Third Parties as the State deems necessary or proper to achieve the intent of this RFP.

## **7.6 DISCLOSURE OF LITIGATION**

- a) The Vendor's failure to fully and timely comply with the terms of this section, including providing reasonable assurances satisfactory to the State, may constitute a material breach of the Agreement.
- b) The Vendor shall notify the State in its offer, if it, or any of its subcontractors, or its officers, directors, or key personnel who may provide Services under any contract awarded pursuant to this solicitation, have ever been convicted of a felony, or any crime involving moral turpitude, including, but not limited to fraud, misappropriation or deception. The Vendor shall promptly notify the State of any criminal litigation, investigations or proceeding involving the Vendor or any subcontractor, or any of the foregoing entities' then current officers or directors during the term of the Agreement or any Scope Statement awarded to the Vendor.
- c) The Vendor shall notify the State in its offer, and promptly thereafter as otherwise applicable, of any civil litigation, arbitration, proceeding, or judgments against it or its subcontractors during the three (3) years preceding its offer, or which may occur during the term of any awarded to the Vendor pursuant to this solicitation, that involve (1) Services or related goods similar to those provided pursuant to any contract and that involve a claim that may affect the viability or financial stability of the Vendor, or (2) a claim or written allegation of fraud by the Vendor or any subcontractor hereunder, arising out of their business activities, or (3) a claim or written allegation that the Vendor or any subcontractor hereunder violated any federal, state or local statute, regulation or ordinance. Multiple lawsuits and or judgments against the Vendor or subcontractor shall be disclosed to the State to the extent they affect the financial solvency and integrity of the Vendor or subcontractor.
- d) All notices under subsection a) and b) herein shall be provided in writing to the State within thirty (30) calendar days after the Vendor learns about any such criminal or civil matters; unless such matters are governed by the DIT Terms and Conditions annexed to the solicitation. Details of settlements which are prevented from disclosure by the terms of the settlement shall be annotated as such. Vendor may rely on good faith certifications of its subcontractors addressing the foregoing, which certifications shall be available for inspection at the option of the State.

## **7.7 CRIMINAL CONVICTION**

In the event the Vendor, an officer of the Vendor, or an owner of a 25% or greater share of the Vendor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of North Carolina employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Vendor's business integrity, such Vendor shall be prohibited from entering into a contract for goods or Services with any department, institution or agency of the State.

## **7.8 SECURITY AND BACKGROUND CHECKS**

The Agency reserves the right to conduct a security background check or otherwise approve any employee or agent provided by the Vendor, and to refuse access to or require replacement of any such personnel for cause, including, but not limited to, technical or training qualifications, quality of work or change in security status or non-compliance with the Agency's security or other similar requirements.

All State and Vendor personnel that have access to data restricted by the State Security Manual and Policies must have a security background check performed. The Vendors are responsible for performing all background checks of their workforce and subcontractors. The State reserves the right to check for non-compliance.

## **7.9 ASSURANCES**

In the event that criminal or civil investigation, litigation, arbitration or other proceedings disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of the Agreement, causes the State to be reasonably concerned about:

- a) the ability of the Vendor or its subcontractor to continue to perform the Agreement in accordance with its terms and conditions, or
- b) whether the Vendor or its subcontractor in performing Services is engaged in conduct which is similar in nature to conduct alleged in such investigation, litigation, arbitration or other proceedings, which conduct would constitute a breach of the Agreement or violation of law, regulation or public policy,

the Vendor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that: the Vendor or its subcontractors hereunder will be able to continue to perform the Agreement in accordance with its terms and conditions, and the Vendor or its subcontractors will not engage in conduct in performing Services under the Agreement which is similar in nature to the conduct alleged in any such litigation, arbitration or other proceedings.

## **7.10 CONFIDENTIALITY OF OFFERS**

All offers and any other RFP responses shall be made public as required by the NC Public Records Act and N.C.G.S. § 143B-1350. Vendors may mark portions of offers as confidential or proprietary after determining that such information is excepted from the NC Public Records Act, provided that such marking is clear and unambiguous and preferably at the top and bottom of each page containing confidential information. Standard restrictive legends appearing on every page of an offer are not sufficient and shall not be binding upon the State.

Certain State information is not public under the NC Public Records Act and other laws. Any such information which the State designates as confidential and makes available to the Vendor in order to respond to the RFP or carry out the Agreement, or which becomes available to the Vendor in carrying out the Agreement, shall be protected by the Vendor from unauthorized use and disclosure. The Vendor shall not be required under the provisions of this section to keep confidential (1) information generally available to the public; (2) information released by the State generally or to the Vendor without restriction; or (3) information independently developed or acquired by the Vendor or its personnel without reliance in any way on otherwise protected information of the State. Notwithstanding the foregoing restrictions, the Vendor and its personnel may use and disclose any information which it is otherwise required by law to disclose but in each case only after the State has been so notified and has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure.



## **7.11 PROJECT MANAGEMENT**

All project management and coordination on behalf of the Agency shall be through a single point of contact designated as the Agency Project Manager. The Vendor shall designate a Vendor Project Manager who will provide a single point of contact for management and coordination of the Vendor's work. All work performed pursuant to the Agreement shall be coordinated between the Agency Project Manager and the Vendor Project Manager.

## **7.12 MEETINGS**

The Vendor is required to meet with Agency personnel, or designated representatives, to resolve technical or contractual problems that may occur during the term of the Agreement. Meetings will occur as problems arise and will be coordinated by Agency. The Vendor will be given reasonable and sufficient notice of meeting dates, times, and locations. Face to face meetings are desired. However, at the Vendor's option and expense, a conference call meeting may be substituted.

**7.13 RECYCLING AND SOURCE REDUCTION** – Reserved.

**7.14 SPECIAL TERMS AND CONDITIONS** – Reserved.

## ATTACHMENT A: DEFINITIONS

- 1) **24x7:** A statement of availability of systems, communications, and/or supporting resources every hour (24) of each day (7 days weekly) throughout every year for periods specified herein. Where reasonable downtime is accepted, it will be stated herein. Otherwise, 24x7 implies NO loss of availability of systems, communications, and/or supporting resources.
- 2) **Cybersecurity Incident (N.C.G.S. § 143B-1320):** An occurrence that:
  - a. Actually or imminently jeopardizes, without lawful authority, the integrity, confidentiality, or availability of information or an information system; or
  - b. Constitutes a violation or imminent threat of violation of law, security policies, privacy policies, security procedures, or acceptable use policies.
- 3) **Deliverables:** Deliverables, as used herein, shall comprise all Hardware, Vendor Services, professional Services, Software and provided modifications to any Software, and incidental materials, including any goods, Software or Services access license, data, reports and documentation provided or created during the performance or provision of Services hereunder. Deliverables include “Work Product” and means any expression of Licensor’s findings, analyses, conclusions, opinions, recommendations, ideas, techniques, know-how, designs, programs, enhancements, and other technical information; but not source and object code or software.
- 4) **Goods:** Includes intangibles such as computer software; provided, however that this definition does not modify the definition of “goods” in the context of N.C.G.S. § 25-2-105 (UCC definition of goods).
- 5) **NCDIT or DIT:** The NC Department of Information Technology.
- 6) **Open Market Contract:** A contract for the purchase of goods or Services not covered by a term, technical, or convenience contract.
- 7) **Reasonable, Necessary or Proper:** As used herein, shall be interpreted solely by the State of North Carolina.
- 8) **Request for Proposal (RFP):** The RFP is a formal, written solicitation document typically used for seeking competition and obtaining offers for more complex services or a combination of goods and services. The RFP is used when the value is over \$10,000. This document contains specifications of the RFP, instructions to bidders and the standard IT Terms and Conditions for Goods and Related Services. User should add Supplemental Terms and Conditions for Software and Services, when applicable.
- 9) **Security Breach:** As defined in N.C.G.S. § 75-61.
- 10) **Significant Security Incident (N.C.G.S. § 143B-1320):** A cybersecurity incident that is likely to result in demonstrable harm to the State's security interests, economy, critical infrastructure, or to the public confidence, civil liberties, or public health and safety of the residents of North Carolina. A significant cybersecurity incident is determined by the following factors:
  - a. Incidents that meet thresholds identified by the Department jointly with the Department of Public Safety that involve information:
    - i. That is not releasable to the public and that is restricted or highly restricted according to Statewide Data Classification and Handling Policy; or
    - ii. That involves the exfiltration, modification, deletion, or unauthorized access, or lack of availability to information or systems within certain parameters to include (i) a specific threshold of number of records or users affected as defined in G.S. 75-65 or (ii) any additional data types with required security controls.
  - b. Incidents that involve information that is not recoverable or cannot be recovered within defined time lines required to meet operational commitments defined jointly by the State agency and the

Department or can be recovered only through additional measures and has a high or medium functional impact to the mission of an agency.

**11) Vendor:** Company, firm, corporation, partnership, individual, etc., submitting an offer in response to a solicitation.

# ATTACHMENT B: DEPARTMENT OF INFORMATION TECHNOLOGY TERMS AND CONDITIONS

## Section 1. General Terms and Conditions Applicable to SaaS

### 1) DEFINITIONS

- a) "Data" includes means information, formulae, algorithms, or other content that the State, the State's employees, agents and end users upload, create or modify using the Services pursuant to this Agreement. Data also includes user identification information and metadata which may contain Data or from which the State's Data may be ascertainable.
- b) "Deliverable/Product Warranties" shall mean and include the warranties provided for products or deliverables licensed to the State as included in Paragraph 7) c) of these Terms and Conditions unless superseded by the Vendor's Warranties pursuant to the Vendor's License or Support Agreements.
- c) "Services" shall mean the duties and tasks undertaken by the Vendor to fulfill the requirements and specifications of this solicitation including, without limitation, providing web browser access by authorized users to certain Vendor online software applications identified herein, and to related services, such as Vendor hosted Computer storage, databases, Support, documentation, and other functionalities, all as a Software as a Service ("SaaS") solution.
- d) "State" shall mean the State of North Carolina, the Department of Information Technology as an agency, or the agency identified in this solicitation as the Purchasing Agency and Award Authority.
- e) "Support" includes provision of ongoing updates and maintenance for the Vendor online software applications, and as may be specified herein, consulting, training and other support Services as provided by the Vendor for SaaS tenants receiving similar SaaS Services.

### 2) ACCESS AND USE OF SAAS SERVICES

- a) The Vendor grants the State a personal non-transferable and non-exclusive right to use and access, all Services and other functionalities or services provided, furnished or accessible under this Agreement. The State may utilize the Services as agreed herein and in accordance with any mutually agreed Acceptable Use Policy. The State is authorized to access State Data and any Vendor-provided data as specified herein and to transmit revisions, updates, deletions, enhancements, or modifications to the State Data. This shall include the right of the State to, and access to, Support without the Vendor requiring a separate maintenance or support agreement. Subject to an agreed limitation on the number of users, the State may use the Services with any computer, computer system, server, or desktop workstation owned or utilized by the State or other authorized users. User access to the Services shall be routinely provided by the Vendor and may be subject to a more specific Service Level Agreement (SLA) agreed to in writing by the parties. The State shall notify the Vendor of any unauthorized use of any password or account, or any other known or suspected breach of security access. The State also agrees to refrain from taking any steps, such as reverse engineering, reverse assembly or reverse compilation to derive a source code equivalent to the Services or any portion thereof. Use of the Services to perform services for commercial third parties (so-called "service bureau" uses) is not permitted, but the State may utilize the Services to perform its governmental functions. If the Services fees are based upon the number of Users and/or hosted instances, the number of Users/hosted instances available may be adjusted at any time (subject to the restrictions on the maximum number of Users specified in the Furnish and Deliver Table herein above) by mutual agreement and State Procurement approval. All Services and information

designated as “confidential” or “proprietary” shall be kept in confidence except as may be required by the North Carolina Public Records Act: N.C.G.S. § 132-1, *et. seq.*

- b) The State’s access license for the Services and its associated services neither transfers, vests, nor infers any title or other ownership right in any intellectual property rights of the Vendor or any third party, nor does this license transfer, vest, or infer any title or other ownership right in any source code associated with the Services unless otherwise agreed to by the parties. The provisions of this paragraph will not be construed as a sale of any ownership rights in the Services. Any Services or technical and business information owned by the Vendor or its suppliers or licensors made accessible or furnished to the State shall be and remain the property of the Vendor or such other party, respectively. The Vendor has a limited, non-exclusive license to access and use the State Data as provided to the Vendor but solely for performing its obligations under this Agreement and in confidence as provided herein.
- c) The Vendor or its suppliers shall, at a minimum, and except as otherwise agreed, provide telephone assistance to the State for all Services procured hereunder during the State’s normal business hours (unless different hours are specified herein). The Vendor warrants that its Support and customer service and assistance will be performed in accordance with generally accepted industry standards. The State has the right to receive the benefit of upgrades, updates, maintenance releases or other enhancements or modifications made generally available to the Vendor’s SaaS tenants for similar Services. The Vendor’s right to a new use agreement for new version releases of the Services shall not be abridged by the foregoing. The Vendor may, at no additional charge, modify the Services to improve operation and reliability or to meet legal requirements.
- d) The Vendor will provide to the State the same Services for updating, maintaining and continuing optimal performance for the Services as provided to other similarly situated users or tenants of the Services, but minimally as provided for and specified herein. Unless otherwise agreed in writing, Support will also be provided for any other (e.g., third party) software provided by the Vendor in connection with the Vendor’s solution herein. The technical and professional activities required for establishing, managing, and maintaining the Services environment are the responsibilities of the Vendor. Any training specified herein will be provided by the Vendor to certain State users for the fees or costs as set forth herein or in an SLA.
- e) Services provided pursuant to this Solicitation may, in some circumstances, be accompanied by a user clickwrap agreement. The term clickwrap agreement refers to an agreement that requires the end user to manifest his or her assent to terms and conditions by clicking an “ok” or “agree” button on a dialog box or pop-up window as part of the process of access to the Services. All terms and conditions of any clickwrap agreement provided with any Services solicited herein shall have no force and effect and shall be non-binding on the State, its employees, agents, and other authorized users of the Services.
- f) The Vendor may utilize partners and/or subcontractors to assist in the provision of the Services so long as the State Data is not removed from the United States unless the terms of storage of the State Data are clearly disclosed, the security provisions referenced herein can still be complied with, and such removal is done with the prior express written permission of the State. The Vendor shall identify all of its strategic business partners related to Services provided under this contract including, but not limited to, all subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement with the Vendor, or who will be involved in any application development and/or operations.
- g) The Vendor warrants that all Services will be performed with professional care and skill, in a workmanlike manner and in accordance with the Services documentation and this Agreement.

- h) An SLA or other agreed writing shall contain provisions for scalability of Services and any variation in fees or costs as a result of any such scaling.
- i) Professional services provided by the Vendor at the request by the State in writing in addition to agreed Services shall be at the then-existing Vendor hourly rates when provided, unless otherwise agreed in writing by the parties.

### **3) WARRANTY OF NON-INFRINGEMENT; REMEDIES**

- a) The Vendor warrants to the best of its knowledge that:
  - i) The Services do not infringe any intellectual property rights of any third party; and
  - ii) There are no actual or threatened actions arising from, or alleged under, any intellectual property rights of any third party.
- b) Should any Services supplied by the Vendor become the subject of a claim of infringement of a patent, copyright, Trademark or a trade secret in the United States, the Vendor shall, at its option and expense, either procure for the State the right to continue using the Services, or replace or modify the same to become non-infringing. If neither of these options can reasonably be taken in the Vendor's judgment, or if further use shall be prevented by injunction, the Vendor agrees to cease provision of any affected Services, and refund any sums the State has paid the Vendor and make every reasonable effort to assist the State in procuring substitute Services. If, in the sole opinion of the State, the cessation of use by the State of any such Services due to infringement issues makes the retention of other items acquired from the Vendor under this Agreement impractical, the State shall then have the option of terminating the Agreement, or applicable portions thereof, without penalty or termination charge and the Vendor agrees to refund any sums the State paid for unused Services.
- c) The Vendor, at its own expense, shall defend any action brought against the State to the extent that such action is based upon a claim that the Services supplied by the Vendor, their use or operation, infringes on a patent, copyright, trademark or violates a trade secret in the United States. The Vendor shall pay those costs and damages finally awarded or agreed in a settlement against the State in any such action. Such defense and payment shall be conditioned on the following:
  - i) That the Vendor shall be notified within a reasonable time in writing by the State of any such claim; and,
  - ii) That the Vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise provided, however, that the State shall have the option to participate in such action at its own expense.
- d) The Vendor will not be required to defend or indemnify the State if any claim by a third party against the State for infringement or misappropriation results from the State's material alteration of any Vendor-branded Services, or from the continued use of the good(s) or Services after receiving notice they infringe on a trade secret of a third party.

### **4) ACCESS AVAILABILITY; REMEDIES**

- a) The Vendor warrants that the Services will be in good working order, and operating in conformance with the Vendor's standard specifications and functions as well as any other specifications agreed to by the parties in writing, and shall remain accessible 24/7, with the exception of scheduled outages for maintenance and of other service level provisions agreed in writing, e.g., in an SLA. The Vendor does not warrant that the operation of the Services will be completely uninterrupted or error free, or

that the Services functions will meet all the State's requirements unless developed as Customized Services.

- b) The State shall notify the Vendor if the Services are not in good working order or inaccessible during the term of the Agreement. The Vendor shall, at its option, either repair, replace or reperform any Services reported or discovered as not being in good working order and accessible during the applicable contract term without cost to the State. If the Services' monthly availability averages less than 99.9% (excluding agreed-upon maintenance downtime), the State shall be entitled to receive automatic credits as indicated immediately below, or the State may use other contractual remedies such as recovery of damages, as set forth herein in writing, e.g., in Specifications, Special Terms or in an SLA, and as such other contractual damages are limited by N.C.G.S. § 143B-1350(h1) and the Limitation of Liability paragraph below. If not otherwise provided, the automatic remedies for non-availability of the Subscription Services during a month are:
1. A 10% service credit applied against future fees if Vendor does not reach 99.9% availability.
  2. A 25% service credit applied against future fees if Vendor does not reach 99% availability.
  3. A 50% service credit applied against future fees or eligibility for early termination of the Agreement if Vendor does not reach 95% availability.

If, however, Services meet the 99.9% service availability level for a month but are not available for a consecutive 120 minutes during that month, the Vendor shall grant to the State a credit of a pro-rated one-day of the monthly subscription Services fee against future Services charges. Such credit(s) shall be applied to the bill immediately following the month in which the Vendor failed to meet the performance requirements or other service levels, and the credit will continue to be deducted from the monthly invoice for each prior month that the Vendor fails to meet the support response times for the remainder of the duration of the Agreement. If Services monthly availability averages less than 99.9% (excluding agreed-upon maintenance downtime), for three (3) or more months in a rolling twelve-month period, the State may also terminate the contract for material breach in accordance with the Default provisions hereinbelow.

- c) Support Services. If the Vendor fails to meet Support Service response times as set forth herein or in an SLA for a period of three (3) consecutive months, a 10% service credit will be deducted from the invoice in the month immediately following the third month, and the 10% service credit will continue to be deducted from the monthly invoice for each month that the Vendor fails to meet the support response times for the remainder of the duration of the Agreement.

## 5) EXCLUSIONS

- a) Except as stated above in Paragraphs 3 and 4, the Vendor and its parent, subsidiaries and affiliates, subcontractors and suppliers make no warranties, express or implied, as to the Services.
- b) The warranties provided in Paragraphs 3 and 4 above do not cover repair for damages, malfunctions or service failures substantially caused by:
- i) Actions of non-Vendor personnel;
  - ii) Failure to follow the Vendor's written instructions relating to the Services provided to the State; or
  - iii) Force Majeure conditions set forth hereinbelow.
  - iv) The State's sole misuse of, or its own inability to use, the Services.

- 6) **PERFORMANCE REVIEW AND ACCOUNTABILITY:** N.C.G.S. § 143B-1340(f) and 09 NCAC 06B.1207 require provisions for performance review and accountability in State IT contracts. For this procurement, these shall include the holding a retainage of ten percent (10%) of the contract value and withholding the

final payment contingent on final acceptance by the State as provided in 09 NCAC 06B.1207(3) and (4), unless waived or otherwise agreed, in writing. The Services herein will be provided consistent with and under these Services performance review and accountability guarantees.

#### **7) LIMITATION OF LIABILITY: Limitation of Vendor's Contract Damages Liability**

- a) Where Services are under the State's exclusive management and control, the Vendor shall not be liable for direct damages caused by the State's failure to fulfill any State responsibilities of assuring the proper use, management and supervision of the Services and programs, audit controls, operating methods, office procedures, or for establishing all proper checkpoints necessary for the State's intended use of the Services.
- b) The Vendor's liability for damages to the State arising under the contract shall be limited to two (2) times the value of the Contract.
- c) The foregoing limitation of liability shall not apply to claims covered by other specific provisions including, but not limited to, Service Level Agreement or Deliverable/Product Warranty compliance, or to claims for injury to persons or damage to tangible personal property, gross negligence or willful or wanton conduct. This limitation of liability does not apply to contributions among joint tortfeasors under N.C.G.S. § 1B-1 *et seq.*, the receipt of court costs or attorney's fees that might be awarded by a court in addition to damages after litigation based on this Contract. For avoidance of doubt, the Parties agree that the Service Level Agreement and Deliverable/Product Warranty Terms in the Contract are intended to provide the sole and exclusive remedies available to the State under the Contract for the Vendor's failure to comply with the requirements stated therein.

#### **8) VENDOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY**

- a) The Vendor shall be liable for damages arising out of personal injuries and/or damage to real or tangible personal property of the State, employees of the State, persons designated by the State for training, or person(s) other than agents or employees of the Vendor, designated by the State for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the Services either at the Vendor's site or at the State's place of business provided that the injury or damage was caused by the fault or negligence of the Vendor.
- b) The Vendor agrees to indemnify, defend and hold the Agency and the State and its Officers, employees, agents and assigns harmless from any liability relating to personal injury or injury to real or tangible personal property of any kind, accruing or resulting to any other person, firm or corporation furnishing or supplying work, Services, materials or supplies in connection with the performance of this Contract, whether tangible or intangible, arising out of the ordinary negligence, willful or wanton negligence, or intentional acts of the Vendor, its officers, employees, agents, assigns or subcontractors.
- c) The Vendor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by the Vendor.

- 9) MODIFICATION OF SERVICES:** If the Vendor modifies or replaces the Services provided to the State and other tenants, and if the State has paid all applicable Subscription Fees, the State shall be entitled to receive, at no additional charge, access to a newer version of the Services that supports substantially the same functionality as the then accessible version of the Services. Newer versions of the Services containing substantially increased functionality may be made available to the State for an additional subscription fee. In the event of either of such modifications, the then accessible version of the Services shall remain fully available to the State until the newer version is provided to the State and accepted. If a modification materially affects the functionality of the Services as used by the State, the State, at its sole option, may defer such modification.



## 10) TRANSITION PERIOD

- a) For ninety (90) days, either prior to the expiration date of this Agreement, or upon notice of termination of this Agreement, the Vendor shall assist the State, upon written request, in extracting and/or transitioning all Data in the format determined by the State ("Transition Period").
- b) The Transition Period may be modified in an SLA or as agreed upon in writing by the parties in a contract amendment.
- c) During the Transition Period, Services access shall continue to be made available to the State without alteration.
- d) The Vendor agrees to compensate the State for damages or losses the State incurs as a result of Vendor's failure to comply with this Transition Period section in accordance with the Limitation of Liability provisions above.
- e) Upon termination, and unless otherwise stated in an SLA, and after providing the State Data to the State as indicated above in this section with acknowledged receipt by the State in writing, the Vendor shall permanently destroy or render inaccessible any portion of the State Data in the Vendor's and/or subcontractor's possession or control following the completion and expiration of all obligations in this section. Within thirty (30) days, the Vendor shall issue a written statement to the State confirming the destruction or inaccessibility of the State's Data.
- f) The State at its option, may purchase additional Transition Services as may be agreed upon in a supplemental agreement.

**11) TRANSPORTATION:** Transportation charges for any Deliverable sent to the State other than electronically or by download shall be FOB Destination unless delivered by internet or file-transfer as agreed by the State, or otherwise specified in the solicitation document or purchase order.

**12) TRAVEL EXPENSES:** All travel expenses should be included in the Vendor's proposed costs. Separately stated travel expenses will not be reimbursed. In the event that the Vendor may be eligible to be reimbursed for travel expenses specifically agreed to in writing and arising under the performance of this Agreement, reimbursement will be at the out-of-state rates set forth in N.C.G.S. § 138-6 as amended from time to time. The Vendor agrees to use the lowest available airfare not requiring a weekend stay and to use the lowest available rate for rental vehicles. All Vendor incurred travel expenses shall be billed on a monthly basis, shall be supported by receipt and shall be paid by the State within thirty (30) days after invoice approval. Travel expenses exceeding the foregoing rates shall not be paid by the State. The State will reimburse travel allowances only for days on which the Vendor is required to be in North Carolina performing Services under this Agreement.

**13) PROHIBITION AGAINST CONTINGENT FEES AND GRATUITIES:** The Vendor warrants that it has not paid, and agrees not to pay, any bonus, commission, fee, or gratuity to any employee or official of the State for the purpose of obtaining any contract or award issued by the State. Subsequent discovery by the State of non-compliance with these provisions shall constitute sufficient cause for immediate termination of all outstanding Agreements with the Vendor. Violations of this provision may result in debarment of the Vendor(s) as permitted by 9 NCAC 06B.1207 or other provision of law.

**14) AVAILABILITY OF FUNDS:** Any and all payments by the State are expressly contingent upon and subject to the appropriation, allocation and availability of funds to the State for the purposes set forth in this Agreement. If this Agreement or any Purchase Order issued hereunder is funded in whole or in part by federal funds, the State's performance and payment shall be subject to and contingent upon the continuing availability of said federal funds for the purposes of the Agreement or Purchase Order. If the term of this Agreement extends into fiscal years subsequent to that in which it is approved, such

continuation of the Agreement *is expressly contingent upon* the appropriation, allocation, and availability of funds by the N.C. Legislature for the purposes set forth in the Agreement. If funds to effect payment are not available, the State will provide written notification to the Vendor. If the Agreement is terminated under this paragraph, the Vendor agrees to terminate any Services supplied to the State under this Agreement and relieve the State of any further obligation thereof. The State shall remit payment for Services accepted on or prior to the date of the aforesaid notice in conformance with the payment terms.

## 15) PAYMENT TERMS

- a) Payment may be made by the State in advance of or in anticipation of subscription Services to be actually performed under the Agreement or upon proper invoice for other Services rendered. Payment terms are Net 30 days after receipt of correct invoice. Initial payments are to be made after final acceptance of the Services. Payments are subject to any retainage requirements herein. The Purchasing State Agency is responsible for all payments under the Agreement. Subscription fees for term years after the initial year shall be as quoted under State options herein but shall not increase more than five percent (5%) over the prior term, except as the parties may have agreed to an alternate formula to determine such increases in writing. No additional charges to the State will be permitted based upon, or arising from, the State's use of a Business Procurement Card. The State may exercise any and all rights of Set Off as permitted in Chapter 105A-1 *et seq.* of the N.C. General Statutes and applicable Administrative Rules.
- b) Upon the Vendor's written request of not less than thirty (30) days and approval by the State, the State may:
  - i) Forward the Vendor's payment check(s) directly to any person or entity designated by the Vendor or
  - ii) Include any person or entity designated in writing by Vendor as a joint payee on the Vendor's payment check(s), however,
  - iii) In no event shall such approval and action obligate the State to anyone other than the Vendor and the Vendor shall remain responsible for fulfillment of all Agreement obligations.
- c) For any third party software licensed by the Vendor or its subcontractors for use by the State, a copy of the software license including terms acceptable to the State, an assignment acceptable to the State, and documentation of license fees paid by the Vendor must be provided to the State before any related license fees or costs may be billed to the State.
- d) An undisputed invoice is an invoice for which the State and/or the Purchasing State Agency has not disputed in writing within thirty (30) days from the invoice date, unless the agency requests more time for review of the invoice. Upon the Vendor's receipt of a disputed invoice notice, the Vendor will work to correct the applicable invoice error, provided that such dispute notice shall not relieve the State or the applicable Purchasing State Agency from its payment obligations for the undisputed items on the invoice or for any disputed items that are ultimately corrected. The Purchasing State Agency is not required to pay the Vendor for any Software or Services provided without a written purchase order from the appropriate Purchasing State Agency. In addition, all such Services provided must meet all terms, conditions, and specifications of this Agreement and purchase order and be accepted as satisfactory by the Purchasing State Agency before payment will be issued.
- e) The Purchasing State Agency shall release any amounts held as retainages for Services completed within a reasonable period after the end of the period(s) or term(s) for which the retainage was withheld. Payment retainage shall apply to all invoiced items, excepting only such items as the Vendor obtains from Third Parties and for which costs are chargeable to the State by agreement of the Parties. The Purchasing State Agency, in its sole discretion, may release retainages withheld from any invoice upon acceptance of the Services identified or associated with such invoices.

## 16) ACCEPTANCE CRITERIA

- a) Initial acceptance testing is required for all Vendor supplied Services before going live, unless provided otherwise in the solicitation documents or a Statement of Work. The State may define such processes and procedures as may be necessary or proper, in its opinion and discretion, to ensure compliance with the State's specifications and the Vendor's technical representations. Acceptance of Services may be controlled by additional written terms as agreed by the parties.
- b) After initial acceptance of Services, the State shall have the obligation to notify the Vendor in writing and within ten (10) days following provision of any Deliverable described in the contract if it is not acceptable. The notice shall specify in reasonable detail the reason(s) a Deliverable is unacceptable. Acceptance by the State of any Vendor re-performance or correction shall not be unreasonably withheld but may be conditioned or delayed as required for confirmation by the State that the issue(s) in the notice have been successfully corrected.

**17) CONFIDENTIALITY:** The State may maintain the confidentiality of certain types of information described in N.C.G.S. § 132-1, *et seq.* Such information may include trade secrets defined by N.C.G.S. § 66-152 and other information exempted from the Public Records Act pursuant to N.C.G.S. § 132-1.2. The Vendor may designate information, Products, Services or appropriate portions of its response as confidential, consistent with and to the extent permitted under the Statutes and Rules set forth above, by marking the top and bottom of pages containing confidential information with a legend in boldface type "**CONFIDENTIAL.**" By so marking any page, or portion of a page, the Vendor warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors, that the portions marked "confidential" meet the requirements of the Rules and Statutes set forth above. However, ***under no circumstances shall price information be designated as confidential.*** The State agrees to promptly notify the Vendor in writing of any action seeking to compel the disclosure of the Vendor's confidential information. If an action is brought pursuant to N.C.G.S. § 132-9 to compel the State to disclose information marked "confidential," the Vendor agrees that it will intervene in the action through its counsel and participate in defending the State, including any public official(s) or public employee(s). The Vendor agrees that it shall hold the State and any official(s) and individual(s) harmless from any and all damages, costs, and attorneys' fees awarded against the State in the action. The State shall have the right, at its option and expense, to participate in the defense of the action through its counsel. The State shall have no liability to the Vendor with respect to the disclosure of the Vendor's confidential information ordered by a court of competent jurisdiction pursuant to N.C.G.S. § 132-9 or other applicable law.

## 18) SECURITY OF STATE DATA

- a) All materials, including software, Data, information and documentation provided by the State to the Vendor (State Data) during the performance or provision of Services hereunder are the property of the State of North Carolina and must be kept secure and returned to the State. The Vendor will protect State Data in its hands from unauthorized disclosure, loss, damage, destruction by natural event, or other eventuality. Proprietary Vendor materials shall be identified to the State by the Vendor prior to use or provision of Services hereunder and shall remain the property of the Vendor. Derivative works of any Vendor proprietary materials prepared or created during the performance of provision of Services hereunder shall be provided to the State as part of the Services. The Vendor shall not access State User accounts, or State Data, except (i) during data center operations; (ii) in response to service or technical issues; (iii) as required by the express terms of this contract; or (iv) at the State's written request. The Vendor shall protect the confidentiality of all information, Data, instruments, studies, reports, records and other materials provided to it by the State or maintained or created in accordance with this Agreement. No such information, Data, instruments, studies, reports, records and other materials in the possession of Vendor shall be disclosed in any form without the prior written agreement with the State. The Vendor will have written policies governing access to and duplication

and dissemination of all such information, Data, instruments, studies, reports, records and other materials.

- b) The Vendor shall not store or transfer non-public State data outside of the United States. This includes backup data and Disaster Recovery locations. The Service Provider will permit its personnel and contractors to access State of North Carolina data remotely only as required to provide technical support.
- c) Protection of personal privacy and sensitive data. The Vendor acknowledges its responsibility for securing any restricted or highly restricted data, as defined by the Statewide Data Classification and Handling Policy (<https://it.nc.gov/document/statewide-data-classification-and-handling-policy>) that is collected by the State and stored in any Vendor site or other Vendor housing systems including, but not limited to, computer systems, networks, servers, or databases, maintained by the Vendor or its agents or subcontractors in connection with the provision of the Services. The Vendor warrants, at its sole cost and expense, that it shall implement processes and maintain the security of data classified as restricted or highly restricted; provide reasonable care and efforts to detect fraudulent activity involving the data; and promptly notify the State of any breaches of security within twenty-four (24) hours of confirmation as required by N.C.G.S. § 143B-1379.
- d) The Vendor will provide and maintain secure backup of the State Data. The Vendor shall implement and maintain secure passwords for its online system providing the Services, as well as all appropriate administrative, physical, technical and procedural safeguards at all times during the term of this Agreement to secure such Data from Data Breach, protect the Data and the Services from loss, corruption, unauthorized disclosure, and the introduction of viruses, disabling devices, malware and other forms of malicious or inadvertent acts that can disrupt the State's access to its Data and the Services. The Vendor will allow periodic back-up of State Data by the State to the State's infrastructure as the State requires or as may be provided by law.
- e) The Vendor shall certify to the State:
  - i) The sufficiency of its security standards, tools, technologies and procedures in providing Services under this Agreement;
  - ii) That the system used to provide the Subscription Services under this Contract has and will maintain a valid third party security certification not to exceed one (1) year and is consistent with the data classification level and security controls appropriate for low or moderate information system(s) per the National Institute of Standards and Technology NIST 800-53 revision 4. The State reserves the right to independently evaluate, audit, and verify such requirements.
  - iii) That the Services will comply with the following:
    - (1) Any DIT security policy regarding Cloud Computing, and the DIT Statewide Information Security Policy Manual; to include encryption requirements as defined below:
      - (a) The Vendor shall encrypt all non-public data in transit regardless of the transit mechanism.
      - (b) For engagements where the Vendor stores sensitive personally identifiable or otherwise confidential information, this data shall be encrypted at rest. Examples are social security number, date of birth, driver's license number, financial data, federal/state tax information, and hashed passwords. The Vendor's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology FIPS140-2, Security Requirements. The key location and other key management details will be discussed and negotiated by both parties. When the Service

Provider cannot offer encryption at rest, it must maintain, for the duration of the contract, cyber security liability insurance coverage for any loss resulting from a data breach. Additionally, where encryption of data at rest is not possible, the Vendor must describe existing security measures that provide a similar level of protection;

- (2) Privacy provisions of the Federal Privacy Act of 1974;
  - (3) The North Carolina Identity Theft Protection Act, N.C.G.S. Chapter 75, Article 2A (e.g., N.C.G.S. § 75-65 and -66);
  - (4) The North Carolina Public Records Act, N.C.G.S. Chapter 132;
  - (5) Applicable Federal, State and industry standards and guidelines including, but not limited to, relevant security provisions of the Payment Card Industry (PCI) Data Security Standard (PCIDSS) including the PCIDSS Cloud Computing Guidelines, Criminal Justice Information, The Family Educational Rights and Privacy Act (FERPA), Health Insurance Portability and Accountability Act (HIPAA); and
  - (6) Any requirements implemented by the State under N.C.G.S. §§ 143B-1376 and -1377.
- f) Security Breach. “Security Breach” under the NC Identity Theft Protection Act (N.C.G.S. § 75-60 *et seq.*) means (1) any circumstance pursuant to which applicable Law requires notification of such breach to be given to affected parties or other activity in response to such circumstance (e.g., N.C.G.S. § 75-65); or (2) any actual, attempted, suspected, threatened, or reasonably foreseeable circumstance that compromises, or could reasonably be expected to compromise, either Physical Security or Systems Security (as such terms are defined below) in a fashion that either does or could reasonably be expected to permit unauthorized Processing (as defined below), use, disclosure or acquisition of or access to any the State Data or state confidential information. “Physical Security” means physical security at any site or other location housing systems maintained by the Vendor or its agents or subcontractors in connection with the Services. “Systems Security” means security of computer, electronic or telecommunications systems of any variety (including data bases, hardware, software, storage, switching and interconnection devices and mechanisms), and networks of which such systems are a part or communicate with, used directly or indirectly by the Vendor or its agents or subcontractors in connection with the Services. “Processing” means any operation or set of operations performed upon the State Data or State confidential information, whether by automatic means, such as creating, collecting, procuring, obtaining, accessing, recording, organizing, storing, adapting, altering, retrieving, consulting, using, disclosing or destroying.
- g) Breach Notification. In the event the Vendor becomes aware of any Security Breach due to Vendor acts or omissions other than in accordance with the terms of the Agreement, the Vendor shall, at its own expense, (1) immediately notify the State’s Agreement Administrator of such Security Breach and perform a root cause analysis thereon; (2) investigate such Security Breach; (3) provide a remediation plan, acceptable to the State, to address the Security Breach and prevent any further incidents; (4) conduct a forensic investigation to determine what systems, data and information have been affected by such event; and (5) cooperate with the State, and any law enforcement or regulatory officials, credit reporting companies, and credit card associations investigating such Security Breach. The State shall make the final decision on notifying the State’s persons, entities, employees, service providers and/or the public of such Security Breach, and the implementation of the remediation plan. If a notification to a customer is required under any Law or pursuant to any of the State’s privacy or security policies, then notifications to all persons and entities who are affected by the same event (as reasonably determined by the State) shall be considered legally required.
- h) Notification Related Costs. The Vendor shall reimburse the State for all Notification Related Costs incurred by the State arising out of or in connection with any such Security Breach due to Vendor

acts or omissions other than in accordance with the terms of the Agreement resulting in a requirement for legally required notifications. "Notification Related Costs" shall include the State's internal and external costs associated with addressing and responding to the Security Breach including, but not limited to, (1) preparation and mailing or other transmission of legally required notifications; (2) preparation and mailing or other transmission of such other communications to customers, agents or others as the State deems reasonably appropriate; (3) establishment of a call center or other communications procedures in response to such Security Breach (e.g., customer service FAQs, talking points and training); (4) public relations and other similar crisis management services; (5) legal and accounting fees and expenses associated with the State's investigation of and response to such event; and (6) costs for credit reporting services that are associated with legally required notifications or are advisable, in the State's opinion, under the circumstances. If the Vendor becomes aware of any Security Breach which is not due to Vendor acts or omissions other than in accordance with the terms of the Agreement, the Vendor shall immediately notify the State of such Security Breach, and the parties shall reasonably cooperate regarding which of the foregoing or other activities may be appropriate under the circumstances, including any applicable Charges for the same.

- i) The Vendor shall allow the State reasonable access to Services security logs, latency statistics, and other related Services security data that affect this Agreement and the State's Data, at no cost to the State.
- j) In the course of normal operations, it may become necessary for the Vendor to copy or move Data to another storage destination on its online system, and delete the Data found in the original location. In any such event, the Vendor shall preserve and maintain the content and integrity of the Data, except by prior written notice to, and prior written approval by, the State.
- k) Remote access to Data from outside the continental United States including, without limitation, remote access to Data by authorized Services support staff in identified support centers, is prohibited unless approved in advance by the State Chief Information Officer or the Using Agency.
- l) In the event of temporary loss of access to Services, the Vendor shall promptly restore continuity of Services, restore Data in accordance with this Agreement and as may be set forth in an SLA, restore accessibility of Data and the Services to meet the performance requirements stated herein or in an SLA. As a result, Service Level remedies will become available to the State as provided herein, in the SLA or other agreed and relevant documents. Failure to promptly remedy any such temporary loss of access may result in the State exercising its options for assessing damages under this Agreement.
- m) In the event of disaster or catastrophic failure that results in significant State Data loss or extended loss of access to Data or Services, the Vendor shall notify the State by the fastest means available and in writing, with additional notification provided to the State Chief Information Officer or designee of the contracting agency. The Vendor shall provide such notification within twenty-four (24) hours after the Vendor reasonably believes there has been such a disaster or catastrophic failure. In the notification, the Vendor shall inform the State of:
  - (1) The scale and quantity of the State Data loss;
  - (2) What the Vendor has done or will do to recover the State Data from backups and mitigate any deleterious effect of the State Data and Services loss; and
  - (3) What corrective action the Vendor has taken or will take to prevent future State Data and Services loss.
  - (4) If the Vendor fails to respond immediately and remedy the failure, the State may exercise its options for assessing damages or other remedies under this Agreement.

The Vendor shall investigate the disaster or catastrophic failure and shall share the report of the investigation with the State. The State and/or its authorized agents shall have the right to lead (if required by law) or participate in the investigation. The Vendor shall cooperate fully with the State, its agents and law enforcement.

- n) In the event of termination of this contract, cessation of business by the Vendor or other event preventing the Vendor from continuing to provide the Services, the Vendor shall not withhold the State Data or any other State confidential information or refuse, for any reason, to promptly return to the State the State Data and any other State confidential information (including copies thereof) if requested to do so on such media as reasonably requested by the State, even if the State is then or is alleged to be in breach of the Agreement. As a part of the Vendor's obligation to provide the State Data pursuant to this Paragraph 18) n), the Vendor will also provide the State any data maps, documentation, software, or other materials necessary, including, without limitation, handwritten notes, materials, working papers or documentation, for the State to use, translate, interpret, extract and convert the State Data.
- o) Secure Data Disposal. When requested by the State, the Vendor shall destroy all requested data in all of its forms (e.g., disk, CD/DVD, backup tape, and paper). Data shall be permanently deleted and shall not be recoverable, in accordance with National Institute of Standards and Technology (NIST) approved methods, and certificates of destruction shall be provided to the State.

**19) ACCESS TO PERSONS AND RECORDS:** Pursuant to N.C.G.S. § 147-64.7, the State, the State Auditor, appropriate federal officials, and their respective authorized employees or agents are authorized to examine all books, records, and accounts of the Vendor insofar as they relate to transactions with any department, board, officer, commission, institution, or other agency of the State of North Carolina pursuant to the performance of this Agreement or to costs charged to this Agreement. The Vendor shall retain any such books, records, and accounts for a minimum of three (3) years after the completion of this Agreement. Additional audit or reporting requirements may be required by any State, if in the State's opinion, such requirement is imposed by federal or state law or regulation. The Vendor shall allow the State to audit conformance including contract terms, system security and data centers as appropriate. The State may perform this audit or contract with a third party at its discretion at the State's expense. Such reviews shall be conducted with at least thirty (30) days' advance written notice and shall not unreasonably interfere with the Service Provider's business.

**20) ASSIGNMENT:** The Vendor may not assign this Agreement or its obligations hereunder except as permitted by 09 NCAC 06B.1003 and this Paragraph. The Vendor shall provide reasonable notice of not less than thirty (30) days of any consolidation, acquisition, or merger. Any assignee shall affirm this Agreement attorning to the terms and conditions agreed, and that Vendor shall affirm that the assignee is fully capable of performing all obligations of the Vendor under this Agreement. An assignment may be made, if at all, in writing by the Vendor, Assignee and the State setting forth the foregoing obligation of the Vendor and Assignee.

**21) NOTICES:** Any notices required under this Agreement should be delivered to the Agreement Administrator for each party. Unless otherwise specified in the Solicitation Documents, any notices shall be delivered in writing by U.S. Mail, Commercial Courier, facsimile or by hand.

**22) TITLES AND HEADINGS:** Titles and Headings in this Agreement are used for convenience only and do not define, limit or proscribe the language of terms identified by such Titles and Headings.

**23) AMENDMENT:** This Agreement may not be amended orally or by performance. Any amendment must be made in written form and signed by duly authorized representatives of the State and the Vendor.

**24) TAXES:** The State of North Carolina is exempt from Federal excise taxes and no payment will be made for any personal property taxes levied on the Vendor or for any taxes levied on employee wages. Agencies of the State may have additional exemptions or exclusions for federal or state taxes. Evidence of such additional exemptions or exclusions may be provided to Vendor by Agencies, as applicable, during the term of this Agreement. Applicable State or local sales taxes shall be invoiced as a separate item.

**25) GOVERNING LAWS, JURISDICTION, AND VENUE:** This Agreement is made under and shall be governed and construed in accordance with the laws of the State of North Carolina. The place of this Agreement or purchase order, its situs and forum, shall be Wake County, North Carolina where all matters, whether sounding in contract or in tort, relating to its validity, construction, interpretation and enforcement shall be determined. The Vendor agrees and submits, solely for matters relating to this Agreement, to the jurisdiction of the courts of the State of North Carolina and stipulates that Wake County shall be the proper venue for all matters.

**26) DEFAULT:** In the event Services or other Deliverable furnished or performed by the Vendor during performance of any Contract term fail to conform to any material requirement(s) of the Contract specifications, notice of the failure is provided by the State and if the failure is not cured within ten (10) days, or the Vendor fails to meet the material requirements and specifications herein, the State may cancel the contract. Default may be cause for debarment as provided in 09 NCAC 06B.1206. The rights and remedies of the State provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

- a) If the Vendor fails to deliver or provide correct Services within the time required by this Contract, the State shall provide written notice of said failure to the Vendor, and by such notice require performance assurance measures pursuant to N.C.G.S. § 143B-1340(f). The Vendor is responsible for the delays resulting from its failure to deliver or provide Services as provided herein.
- b) Should the State fail to perform any of its obligations upon which the Vendor's performance is conditioned, the Vendor shall not be in default for any delay, cost increase or other consequences resulting from the State's failure. The Vendor will use reasonable efforts to mitigate delays, costs or expenses arising from assumptions in the Vendor's offer documents that prove erroneous or are otherwise invalid. Any deadline that is affected by any such Vendor failure in assumptions or performance by the State shall be extended by an amount of time reasonably necessary to compensate for the effect of such failure. The Vendor shall provide a plan to cure any delay or default if requested by the State. The plan shall state the nature of the delay or default, the time required for cure, any mitigating factors causing or tending to cause the delay or default, and such other information as the Vendor may deem necessary or proper to provide.

**27) FORCE MAJEURE:** Except as provided for herein, neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations as a result of events beyond its reasonable control, including without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

**28) COMPLIANCE WITH LAWS:** The Vendor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and the provision of Services hereunder, including those of federal, state, and local agencies having jurisdiction and/or authority.

**29) TERMINATION:** Any notice or termination made under this Agreement shall be transmitted via US Mail, Certified Return Receipt Requested. The period of notice for termination shall begin on the day the return receipt is signed and dated. The parties may mutually terminate this Agreement by written agreement at any time.



The State may terminate this Agreement, in whole or in part, pursuant to the Paragraph entitled "Default," above, or pursuant to Special Terms and Conditions in the Solicitation Documents, if any, or for any of the following:

- i) Termination for Cause: In the event any goods, Services, or service furnished by the Vendor during performance fails to conform to any material specification or requirement of the Agreement, and the failure is not cured within the specified time after providing written notice thereof to the Vendor, the State may cancel and procure the articles or Services from other sources holding the Vendor liable for any excess costs occasioned thereby, subject only to the limitations provided in Paragraph 7), entitled "Limitation of Liability." The rights and remedies of the State provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Agreement. The Vendor shall not be relieved of liability to the State for damages sustained by the State arising from the Vendor's breach of this Agreement and the State may, in its discretion, withhold any payment due as a setoff until such time as the damages are finally determined or as agreed by the parties. Voluntary or involuntary Bankruptcy or receivership by the Vendor shall be cause for termination.
- ii) Termination for Convenience Without Cause: The State may terminate service and indefinite quantity contracts, in whole or in part, by giving thirty (30) days' prior notice in writing to the Vendor. The Vendor shall be entitled to sums due as compensation for Services performed in conformance with the Agreement. In the event the Agreement is terminated for the convenience of the State, the State will pay for all Services and work performed or delivered in conformance with the Agreement up to the date of termination.

**30) DISPUTE RESOLUTION:** The parties agree that it is in their mutual interest to resolve disputes informally. A claim by the State shall be submitted in writing to the Vendor's Agreement Administrator for decision. The Parties shall negotiate in good faith and use all reasonable efforts to resolve such dispute(s). During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Agreement. If a dispute cannot be resolved between the Parties within thirty (30) days after delivery of notice, either Party may elect to exercise any other remedies available under this Agreement, or at law. This term shall not constitute an agreement by either party to mediate or arbitrate any dispute.

**31) SEVERABILITY:** In the event that a court of competent jurisdiction holds that a provision or requirement of this Agreement violates any applicable law, each such provision or requirement shall be enforced only to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this Agreement shall remain in full force and effect. All promises, requirement, terms, conditions, provisions, representations, guarantees and warranties contained herein shall survive the expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statute, including statutes of repose or limitation.

**32) FEDERAL INTELLECTUAL PROPERTY BANKRUPTCY PROTECTION ACT:** The Parties agree that the State shall be entitled to any and all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. § 365(n), and any amendments thereto.

**33) ELECTRONIC PROCUREMENT:** (Applies to all contracts that include E-Procurement and are identified as such in the body of the solicitation document): Purchasing shall be conducted through the Statewide E-Procurement Service. The State's third party agent shall serve as the Supplier Manager for this E-Procurement Service. The Vendor shall register for the Statewide E-Procurement Service within two (2) business days of notification of award in order to receive an electronic purchase order resulting from award of this contract. The E-Procurement fee does not normally apply to services.

- a) Reserved.
- b) Reserved.

- c) The Supplier Manager will capture the order from the State approved user, including the shipping and payment information, and submit the order in accordance with the E-Procurement Service. Subsequently, the Supplier Manager will send those orders to the appropriate Vendor on State Agreement. The State or State approved user, not the Supplier Manager, shall be responsible for the solicitation, bids received, evaluation of bids received, award of contract, and the payment for goods delivered.
- d) The Vendor agrees at all times to maintain the confidentiality of its user name and password for the Statewide E-Procurement Services. If the Vendor is a corporation, partnership or other legal entity, then the Vendor may authorize its employees to use its password. The Vendor shall be responsible for all activity and all charges for such employees. The Vendor agrees not to permit a third party to use the Statewide E-Procurement Services through its account. If there is a breach of security through the Vendor's account, the Vendor shall immediately change its password and notify the Supplier Manager of the security breach by e-mail. The Vendor shall cooperate with the state and the Supplier Manager to mitigate and correct any security breach.

## **Section 2: Terms and Conditions Applicable to Personnel and Personal Services**

- 1) **VENDOR'S REPRESENTATION:** The Vendor warrants that qualified personnel will provide Services in a professional manner. "Professional manner" means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the information technology industry. The Vendor agrees that it will not enter any agreement with a third party that might abridge any rights of the State under the Agreement. The Vendor will serve as the prime Vendor under the Agreement. Should the State approve any subcontractor(s), the Vendor shall be legally responsible for the performance and payment of the subcontractor(s). Names of any third party Vendors or subcontractors of the Vendor may appear for purposes of convenience in Contract documents and shall not limit the Vendor's obligations hereunder. Such third party subcontractors, if approved, may serve as subcontractors to the Vendor. The Vendor will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third party subcontractor(s).
  - a) Intellectual Property. The Vendor represents that it has the right to provide the Services and other Deliverables without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party. The Vendor also represents that its Services and other Deliverables are not the subject of any actual or threatened actions arising from, or alleged under, any intellectual property rights of any third party.
  - b) Inherent Services. If any Services or other Deliverables, functions, or responsibilities not specifically described in the Agreement are required for the Vendor's proper performance, provision and delivery of the Services and other Deliverables pursuant to the Agreement, or are an inherent part of or necessary sub-task included within the Services, they will be deemed to be implied by and included within the scope of the Contract to the same extent and in the same manner as if specifically described in the Contract.
  - c) The Vendor warrants that it has the financial capacity to perform and to continue to perform its obligations under the Contract; that the Vendor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against the Vendor that could materially adversely affect performance of the Agreement; and that entering into the Agreement is not prohibited by any Contract, or order by any court of competent jurisdiction.
- 2) **SERVICES PROVIDED BY VENDOR:** The Vendor shall provide the State with implementation Services as specified in a Statement of Work ("SOW") executed by the parties. This Agreement in combination with each SOW individually comprises a separate and independent contractual obligation from any other

SOW. A breach by the Vendor under one SOW will not be considered a breach under any other SOW. The Services intended hereunder are related to the State's implementation and/or use of one or more Software Deliverables licensed hereunder or in a separate software license agreement between the parties ("License Agreement").

- 3) **PERSONNEL:** The Vendor shall not substitute key personnel assigned to the performance of the Agreement without prior written approval by the Agency Contract Administrator. The individuals designated as key personnel for purposes of the Agreement are those specified in the Vendor's offer. Any desired substitution shall be noticed to the Agency's Contract Administrator in writing accompanied by the names and references of the Vendor's recommended substitute personnel. The Agency will approve or disapprove the requested substitution in a timely manner. The Agency may, in its sole discretion, terminate the Services of any person providing Services under the Agreement. Upon such termination, the Agency may request acceptable substitute personnel or terminate the Contract Services provided by such personnel.
- a) Unless otherwise expressly provided in the Contract, the Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and other Deliverables.
  - b) Vendor personnel shall perform their duties on the premises of the State, during the State's regular work days and normal work hours, except as may be specifically agreed otherwise, established in the specification, or statement of work.
  - c) The Agreement shall not prevent the Vendor or any of its personnel supplied under the Agreement from performing similar Services elsewhere or restrict Vendor from using the personnel provided to the State provided that such use does not conflict with:
    - i) The terms, specifications or any amendments to the Agreement;
    - ii) Any procurement law, regulation or policy; or
    - iii) Any non-disclosure agreement, or term thereof, by and between the State and Vendor or Vendor's personnel.
  - d) Unless otherwise provided by the Agency, the Vendor shall furnish all necessary personnel, Services, and otherwise perform all acts, duties and responsibilities necessary or incidental to the accomplishment of the tasks specified in the Agreement. The Vendor shall be legally and financially responsible for its personnel including, but not limited to, any deductions for social security and other withholding taxes required by state or federal law. The Vendor shall be solely responsible for acquiring any equipment, furniture, and office space not furnished by the State necessary for the Vendor to comply with the Agreement. Vendor personnel shall comply with any applicable State facilities or other security rules and regulations.
- 4) **PERSONAL SERVICES:** The State shall have and retain the right to obtain personal Services of any individuals providing Services under the Agreement. This right may be exercised at the State's discretion in the event of any transfer of the person providing personal Services, termination, default, merger, acquisition, bankruptcy or receivership of the Vendor to ensure continuity of Services provided under the Agreement provided, however, that the Agency shall not retain or solicit any Vendor employee for purposes other than completion of personal Services due as all or part of any performance due under the Agreement.
- a) Vendor personnel shall perform any duties on the premises of the State during the State's regular work days and normal work hours, except as may be specifically agreed otherwise, established in the specification, or statement of work.

- b) The State has and reserves the right to disapprove the continuing assignment of Vendor personnel provided by the Vendor under the Agreement. If this right is exercised and the Vendor is not able to replace the disapproved personnel as required by the State, the Parties agree to employ best commercial efforts to informally resolve such failure equitably by adjustment of other duties, set-off, or modification to other terms that may be affected by Vendor's failure.
- c) The Vendor will make every reasonable effort consistent with prevailing business practices to honor the specific requests of the State regarding assignment of the Vendor's employees. The Vendor reserves the sole right to determine the assignment of its employees. If one of Vendor's employees is unable to perform due to illness, resignation, or other factors beyond the Vendor's control, the Vendor will provide suitable personnel at no additional cost to the State.
- d) The Agreement shall not prevent the Vendor or any of its personnel supplied under the Agreement from performing similar Services elsewhere or restrict the Vendor from using the personnel provided to the State provided that such use does not conflict with:
  - i) The terms, specifications or any amendments to the Agreement;
  - ii) Any procurement law, regulation or policy, or
  - iii) Any non-disclosure agreement, or term thereof, by and between the State and the Vendor or the Vendor's personnel

## ATTACHMENT C: AGENCY TERMS AND CONDITIONS

**FEDERAL PROVISIONS.** *Where federal funds are utilized, and to the extent applicable, the following federal provisions may apply consistent with Uniform Guidance in 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, and its Appendix II. Relevant federal authorities may require additional provisions depending on the scope and context of the Contract.* Failure or unwillingness of the Vendor to continually meet any of these requirements, as applicable, may result in Contract termination.

1. Age Discrimination Act of 1975. Vendor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.
2. Discrimination Due to Beliefs. No person with responsibilities in the operation of the project to which this grant relates will discriminate with respect to any program participant or any applicant for participation in such program because of political affiliation or beliefs.
3. Certification of Nonsegregated Facilities. By the submission of this Proposal, Vendor certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. Vendor certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. Vendor agrees that a breach of this certification is a violation of the equal opportunity clause of this Contract.

As used in this certification, the term “segregated facilities” means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local customs or any other reason.

Vendor further agrees that (except where he has obtained identical certifications from proposed Subcontractor and material Suppliers for specific time periods), he will obtain identical certifications from proposed Subcontractor or material Suppliers prior to the award of subcontracts or the consummation of material supply agreements exceeding \$10,000, which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

4. Drug Free Workplace. Vendor hereby certifies that it shall provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988, as amended, and with 24 C.F.R. Part 21.
5. Access to Records, Maintenance of Records. NCORR and HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of Vendor which are directly pertinent to this Contract, for the purpose of audits, examinations, and making excerpts and transcriptions.

All records required by 24 C.F.R. 570.506 that are pertinent to the activities funded under this Contract shall be maintained in a central location by Vendor and will be

maintained for a period of five (5) years from closeout of the grant from which this Contract is funded.

6. Copyright. No State provided materials including, but not limited to reports, maps, documents, home plans and specifications, any public record, or documents submitted with or in response to RFPQ, HRP Vendor-owner contract form, and related HRP and/or CDBG-DR documents pertaining to procurement, contract administration, contract management/monitoring, CDBG-DR planning and compliance, and/or contract auditing, in whole or in part, shall be available to Vendor for purposes of copyrighting as Vendor's intellectual and/or proprietary property. Subject to North Carolina Public Records laws, any such materials produced resulting from this Agreement that might be subject to copyright shall be the property of State of North Carolina, through NCORR, other State agency, and/or a federal agency of the United States (e.g., HUD and FEMA), and all such rights shall belong to the State of North Carolina and/or the United States.
7. Patents. Vendor shall hold and save NCORR and its officers, agents, servants, and employees harmless from liability of any nature or kind, including cost and expenses for, or on account of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the Contract including its use by NCORR, unless otherwise specifically stipulated in the Contract.

License or Royalty Fees: License and/or Royalty Fees for the use of a process which is authorized by NCORR must be reasonable and paid to the holder of the patent, or his authorized license, direct by NCORR and not by or through Vendor.

If Vendor uses any design, device or materials covered by letters, patent or copyright, it shall provide for such use by suitable agreement with Owner of such patented or copyrighted design, device or material. It is mutually agreed and understood that, without exception, the Contract prices shall include all royalties or costs arising from the use of such design, device or materials, in any way involved in the Work. Vendor and/or his Sureties shall indemnify and save harmless NCORR from any and all claims for infringement by reason of the use of such patented or copyrighted design, device or materials or any trademark or copyright in connection with work agreed to be performed under this Contract, and shall indemnify NCORR for any cost, expense, or damage which it may be obliged to pay by reason of such infringement at any time during the prosecution of the work or after completion of the work.

8. Confidential Findings. Some of the reports, information, data, etc. (e.g., homeowner personally identifying information, including but not limited to: income and/or tax records, social security numbers, birthdates, driver's license numbers, etc.), prepared or assembled by NCORR, HUD, FEMA, counties, other governmental agencies, and/or Vendor under award HRP contracts may be confidential, and Vendor agrees that they shall not be made available to any individual or organization without prior written approval of the appropriate governmental entity that authored the information, requested the information and/or is responsible for the program for which Vendor is performing the work that generated the confidential information. Vendor understands that most documents and billing records will be public records and Vendor will have to consult with the governmental entity to determine whether a proposed document may be submitted to the governmental entity with confidential information and the method used to maintain confidentiality if the document contains confidential information.
9. Conflict of Interest. No member, officer, or employee of NCORR or the local jurisdictions served through this Contract, or agent, consultant, or member of the NCDPS, or other

public official who exercises or has exercised any functions or responsibilities with respect to this Contract during his or her tenure, or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Contract or in any activity or benefit with regard to the Contract.

Vendor shall cause to be incorporated in all contracts and/or subcontracts the foregoing provision regarding conflicts of interest.

No member of or delegate to Congress, or NCORR employee, shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Contract if made with a corporation. If a person receiving assistance under this Program does in fact have a conflict of interest as discussed herein, such conflict will be fully disclosed in writing to NCORR and addressed under applicable law.

10. Interest of Vendor. Vendor covenants that he presently has no interest and shall not acquire any interest, direct or indirect, in the above-described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of services hereunder. Vendor further covenants that in the performance of this Contract, no person having any such interest shall be employed.
11. Political Activity. Vendor will comply with the provisions of the Hatch Act (5 U.S.C. 1501 et seq.), which limits the political activity of employees.
12. Lobbying (31 U.S.C. 1352). Vendor certifies, to the best of its knowledge and belief that:
  - 12.1. No federally appropriated funds have been paid or will be paid, by or on behalf of Vendor, to any person for purposes of influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - 12.2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, Vendor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
13. Personnel. Vendor represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with NCORR or other governmental entity involved in other State or federal disaster recovery programs. All the services required hereunder will be performed by Vendor or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

14. Hiring of Undocumented Aliens. The hiring of undocumented aliens is prohibited under Federal Labor Laws. As a condition of Vendor's prequalification under RFPQ, Vendor certifies that it, and each of its sub-contractors for any subcontract awarded, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.
15. Anti-Kickback Rules. Salaries of personnel performing work under this Contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. 874; and Title 40 U.S.C. 2760). Vendor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Contract to ensure compliance by the Subcontractors with such regulations and shall be responsible for the submission of affidavits required of Subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.
16. Debarment, Suspension and Ineligibility (2 C.F.R. 200, Appendix II(I)). Vendor represents and warrants that it and its Subcontractors are not debarred, suspended, or placed in ineligibility status under the provisions of 2 C.F.R. 180 and 24 C.F.R. 24.1 (government debarment and suspension regulations).
17. Subcontracts. Vendor shall not enter into any subcontract with any Subcontractor who has been debarred, suspended, declared ineligible, or voluntarily excluded from participating in contacting programs by any agency of the United States Government or the State of North Carolina.

Vendor shall be as fully responsible to NCORR for the acts and omissions of Vendor's Subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by Vendor.

Vendor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind Subcontractor to Vendor by the terms of the Contract Documents insofar as applicable to the work of Subcontractors and to give Vendor the same power in regard to terminating any subcontract that NCORR may exercise over Vendor under any provision of the Contract Documents.

Nothing contained in this contract shall create any contractual relationship between any Subcontractor and NCORR.

18. Assignability. Vendor shall not assign any interest in this Contract and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of NCORR, provided that claims for money due or to become due Vendor from NCORR under this Contract may be assigned to a bank, trust company, or other financial institution, or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to NCORR.
19. Termination for Unavailable Funding. The continuation of this Contract is contingent upon the appropriation and release of sufficient funds to NCORR to fulfill the requirements of this Contract. Failure of the appropriate authorities to approve and provide an adequate budget to NCORR for fulfillment of the Contract terms shall constitute reason for termination of the Contract by either Party. Vendor shall be paid for all authorized services properly performed prior to termination.



20. Breach of Contract Terms. Any violation or breach of any of the terms of this Contract on the part of Vendor or Vendor's Subcontractors may result in the suspension or termination of this Contract or such other action that may be necessary to enforce the rights of the parties of this Contract. The duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and/or remedies otherwise imposed or available by law.

21. Section 3 of the Housing and Urban Development Act of 1968.

The Vendor shall comply with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, and implementing its regulations at 24 CFR part 135, as applicable, as expressed below:

21.1. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

21.2. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

21.3. The Vendor agrees to send to each labor organization or representative of workers with which the Vendor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Vendor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

21.4. The Vendor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Vendor will not subcontract with any subcontractor where the Vendor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

21.5. The Vendor will certify that any vacant employment positions, including training positions, that are filled (1) after the Vendor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Vendor's obligations under 24 CFR part 135.

- 21.6. Non-compliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- 21.7. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and sub-contracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).
22. Procurement of Recovered Materials. Vendor agrees to comply with 2 C.F.R. 200.322, which requires the procurement of items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247 to contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
23. Iran Divestment Act Certification. Vendor certifies that, as of the date listed above, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 143-6A-4. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 143C-6A-5(b), Vendor shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.
24. Federal Funding Accountability and Transparency Act (FFATA). The Vendor shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The grantee must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The grantee must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.
25. Client Data and Other Sensitive Information. The Vendor must comply with 2 CFR §200.303 and take reasonable measures to safeguard protected personally identifiable information, as defined in 2 CFR 200.82, and other information HUD or NCORR designates as sensitive or consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.
26. Equal Employment Opportunity. Vendor agrees to the following Equal Opportunity Certification:
- 26.1. Vendor will not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin. Vendor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national

origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- 26.2. Vendor will, in all solicitations or advertisements for employees placed by or on behalf of Vendor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- 26.3. Vendor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with Vendor's legal duty to furnish information.
- 26.4. Vendor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of Vendor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 26.5. Vendor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- 26.6. Vendor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 26.7. In the event of Vendor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and Vendor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

26.8. Vendor will include the portion of the sentence immediately preceding paragraph (32.1) and the provisions of paragraphs (32.1) through (32.7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. Vendor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event Vendor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, Vendor may request the United States to enter into such litigation to protect the interests of the United States.

## ATTACHMENT D: DESCRIPTION OF OFFEROR

Vendor Name	
Address	
Telephone Number	
Ownership	<input type="checkbox"/> Public <input type="checkbox"/> Partnership <input type="checkbox"/> Subsidiary <input type="checkbox"/> Other (specify)
Date established	
If incorporated, State of incorporation	
North Carolina Secretary of State Registration Number, if currently registered	
Number of full-time employees on January 1 for the last three years or for the duration that the Vendor has been in business, whichever is less.	
Contact for Clarification of offer: Name Title Email address and Telephone Number	
Contact for Negotiation of offer: Name Title Email address and Telephone Number	
If Contract is Awarded, Contact for Contractual Issues: Name Title Email address and Telephone Number	
If Contract is Awarded, Contact for Technical Issues: Name Title Email address and Telephone Number	

## HISTORICALLY UNDERUTILIZED BUSINESSES

Historically Underutilized Businesses (HUBs) consist of minority, women and disabled business firms that are at least fifty-one percent owned and operated by an individual(s) of the categories. Also included as HUBs are disabled business enterprises and non-profit work centers for the blind and severely disabled.”

Pursuant to N.C.G.S. §§ 143B-1361(a), 143-48 and 143-128.4, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled. This includes utilizing subcontractors to perform the required functions in this RFP. Contact the North Carolina Office of historically Underutilized Businesses at 919-807-2330 with questions concerning NC HUB certification. <http://ncadmin.nc.gov/businesses/hub>

Respond to the questions below.

1. Is Vendor a Historically Underutilized Business?  Yes  No
2. Is Vendor Certified with North Carolina as a Historically Underutilized Business?  Yes  No

If yes, specify HUB classification: \_\_\_\_\_

## ATTACHMENT E: COST SUMMARY

This tables serves as a summary of the costs addressed in Section 4.1 – Offer Costs.

Vendors must complete the first table at a minimum and provide on a separate sheet a detailed itemization of all costs in accordance with Section 4.1.

Travel expenses must be included where appropriate in accordance with paragraph 12) Travel Expenses in Section 2 of Attachment B.

ITEM	DESCRIPTION	YEAR 1 COST	YEAR 2 COST	YEAR 3 COST
1	Software Licenses: 150 concurrent users			
2	Hosting Service			
3	Implementation/Configuration			
4	Transition In			
5	Training			
6	Maintenance and Support			
7	Transition Out			
8	Other Costs: must be itemized in detail			
	<b>TOTAL</b>			

**TOTAL THREE-YEAR COST \$** \_\_\_\_\_

**OPTIONAL COSTS – may or may not be purchased by the State**

ITEM	DESCRIPTION	YEAR 1 COST	YEAR 2 COST	YEAR 3 COST
9	Application Enhancements			

**OPTIONAL RENEWALS** – may or may not be purchased by the State

ITEM	DESCRIPTION	YEAR 4 COST	YEAR 5 COST	YEAR 6 COST	YEAR 7 COST	YEAR 8 COST	YEAR 9 COST	YEAR 10 COST
10	Software License Fee							
11	Hosting Service							
12	Training							
13	Maintenance and Support							
	Other Costs: must be itemized in detail							
	<b>TOTAL</b>							



# ATTACHMENT F: VENDOR CERTIFICATION FORM

## 1) ELIGIBLE VENDOR

The Vendor certifies that in accordance with N.C.G.S. § 143-59.1(b), Vendor is not an ineligible vendor as set forth in N.C.G.S. § 143-59.1 (a).

The Vendor acknowledges that, to the extent the awarded contract involves the creation, research, investigation or generation of a future RFP or other solicitation; the Vendor will be precluded from bidding on the subsequent RFP or other solicitation and from serving as a subcontractor to an awarded vendor.

The State reserves the right to disqualify any bidder if the State determines that the bidder has used its position (whether as an incumbent Vendor, or as a subcontractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a competitive advantage on the RFP or other solicitation.

## 2) CONFLICT OF INTEREST

Applicable standards may include N.C.G.S. §§ 143B-1352 and 143B-1353, 14-234, and 133-32. The Vendor shall not knowingly employ, during the period of the Agreement, nor in the preparation of any response to this solicitation, any personnel who are, or have been, employed by a Vendor also in the employ of the State and who are providing Services involving, or similar to, the scope and nature of this solicitation or the resulting contract.

## 3) E-VERIFY

Pursuant to N.C.G.S. § 143B-1350(k), the State shall not enter into a contract unless the awarded Vendor and each of its subcontractors comply with the E-Verify requirements of N.C.G.S. Chapter 64, Article 2. Vendors are directed to review the foregoing laws. Vendors claiming exceptions or exclusions under Chapter 64 must identify the legal basis for such claims and certify compliance with federal law regarding registration of aliens including 8 USC 1373 and 8 USC 1324a. Any awarded Vendor must submit a certification of compliance with E-Verify to the awarding agency, and on a periodic basis thereafter as may be required by the State.

## 4) CERTIFICATE TO TRANSACT BUSINESS IN NORTH CAROLINA

As a condition of contract award, the awarded Vendor shall have registered its business with the North Carolina Secretary of State and shall maintain such registration throughout the term of the Contract.

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

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

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

## **ATTACHMENT G: LOCATION OF WORKERS UTILIZED BY VENDOR**

In accordance with N.C.G.S. § 143B-1361(b), the Vendor must identify how it intends to utilize resources or workers located outside the U.S., and the countries or cities where such are located. The State will evaluate additional risks, costs, and other factors associated with the Vendor's utilization of resources or workers prior to making an award for any such Vendor's offer. The Vendor shall provide the following:

- a) The location of work to be performed by the Vendor's employees, subcontractors, or other persons, and whether any work will be performed outside the United States. The Vendor shall provide notice of any changes in such work locations if the changes result in performing work outside of the United States.
- b) Any Vendor or subcontractor providing support or maintenance Services for software, call or contact center Services shall disclose the location from which the call or contact center Services are being provided upon request.

**Will Vendor perform any work outside of the United States?**

YES       NO

## ATTACHMENT H: REFERENCES

The Vendor shall provide three (3) references of customers utilizing the proposed solution fully implemented in a setting similar to this solicitation's scope of work.

The Vendor should have implemented the respective proposed service within the last three (3) years. The Vendor is encouraged to provide references with business processes, data needs, functionalities, complexity, and transaction volume similar to those of the Agency.

For each reference, the Vendor shall provide the following information:

1. Customer name
2. Customer address
3. Phone number of a customer employee most familiar with the offered solution
4. Customer email address
5. Time period over which each offered solution implementation was completed
6. Brief summary of the offered solution implementation
7. List of offered solution products installed and operational
8. Number of vendor or technical staff supporting, maintaining and managing the offered solution
9. Number of end users supported by the offered solution
10. Number of sites supported by the offered solution

## ATTACHMENT I: FINANCIAL REVIEW FORM

Vendor shall provide responses in the gray-shaded boxes and submit the completed table as an Excel file with its offer. Vendor shall not add or delete rows or columns in the table or change the order of the rows or column in the file.

1. Vendor Name:
2. Company structure for tax purposes (C Corp, S Corp, LLC, LLP, etc.):
3. Have you been in business for more than three years?  Yes  No
4. Have you filed for bankruptcy in the past three years?  Yes  No
5. In the past three years, has your auditor issued any notification letters addressing significant issues? If yes, please explain and provide a copy of the notification letters.  Yes  No
6. Are the financial figures below based on audited financial statements?  Yes  No
7. Start Date of financial statements:  
End Date of financial statements:
8. Provide a link to annual reports with financial statements and management discussion for the past three complete fiscal years:
9. Provide the following information for the past three complete fiscal years:

	Latest complete fiscal year minus two years	Latest complete fiscal year minus one year	Latest complete fiscal year
<b>BALANCE SHEET DATA</b>			
a. Cash and Temporary Investments			
b. Accounts Receivable (beginning of year)			
c. Accounts Receivable (end of year)			
d. Average Account Receivable for the Year (calculated)			
e. Inventory (beginning of year)			
f. Inventory (end of year)			
g. Average Inventory for the Year (calculated)			
h. Current Assets			
i. Current Liabilities			
j. Total Liabilities			
k. Total Stockholders' Equity (beginning of year)			
l. Total Stockholders' Equity (end of year)			
m. Average Stockholders' Equity during the year (calculated)			
<b>INCOME STATEMENT DATA</b>			
a. Net Sales			
b. Cost of Goods Sold (COGS)			
c. Gross Profit (Net Sales minus COGS) (calculated)			
d. Interest Expense for the Year			
e. Net Income after Tax			
f. Earnings for the Year before Interest & Income Tax Expense			
<b>STATEMENT OF CASH FLOWS</b>			
a. Cash Flow provided by Operating Activities			
b. Capital Expenditures (property, plant, equipment)			

# ATTACHMENT J: NCORR STRATEGIC BUYOUT PROGRAM BUSINESS PROCESS

## 1.0 GENERAL

This document outlines the sequence of tasks for the North Carolina Office of Recovery and Resiliency's (NCORR) Strategic Buyout Program (SBP). Some tasks may occur simultaneously. For example, the inspections in Step 4 are ordered at the same time and happen largely independent of one another, though there are dependencies between them at times.

Relevant application details should be highlighted in a location that is easy to view and easily accessible to program staff. Highlighted details should include, but are not limited to:

- Unique application identifier
- Project
- Enrollment in another NCORR program, and if so, what its status is
- Staff member assigned to the application
- Applicant's name
- Applicant property address (including city, zip, and county)
- Disaster Risk Reduction Area (DRRA) zone
- Calculated National Objective
- Initial Offer Determination Status

## 2.0 STEP 1 - APPLICATION INTAKE

Applications may be submitted in hardcopy, over email, or through an online application. Program staff will ensure that copies of the document are retained in a document library and include important application information in system fields. These fields include, but are not limited to:

- Information about applicant(s) or other associated people
  - o Name,
  - o Alternate names used,
  - o Role in application (applicant, co-applicant, non-applicant co-owner, adult household member, child household member, tenant, power of attorney, communication designee, owning entity, etc.),
    - If someone with a power of attorney that could impact the property/application is involved, the program needs to collect contact information
  - o Contact information (phone number and/or email),
  - o Contact preference,
  - o Mailing address,
  - o Date of birth,
  - o Income,
  - o Communication needs (e.g. are interpretation services needed; if yes, what language; are TTY services needed),
  - o Fair Housing/Equal Opportunity (FHEO) information, including race, ethnicity and gender for head of household
- Verify Property Information
  - o Ownership of property and date of ownership
  - o Type of structure (single family home, manufactured home, vacant land, commercial property, church/religious/house of worship, mixed use, other)
    - If vacant land, number of acres
    - If manufactured home, confirm ownership of both land and structure
  - o Current use of property (primary residence, second home, rental property, agricultural land, commercial property, religious, mixed use, vacant land, other)

- o Use of property at the time of the storm (primary residence, second home, rental property, agricultural land, commercial property, religious, mixed use, vacant land, other)
- o Is property in a neighborhood with Homeowners Association (HOA) or Property Owners Association (POA)?
- o Other disaster assistance received
  - Track source of funding (Federal Emergency Management Agency (FEMA), Small Business Administration (SBA) or other), associated disaster, status of SBA loan, and enrollment status in other federal or state programs.
- o Liens against the property (back taxes, mortgages, other liens).
  - If yes, include information about type of debt, lienholder name and contact information, whether current on payment.
- o Homeowner's/property insurance, flood insurance, other insurance status at the time of the storm(s), insurance agent contact information

### 3.0 STEP 2 - ELIGIBILITY REVIEW

Program staff will need to verify the eligibility of each property and applicant. Eligibility may need to be re-reviewed at certain points if there is a change in eligibility. A property can also be eligible to receive incentives, which is tracked in the incentives section of this document.

To confirm an application's eligibility, the program will need to verify information including, but not limited to, the following:

- Property located in a DRRA
- Property enrollment in the Homeowner Recovery Program and status
- Property enrollment in the Hazard Mitigation Grant Program and status
- Property enrollment in the Disaster Recovery Act programs and status
- Program forms filled out completely and uploaded according to program procedures, and information input into the system correctly
- Applicant proof of identity and immigration/citizenship documentation meets program requirements
  - o Citizenship requirements can be met by applicant, co-applicant or their minor child/ward
- If property is owned by a business, confirm that the person who has applied has authority to sell the property
- Property type and use eligible via program policies
- Property ownership confirmed via property deed, title, or other information. Property's legal description noted. Applicant must be documented as owner of the property.
  - o If property is manufactured housing unit (MHU), ownership of lot and structure confirmed.
  - o If property is owned by an estate or any owners are known to be deceased, additional documentation likely needed, and application flagged
  - o If property is owned by a business, note eligibility criteria are met (business is a US-Owned, in good standing, etc.)
- Special conditions related to the property – examples: has the property been foreclosed on, was it gifted, is it in a life estate, is it owned by a trust?
- Applicant provided proof of primary residency (tax returns, vehicle registration, social security statement, utility bill, etc.)
  - o Are special conditions related to primary residency, such as a military deployment, incarceration, or medical incapacitation/nursing home enrollment?
- Is property eligible as a Phase I or Phase II property under policy?
- Is property pre-determined to be eligible for incentives?
- Is the property ineligible?
  - o If yes, track information related to how and when the initial ineligibility determination was sent, and how and when the final ineligibility determination was sent.

### 4.0 STEP 3 - TITLE REVIEW

Program staff will order a title report to verify property ownership, uncover any title clouds, and document any liens. The program will need to track information including, but not limited to, the following:

- Title report ordered details, including date ordered
- Date of title opinion
- Title report status, including title ordered, title issue resolution complete, title issue resolution in progress, clear title and title cloud demarcation.
- Document non-compliant restrictive covenants, HOA/POAs and other germane details
- Identify mortgages or other recorded liens, confirming applicant provided information
- Identify any potential heirs
- Document any title report issues that make a file ineligible

## **5.0 STEP 4.1 - BOUNDARY SURVEY**

Program staff will order a boundary survey to verify property boundaries, identifying any encroachments or encumbrances. The program will need to track information including, but not limited to, the following:

- Inspection status, including options such as assigned, scheduled, inspection completed, report completed, quality control (QC) completed and on hold
- Inspection details, including the date of the inspection, and the company that completed the inspection
- Inspection results, including documenting any encroachments or easements and their severity
- Document any boundary survey issues that make a file ineligible

## **6.0 STEP 4.2 - APPRAISALS**

Program staff will order an appraisal to ascertain the value of the property. The program will need to track information including, but not limited to, the following:

- Appraisal status including options such as assigned, scheduled, inspection completed, report completed, QC completed and on hold
- Appraisal details including the date of the appraisal, and the company and appraiser that completed the appraisal
- Current fair market value of the property and, if possible, the value of land and structure separately
- Details from the appraisal report such as property type, square footage, onsite fuel storage tank information, etc.
- Document any appraisal issues that make a file ineligible
- If an applicant appeals its offer (made in Step 5.1), it may submit a third-party appraisal to substantiate their appeal. If a third-party appraisal is submitted, the program will need to verify the following:
  - Appraisal details including the date of the appraisal and the company and appraiser that completed the appraisal
  - Current fair market value of the property and, if possible, the value of land and structure separately

## **7.0 STEP 4.3 - ASBESTOS**

Program staff will order an asbestos test to determine if asbestos is present. Some properties will be exempt from this requirement depending on the property type. The program will need to track information including, but not limited to, the following:

- If the property is enrolled in the Homeowner Recovery Program AND has an asbestos inspection already completed, a re-inspection will not be required
- Inspection status, including options such as assigned, scheduled, inspection completed, report completed, QC completed and on hold
- Inspection details, including the date of the inspection, and the company that completed the inspection
- Inspection results, including any presence of asbestos and details related to its abatement
- Document any asbestos inspection issues that make a file ineligible

## **8.0 STEP 4.4 - LEAD BASED PAINT**



Program staff will order a lead-based paint assessment to determine if lead-based paint is present. Some properties will be exempt from this requirement depending on the property type and/or property age. The program will need to track information including, but not limited to, the following:

- If the property is enrolled in the Homeowner Recovery Program AND has a lead-based paint assessment already completed, a re-inspection will not be required
- Inspection status including options such as assigned, scheduled, inspection completed, report completed, QC completed and on hold
- Inspection details including the date of the inspection, and the company that completed the inspection
- Inspection results including any presence of lead-based paint and details related to its remediation
- Documentation for lead-based paint disclosures, tracking regulatory timeframes and requirements
- Document any lead-based paint assessment issues that make a file ineligible

## **9.0 STEP 4.5 – ENVIRONMENTAL INSPECTION**

Program staff will complete an environmental review to comply with federal environmental regulations and grant rules. The program will need to track information including, but not limited to, the following:

- If the property is enrolled in the Homeowner Recovery Program AND has an environmental inspection already completed, the pre-existing inspection may be used and modified to accommodate the new scope of work
- Inspection status, including options such as assigned, scheduled, pending State Historic Preservation Office (SHPO) response, 8-step wetlands in-progress, inspection completed, report completed, QC completed, report approved and on hold
- Inspection details, including the date of the inspection, and the company that completed the inspection
- Site specific details, including age of structure, whether consultation is required, the construction intent of the project, whether the property is in the floodway, 100-year floodplain, 500-year floodplain, whether recognized environmental conditions are present, potential site contamination, etc.
- Document any environmental inspection issues that make a file ineligible

## **10.0 STEP 5.1 – INITIAL OFFER**

Program staff will draft and send an initial offer letter to the applicant, co-applicant and any other owners of record. The program will need to track information including, but not limited to, the following:

- Include information from other pages so letter can be drafted, including the current fair market value (Step 4.2 – Appraisals), presence of lead-based paint (Step 4.4 – Lead Based Paint), presence of asbestos (Step 4.3 – Asbestos)
- Include information from U.S. Department of Housing and Urban Development (HUD) databases, such as the Federal Housing Administration (FHA) Lending Limit per county
- Perform calculations to ensure offer does not exceed program caps, referencing FHA Lending Limit
- Ensure that values for any liens against the properties are up to date so the applicant(s) understand what financial obligations must be satisfied in order to close.
- o If the value of liens exceeds the appraised value of the property, the applicant(s) will be offered Short Sale Assistance (Step 5.2)
- Initial offer status, including options such as draft in progress, QC complete, initial offer sent to all owners, pending response, initial offer accepted by all owners, initial offer not accepted by all owners
- Initial offer details, including how and when the package was sent to owners of the property.
- Automated system notifications to selected program staff to notify them that the offer has been sent and has been returned

## **11.0 STEP 5.2 – SHORT SALE (OPTIONAL)**

All liens against a property must be resolved by the time the property is sold. If the liens on a property exceed the value of that property, the applicant(s) will be offered program short sale negotiation assistance. This is an optional process, and applicant(s) are free to negotiate a short sale on their own or pay the liens down themselves. The program will need to track information including, but not limited to, the following:

- Short sale negotiation status, including negotiation offer accepted, negotiation in-progress, negotiation denied, negotiation accepted, lienholders unresponsive, etc.
- Lienholder information, including lien amounts and contact information for lienholder institutions

## **12.0 STEP 5.3 – CLOSING**

Once an offer is accepted by all the property owners, the application moves forward to closing. At this point, ownership is transferred from the applicant(s) to the local government partner. The program will need to track information including, but not limited to, the following:

- Closing status including scheduling in-progress, closing scheduled, documentation prepared, drawdown requested, drawdown completed, vacancy inspection passed, closing completed, recording completed, and closing process completed.
- Closing details including the date of the closing, the location of closing, and the company that completed the closing.
- Documentation details including tracking that the title insurance policy was ordered, the deed was prepared, the settlement statement was prepared, and any other documents were prepared.
- Payment details including documenting, escalating and tracking financial requests and escrow deposits.
- Vacancy inspection details including inspection status, inspection scheduling details, and outcome of the inspection.
- Post-closing details including tracking that all closing documents were provided to owners and local government representatives, if needed, documents were transmitted to the county clerk, documents were properly uploaded, and the final title insurance policy was received.

## **13.0 STEP 5.4 – INCENTIVES**

Applicants who sell their property to the program may be eligible to receive additional incentives. There are four program incentives. Applicants can receive two incentives. Each incentive has its own unique eligibility criteria. The program will need to track information including, but not limited to, the following:

- Incentive eligibility factors including project status, income, primary residency status, documentation supporting replacement housing decision, replacement housing address (including county), whether the replacement property is in a floodplain and/or DRRA, and enrollment/completion of housing counseling classes.
- Incentive requests status including requested, under review, awarded, paid.
- Incentive calculators establishing maximum awards and subtracting duplicated benefits.
- System flag for a necessary and reasonable review for awards that exceed a certain cap.
- Incentive award notifications including tracking how and when an award letter or ineligibility letter was sent out, and the applicant response to the award.
- Payment details including documenting, escalating and tracking financial requests and money sent to third-parties or applicants.

## 14.0 SUPPORTIVE FUNCTIONS – APPEALS

At certain points, applicants will receive appealable determinations related to their buyout offer, incentive award, eligibility for the program or for the incentives, phase II notifications, or involuntary withdrawal. Following a successful appeal, an applicant can continue moving through the program. The program will need to track information including, but not limited to, the following:

- The determination being appealed, such as ineligibility determination, initial offer, incentive award, phase II notification, involuntary withdrawal.
- The appeal status, including options for received, under review, documentation requested, determination made, QC complete, determination sent, appeal withdrawn, appeal closed.
- Details related to the appeal including whether it is a valid appeal, when the appeal was received, when a response was received, whether a request for information (RFI) is needed, when the RFI was sent, when the RFI is due, whether a re-inspection is required, and what determination has been made.

## 15.0 SUPPORTIVE FUNCTIONS – INELIGIBILITY

At various points in the process, an application may be found to be ineligible. The program will need to track information including, but not limited to, the following:

- Ineligibility reason which may be tied to the ineligibility review, title report, appraisal, boundary survey, environmental review, incentive request or other reason(s).
- Ineligibility status including under review, QC complete, and determination mailed.

## 16.0 SUPPORTIVE FUNCTIONS – WITHDRAWALS

Applicants are free to withdraw from the program at any time prior to selling their property. Additionally, the program may involuntarily withdraw an application if the applicant is non-responsive to requests for information or documents. The program will need to track information including, but not limited to, the following:

- Whether a withdrawal is voluntary or involuntary
- For voluntary withdrawals:
  - The date the request came from the applicant
  - Why the applicant would like to withdraw
  - The date the program confirmed with withdrawal request and how this confirmation was sent to the applicant
- For involuntary withdrawals:
  - The date the applicant was notified the program was initiating the involuntary withdrawal process and how this determination was sent
  - The date the applicant was formally involuntarily withdrawn from the program and how this determination was sent
  - Documented communication attempts to justify the involuntary withdrawal.