

***REQUEST FOR PROPOSALS (RFP)***  
***THIRD PARTY ADMINISTRATION, INVESTMENT MANAGEMENT AND***  
***MARKETING SERVICES (PROGRAM MANAGER) FOR THE HOMECARE***  
***OPTION PROGRAM FOR THE ELDERLY TRUST FUND (HOPE FUND) FOR***  
***THE OFFICE OF THE STATE COMPTROLLER***  
**August 18, 2008**

**I. OVERVIEW**

The purpose of this RFP is to solicit proposals for a third-party administrator, investment manager, and marketing services provider (Program Manager) for the State of Connecticut Homecare Option Program for the Elderly (HOPE Fund) in accordance with Public Act 07-130 and Public Act 08-140 for the Office of the State Comptroller (OSC), State of Connecticut. The State Comptroller of the State of Connecticut (Comptroller) is responsible for the administration, operation and maintenance of the HOPE Fund which permits a participant to establish a HOPE Fund account to which contributions may be made and earnings incurred thereupon for the purpose of funding qualified home care expenses necessary to perform the instrumental activities of daily living for a designated beneficiary of such HOPE Fund account. Withdrawals by the designated beneficiary from the HOPE Fund account may be used for qualified home care expenses, upon receipt by the fund of a physician's certification that the designated beneficiary is in need of services for the instrumental activities of daily living.

**II. BACKGROUND OF PROJECT AND SCOPE OF WORK**

The Comptroller is the administrator and trustee of the HOPE Fund. The State Comptroller is responsible for carrying out all aspects and effectuating the purpose, objectives and provisions of Public Acts 07- 130 and 08-140 (attached hereto). The Comptroller shall establish the Connecticut Home Care Trust Fund, (HOPE FUND) which shall be comprised of individual savings accounts for those qualified home care expenses not covered by a long-term care insurance policy and for those qualified home care expenses that supplement the coverage provided by a long-term care policy or Medicare. The Comptroller on behalf of the HOPE Fund may establish one or more

funds within the HOPE Fund and maintain separate accounts for each designated beneficiary. In furtherance of Public Acts 07-130 and 08-140, the Comptroller may on behalf of the HOPE Fund enter into one or more contractual agreements, including contracts for legal, actuarial, custodial, advisory, management, administrative, advertising, marketing and consulting services for the HOPE Fund.

The Comptroller is seeking a third-party Program Manager to provide administrative, custodial, investment management, and marketing services associated with the administration, operation and maintenance of the HOPE Fund. The third-party Program Manager must be a financial institution that has been established and licensed under the laws of any state or federal law.

The contract will be for the following period, November 1, 2008\* to December 31, 2012, as follows:

Year 1 November 1, 2008\* to December 31, 2008  
Year 2 January 1, 2009 to December 31, 2009  
Year 3 January 1, 2010 to December 31, 2010  
Year 4 January 1, 2011 to December 31, 2011  
Year 5 January 1, 2012 to December 31, 2012

The Program Manager selected by the Comptroller will be expected to provide the following, in consultation with and approval by the Comptroller:

- ✓ A proposed set of equity and fixed income investment products -- mutual funds or separate accounts with related costs/fees -- to address various investment options or investment strategies ( managed allocation, equity, fixed income, money market ) identified for use in the HOPE Fund.
- ✓ An asset allocation strategy for the HOPE Fund premised on the age of the designated beneficiary and the target date for such person's qualified withdrawals under the HOPE Fund.
- ✓ Preparation of the disclosure booklet and prospectus materials associated with the participants investment in the HOPE Trust Fund.
- ✓ Preparation of the marketing materials and website for the HOPE Fund, as well as, the preparation and launch of the marketing campaign for the HOPE Fund in consultation and with the approval of the Comptroller.
- ✓ Preparation of the participation agreement and related documents associated with participating in the HOPE Fund.

- ✓ Preparation of a client service plan with appropriate client service metrics.
- ✓ Preparation of HOPE Fund program rules and related documents to implement the HOPE Fund program rules.

## **V. PROPOSAL SUBMISSION REQUIREMENTS**

Each firm that wishes to be considered for the contract shall submit eight (8) copies of their proposal to be delivered to the following address no later than 4:00 p.m. (local time), September 24, 2008 to:

Sarah Ormerod  
Office of the State Comptroller  
55 Elm Street, Room 107  
Hartford, CT 06106  
(860) 702-3337 telephone  
(860) 702-3699 facsimile

Questions should be emailed to [Osc.rfp@po.state.ct.us](mailto:Osc.rfp@po.state.ct.us)  
Proposals must include the following:

- Title Page

The title page must indicate the name of the firm, address, telephone number, name and title of the firm's contact person for this response, and the date.

- Table of Contents

- Letter of Transmittal

The letter must include the name of the individual(s) proposed to serve the state on this engagement, a rationale for the firm's ability to provide the requested services to the state, and a statement of positive commitment to the availability of the firm's staff to provide up to 1,000 hours per year of on-site services upon reasonable notification by the state.

- Summary of Qualifications

This summary must include the resume(s) of the individual(s) proposed to serve the state on this engagement. All relevant experience of the firm as well as the individual(s) assigned should be detailed within this section.

- Firm Profile

The profile must include the size and location of the firm (including the location, if any, of the Connecticut office and the number of employees attached to the Connecticut office), the number of years that the firm has been in business, and relevant experience in servicing state and local governments.

- References

Names, addresses, and phone numbers of individuals who can serve as references for the firm must be provided. The references provided should have direct experience working with the firm. At its option, the firm may provide sample work to illustrate its relevant experience. The state is not responsible for any costs incurred by any party in responding to this request for proposal.

- Cost

It is anticipated the costs of the services provided under this contract shall be derived from the investments in the HOPE Trust Fund. Any fees charged to participants are subject to the approval of the Comptroller's Office.

- Contract Compliance

The Proposer must provide evidence of the Proposer's ability to meet the contract compliance requirements for one or more of the following factors: (1) success in implementing an affirmative action plan; (2) success in developing an apprenticeship program complying with §§ 46a-68-1 to 46a-68-17 inclusive, of the Regulations of Connecticut State Agencies; (3) promise to develop and implement a successful affirmative action plan; (4) submission of EEO-1 data indicating that the composition of the Proposer's workforce is at or near parity in the relevant labor market area; or (5) promise to set aside a portion of the contract for legitimate minority business enterprises. The State of Connecticut's Contract Compliance Forms applicable to State contracts are available at [www.state.ct.us/chro](http://www.state.ct.us/chro) under "Contract Compliance." The following forms are mandatory and must be completed and returned to the Office of the State Comptroller with the proposal:

- Notification to Bidders Form (attached to this RFP)

- Bidder Contract Compliance Monitoring Report

## VI. INSTRUCTIONS TO VENDORS

1. The following timeline, up to and including the deadline for submitting proposals, shall be changed only by an amendment to this RFP. Dates after the deadline are target dates only.

August 18, 2008 RFP Released

August 27, 2008 Letter of Intent Due

September 5, 2008 Deadline for Questions

September 12, 2008 Official Answers Released

September 24, 2008 Deadline for Submitting Proposals

October 3, 2008 Proposed Date for Program Manager Selection

October 15, 2008 Proposed date of contract with Program Manager\*

November 1, 2008 Proposed date of issuing disclosure booklet and program launch\*\*

\* Date could be move earlier.

\*\* Subject to negotiation.

2. Vendors who intend to make a proposal are requested to submit a letter of intent by Wednesday, August 27, 2008.

3. Proposers may submit questions about the RFP to the Official Agency Contact on or before ***Friday, September 5, 2008***. Questions must be in writing and submitted via US Mail, facsimile or email. Questions will not be accepted over the telephone. Anonymous questions will not be answered. All questions and answers regarding this RFP will be posted on the Office of the State Comptroller's website, [www.osc.state.ct.us](http://www.osc.state.ct.us) no later than ***Friday, September 12, 2008***.

4. Those vendors who had submitted a letter of intent but decide they do not wish to make a proposal are asked to submit a negative reply on or before ***September 24, 2008***.

5. A proposal from a potential third party Program Manager shall include the bidder's proposed set of equity and fixed income products, mutual funds or separate account products with related costs/fees to address various investment options or investment strategies (managed allocation, equity, fixed income, money) identified for use in the HOPE Fund. Also, an asset allocation strategy for the HOPE Fund premised on the age of the designated beneficiary and the target date for such person's qualified withdrawals under the HOPE Fund. Also, the approach that the bidder will take to market the HOPE Fund and the related budget/funding, as well as the proposed staffing of the client service plan.

6. Proposers are advised not to include in their proposals any proprietary information. The Connecticut Freedom of Information Act generally requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption. If the

information is not readily available to the public from other sources and the Proposer submitting the information requests confidentiality, then the information generally is considered to be “given in confidence.” Confidential information must be isolated from other materials in the proposal and labeled CONFIDENTIAL.

7. Any communications with the agency or any person representing this agency concerning this RFP are strictly prohibited, except as permitted by this RFP. Any violation of this prohibition by the Proposers or their representatives may result in disqualification or other sanctions, or both.

8. The firm or firms selected as finalists after an initial evaluation may be required to give a presentation to the selection committee.

9. All responses to this request for proposals must conform to these instructions. Failure to conform may be considered appropriate cause for rejection of the response.

10. Delivery of responses must be in a sealed envelope or box. The name and address of the vendor must appear on the envelope or box. **FAX responses are not acceptable.**

11. Vendors must structure the response as outlined in this request for proposals.

12. The state of Connecticut is exempt from the payment of excise, transportation, and sales taxes imposed by the federal and state government. Such taxes must not be included in the cost.

13. The proposal must be signed by an authorized official of the vendor. The proposal must provide the name, title, address and telephone number, fax number, and email address for individuals with authority to negotiate and contractually bind the company. The proposal must also contain the Federal Employer Identification Number (FEIN) for the company.

14. At this time there is no plan to have a bidders’ conference, but the Office of the State Comptroller reserves the right to hold one.

## **VII. CONDITIONS**

Any prospective contractors must be willing to adhere to the following conditions and must positively acknowledge such intent “to comply with the provisions of Section VII of this request for proposal” in the Contract Compliance section of the proposal submission:

1. All proposals in response to this RFP are to be the sole property of the Office of the State Comptroller. Proposers are encouraged to not include in their proposals any information that is proprietary. All materials associated with this procurement process are subject to the terms of State laws defining freedom of information and privacy and all rules, regulations and interpretations resulting from those laws.

2. Any product, whether acceptable or unacceptable, developed under a contract awarded as a result of the RFP is to be the sole property of the Office of the State Comptroller.
3. Timing and sequence of events resulting from this RFP will ultimately be determined by the Office of the State Comptroller.
4. The Proposer agrees that the proposal will remain valid for a period of 120 days after the deadline for submission and may be extended beyond that time by mutual agreement.
5. The Office of the State Comptroller may amend or cancel this RFP, prior to the due date and time, if the Office of the State Comptroller deems it to be necessary, appropriate or otherwise in the best interests of the Office of the State Comptroller. Failure to acknowledge receipt of amendments, in accordance with the instructions contained in the amendments, may result in the proposal not being considered.
6. The Proposer must certify that the personnel identified in its response to this RFP will be the persons actually assigned to the project. Any additions, deletions or changes in personnel assigned to the project must be approved by the Office of the State Comptroller or its designee, with the exception of personnel who have terminated employment. Replacements for personnel who have terminated employment are subject to approval by the Office of the State Comptroller or its designee. At its discretion, the Office of the State Comptroller may require the removal and replacement of any of the Proposer's personnel who do not perform adequately on the project, regardless of whether they were previously approved by the Office of the State Comptroller.
7. Any costs and expenses incurred by Proposers in preparing or submitting proposals are the sole responsibility of the Proposer.
8. A Proposer must be prepared to present evidence of experience, ability, service facilities, and financial condition necessary to satisfactorily meet the requirements set forth or implied in the proposal.
9. No additions or changes to the original proposal will be allowed after submission. While changes are not permitted, clarification of proposals may be required by the Office of the State Comptroller at the Proposer's sole cost and expense.
10. In some cases, Proposers may be asked to give demonstrations, interviews, presentations or further explanation to the RFP's Screening Committee.
11. The Proposer represents and warrants that the proposal is not made in connection with any other Proposer and is in all respects fair and without collusion or fraud. The Proposer further represents and warrants that the Proposer did not participate in any

part of the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no agent, representative or employee of the Office of the State Comptroller participated directly in the Proposer's proposal preparation.

12. All responses to the RFP must conform to instruction. Failure to include any required signatures, provide the required number of copies, to meet deadlines, answer all questions, follow the required format, or failure to comply with any other requirements of this RFP may be considered appropriate cause for rejection of the response.

13. The Proposer must accept the Office of the State Comptroller's standard contract language and conditions. See attached Standard Contract and Conditions.

14. The contract will represent the entire agreement between the Proposer and the Office of the State Comptroller and will supersede all prior negotiations, representations or agreements, alleged or made, between the parties. The Office of the State Comptroller or the State shall assume no liability for payment of services under the terms of the contract until the successful Proposer is notified that the contract has been accepted and approved by the Office of the State Comptroller and by the Attorney Generals Office. The contract may be amended only by means of a written instrument signed by the Office of the State Comptroller, the Proposer and the Attorney Generals Office.

15. The Office of the State Comptroller reserves the right to award in part, to reject any and all proposals in whole or in part for misrepresentation or if the Proposer is in default of any prior State contract, or if the proposal limits or modifies any of the terms and conditions and/or specifications of the RFP. The Office of the State Comptroller also reserves the right to waive technical defect, irregularities and omissions if, in its judgment, the best interest of the Office of the State Comptroller will be served.

16. The Office of the State Comptroller reserves the right to correct inaccurate awards resulting from its clerical errors. This may include, in extreme circumstances, revoking the awarding of a contract already made to a Proposer and subsequently awarding the contract to another Proposer. Such action on the part of the Office of the State Comptroller shall not constitute a breach of contract on the part of the Office of the State Comptroller since the contract with the initial Proposer is deemed to be void ab initio and of no effect as if no contract ever existed between the Office of the State Comptroller and the Proposer.



## **VIII. EVALUATION OF PROPOSALS**

Each proposal will be evaluated by a screening committee against the following criteria to determine which vendor is most capable of implementing the state's requirements.

- Vendor's ability to perform the specified work as evidenced by the governmental accounting experience of the assigned personnel, the number of professional staff and the vendor references.
- Vendor's understanding of the project and its purpose and scope, as evidenced by the proposed approach and level of effort detailed in the proposal.
- Competitiveness of the proposed cost.
- Conformity with the specifications of this request for proposals.
- Demonstration of commitment to equal employment opportunities by full compliance with the regulations of the Connecticut Commission on Human Rights and Opportunities.
- Presentation to the screening committee, if applicable.

**Substitute House Bill No. 5845**

**Public Act No. 08-140**

**AN ACT CONCERNING THE HOMECARE OPTION PROGRAM FOR THE ELDERLY (HOPE).**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the 2008 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2008, and applicable to taxable years commencing on or after January 1, 2008*):

(B) There shall be subtracted therefrom (i) to the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law, (ii) to the extent allowable under section 12-718, exempt dividends paid by a regulated investment company, (iii) the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia, to the extent properly includable in gross income for federal income tax purposes, (iv) to the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad retirement benefits, (v) to the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code, as provided by Section 101 of the Job Creation and Worker Assistance Act of 2002, for property placed in service after December 31, 2001, but prior to September 10, 2004, was added to federal adjusted gross income pursuant to subparagraph (A)(ix) of this subdivision in computing Connecticut adjusted gross income for a taxable year ending after December 31, 2001, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years, (vi) to the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, (vii) to the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized, (viii) any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest

on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual, (ix) ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation under this chapter but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual, (x) (I) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and (II) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code, (xi) to the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to section 12-746, (xii) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code,

established and maintained by this state or any official, agency or instrumentality of the state, (xiii) to the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiv) to the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim, (xv) to the extent properly includable in gross income for federal income tax purposes of an account holder, as defined in section 31-51ww, interest earned on funds deposited in the individual development account, as defined in section 31-51ww, of such account holder, (xvi) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 3-123aa of the 2008 supplement to the general statutes, interest, dividends or capital gains earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 3-123aa to 3-123ff, inclusive, of the 2008 supplement to the general statutes, and (xvii) to the extent properly included in gross income for federal income tax purposes, fifty per cent of the income received from the United States government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, or (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code.

Sec. 2. Subsection (a) of section 3-123aa of the 2008 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2008*):

(a) For purposes of sections 3-123aa to 3-123ff, inclusive:

(1) "Depositor" means any person making a deposit, payment, contribution, gift or other deposit to the trust pursuant to a participation agreement.

(2) "Designated beneficiary" means any individual who has been designated as a beneficiary in the participation agreement, and may include any individual who enters into a participation agreement or is subsequently designated as a spouse or the partner to a civil union of the designated beneficiary.

(3) "Eligible home care provider" means (A) a provider licensed in Connecticut to perform home care services, (B) a homemaker or companion service that is registered with the Department of Consumer Protection, (C) licensed transportation services, or (D) a personal care assistant.

(4) "Instrumental activities of daily living" means activities related to independent living necessary to maintain an individual in their home or other noninstitutional setting, and includes, but is not limited to,

adult day care, chore services, companion services, meal preparation or home-delivered meals, or transportation or homemaker services.

(5) "Participation agreement" means the agreement between the trust and depositors for participation in a savings plan for a designated beneficiary.

(6) "Qualified home care expenses" means the cost of services performed by an eligible home care provider for the instrumental activities of daily living, and the cost of any other service recommended by a physician and provided by an eligible home care provider.

(7) "Trust" means the Connecticut Home Care Trust Fund.

Sec. 3. (NEW) (*Effective July 1, 2008*) (a) The Connecticut Home Care Trust Fund shall constitute an instrumentality of the state and shall perform essential governmental functions, as provided in this section and sections 3-123aa to 3-123ff, inclusive, of the general statutes or the 2008 supplement to the general statutes, as amended by this act. The trust shall receive and hold all payments and deposits or contributions intended for the trust, as well as gifts, bequests, endowments or federal, state or local grants and any other funds from any public or private source and all earnings until disbursed in accordance with section 3-123aa of the 2008 supplement to the general statutes, as amended by this act.

(b) The amounts on deposit in the trust as individual savings accounts shall not constitute property of the state and such amounts shall not be construed to be a department, institution or agency of the state. Amounts on deposit in the trust shall not be commingled with state funds and the state shall have no claim to or against, or interest in, such funds. Any contract entered into by or any obligation of the trust shall not constitute a debt or obligation of the state and the state shall have no obligation to any designated beneficiary or any other person on account of the trust and all amounts obligated to be paid from the trust shall be limited to amounts available for such obligation on deposit in the trust. The amounts on deposit in the trust may only be disbursed in accordance with the provisions of this section and sections 3-123aa to 3-123ff, inclusive, of the general statutes or the 2008 supplement to the general statutes, as amended by this act. The trust shall continue in existence as long as it holds any deposits or has any obligations and until its existence is terminated by law. Upon termination any unclaimed assets shall return to the state.

(c) The Comptroller shall be responsible for the receipt, maintenance, administration, investing and disbursements of amounts from the trust. The trust shall not receive deposits in any form other than cash. No depositor or designated beneficiary may direct the investment of any contributions or amounts held in the trust other than in the specific fund options provided for by the trust.

Approved June 5, 2008

**Substitute Senate Bill No. 1451**

**Public Act No. 07-130**

**AN ACT ESTABLISHING THE CONNECTICUT HOMECARE  
OPTION PROGRAM FOR THE ELDERLY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective October 1, 2007*) (a) For purposes of sections 1 to 6, inclusive, of this act:

(1) "Depositor" means any person making a deposit, payment, contribution, gift or other deposit to the trust pursuant to a participation agreement.

(2) "Designated beneficiary" means any individual who enters into a participation agreement or is subsequently designated as a spouse or the partner to a civil union of the designated beneficiary.

(3) "Eligible home care provider" means (A) a provider licensed in Connecticut to perform home care services, (B) a homemaker or companion service that is registered with the Department of Consumer Protection, (C) licensed transportation services, or (D) a personal care assistant.

(4) "Instrumental activities of daily living" means activities related to independent living necessary to maintain an individual in their home or other noninstitutional setting, and includes, but is not limited to, adult day care, chore services, companion services, meal preparation or home-delivered meals, or transportation or homemaker services.

(5) "Participation agreement" means the agreement between the trust and depositors for participation in a savings plan for a designated beneficiary.

(6) "Qualified home care expenses" means the cost of services performed by an eligible home care provider for the instrumental activities of daily living, and the cost of any other service recommended by a physician and provided by an eligible home care provider.

(7) "Trust" means the Connecticut Home Care Trust Fund.

(b) There is established the Connecticut Homecare Option Program for the Elderly, to allow individuals to plan for the cost of services that will allow them to remain in their homes or in a noninstitutional setting as they age. The Comptroller shall establish the Connecticut Home Care Trust Fund, which shall be comprised of individual savings accounts for those qualified home care expenses not covered by a long-term care insurance policy and for those qualified home care expenses that supplement the coverage provided by a long-term care policy or Medicare. Withdrawals from the fund may be used for qualified home care expenses, upon receipt by the fund of a physician's certification that the designated beneficiary is in need of services for the instrumental activities of daily living. Upon the death of a designated beneficiary, any available funds in such beneficiary's

account shall be an asset of the estate of such beneficiary.

(c) There is established an advisory committee to the Connecticut Homecare Option Program for the Elderly, which shall consist of the State Treasurer, the Comptroller, the Commissioner of Social Services, a representative of the Commission on Aging, the director of the long **Substitute** term care partnership policy program within the Office of Policy and Management, and the cochairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to human services and finance, revenue and bonding and the cochairpersons and ranking members of the select committee having cognizance of matters relating to aging, or their designees. The Governor shall appoint one provider of home care services for the elderly and a physician specializing in geriatric care. The advisory committee shall meet at least annually. The State Comptroller shall convene the meetings of the committee.

Sec. 2. (NEW) (*Effective October 1, 2007*) The Comptroller, on behalf of the trust and for purposes of the trust, may:

- (1) Receive and invest moneys in the trust in any instruments, obligations, securities or property in accordance with section 3 of this act;
- (2) Procure insurance in connection with the trust's property, assets, activities, or deposits or contributions to the trust;
- (3) Establish one or more funds within the trust and maintain separate accounts for each designated beneficiary; and
- (4) Take any other actions necessary to carry out the purposes of sections 1 to 6, inclusive, of this act, and incidental to the duties imposed on the Comptroller pursuant to said sections.

Sec. 3. (NEW) (*Effective October 1, 2007*) The Comptroller shall invest the amounts on deposit in the trust in a manner reasonable and appropriate to achieve the objectives of the trust, exercising the discretion and care of a prudent person in similar circumstances with similar objectives. The Comptroller shall give due consideration to rate of return, risk, term or maturity, diversification of the total portfolio within the trust, liquidity, the projected disbursements and

**Substitute Senate Bill No. 1451**

**Public Act No. 07-130 4 of 13**

expenditures, and the expected payments, deposits, contributions and gifts to be received. The Comptroller shall not require the trust to invest directly in obligations of the state or any political subdivision of the state or in any investment or other fund administered by the Comptroller. The assets of the trust shall be continuously invested and reinvested in a manner consistent with the objectives of the trust until disbursed for qualified home care expenses, expended on expenses incurred by the operations of the trust, or refunded to the depositor or designated beneficiary on the conditions provided in the participation agreement.

Sec. 4. (NEW) (*Effective October 1, 2007*) The Comptroller, on behalf

of the trust and for purposes of the trust, may:

(1) Establish consistent terms for each participation agreement, bulk deposit, coupon or installment payments, including, but not limited to, (A) the method of payment into the trust by payroll deduction, transfer from bank accounts or otherwise, (B) the termination, withdrawal or transfer of payments under the trust, including transfers to an eligible home care provider, (C) penalties for distributions not used or made in accordance with this section, (D) changing the identity of the designated beneficiary, and (E) any charges or fees in connection with the administration of the trust;

(2) Enter into one or more contractual agreements, including contracts for legal, actuarial, accounting, custodial, advisory, management, administrative, advertising, marketing and consulting services for the trust and pay for such services from the gains and earnings of the trust;

(3) Apply for, accept and expend gifts, grants or donations from public or private sources to enable the trust to carry out its objectives;

(4) Adopt regulations, in accordance with chapter 54 of the general statutes, to implement the purposes of sections 1 to 6, inclusive, of this act;

(5) Sue and be sued; and

(6) Take any other action necessary to carry out the purposes of sections 1 to 6, inclusive, of this act, and incidental to the duties imposed on the Comptroller pursuant to said sections.

Sec. 5. (NEW) (*Effective October 1, 2007*) Participation in the trust and the offering and solicitation of the trust are exempt from sections 36b-16 and 36b-22 of the general statutes. The Comptroller shall obtain written advice of counsel or written advice from the Securities Exchange Commission, or both, that the trust and the offering of participation in the trust are not subject to federal securities laws.

Sec. 6. (NEW) (*Effective October 1, 2007*) The state pledges to depositors, designated beneficiaries and with any party who enters into contracts with the trust, pursuant to the provisions of sections 1 to 6, inclusive, of this act, that the state will not limit or alter the rights under said sections vested in the trust or contract with the trust until such obligations are fully met and discharged and such contracts are fully performed on the part of the trust, provided nothing contained in this section shall preclude such limitation or alteration if adequate provision is made by law for the protection of such depositors and designated beneficiaries pursuant to the obligations of the trust or parties who entered into such contracts with the trust. The trust, on behalf of the state, may include this pledge and undertaking for the state in participation agreements and such other obligations or contracts.

Sec. 7. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes is repealed and the following is



substituted in lieu thereof (*Effective October 1, 2007, and applicable to taxable years commencing on or after January 1, 2007*):

(B) There shall be subtracted therefrom (i) to the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law, (ii) to the extent allowable under section 12-718, exempt dividends paid by a regulated investment company, (iii) the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia, to the extent properly includable in gross income for federal income tax purposes, (iv) to the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad retirement benefits, (v) to the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code, as provided by Section 101 of the Job Creation and Worker Assistance Act of 2002, for property placed in service after December 31, 2001, but prior to September 10, 2004, was added to federal adjusted gross income pursuant to subparagraph (A) (ix) of this subdivision in computing Connecticut adjusted gross income for a taxable year ending after December 31, 2001, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years, (vi) to the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, (vii) to the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized, (viii) any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual, (ix) ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation under this chapter but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the

taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual, (x) (I) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and (II) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code, (xi) to the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to section 12-746, (xii) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiii) to the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiv) to the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim, [and] (xv) to the extent

properly includable in gross income for federal income tax purposes of an account holder, as defined in section 31-51ww, interest earned on funds deposited in the individual development account, as defined in section 31-51ww, of such account holder, and (xvi) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 1 of this act, interest earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 1 to 6, inclusive, of this act.

Sec. 8. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by section 71 of public act 05-251 and section 77 of public act 06-186, is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007, and applicable to taxable years commencing on or after January 1, 2008*):

(B) There shall be subtracted therefrom (i) to the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law, (ii) to the extent allowable under section 12-718, exempt dividends paid by a regulated investment company, (iii) the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia, to the extent properly includable in gross income for federal income tax purposes, (iv) to the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad retirement benefits, (v) to the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code, as provided by Section 101 of the Job Creation and Worker Assistance Act of 2002, for property placed in service after December 31, 2001, but prior to September 10, 2004, was added to federal adjusted gross income pursuant to subparagraph (A)(ix) of this subdivision in computing Connecticut adjusted gross income for a taxable year ending after December 31, 2001, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years, (vi) to the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, (vii) to the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public

instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized, (viii) any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual, (ix) ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation under this chapter but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual, (x) (I) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and (II) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code, (xi) to the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to

section 12-746, (xii) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiii) to the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiv) to the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim, (xv) to the extent properly includable in gross income for federal income tax purposes of an account holder, as defined in section 31-51ww, interest earned on funds deposited in the individual development account, as defined in section 31-51ww, of such account holder, (xvi) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 1 of this act, interest earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 1 to 6, inclusive, of this act, and [(xvi)] (xvii) to the extent properly included in gross income for federal income tax purposes, fifty per cent of the income received from the United States government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, or (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code.

Sec. 9. Subsection (a) of section 17b-342a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

(a) The Commissioner of Social Services shall, within available appropriations, establish and operate a state-funded pilot program to allow [no more than two hundred fifty] persons who are sixty-five years of age or older and meet the eligibility requirements of the Connecticut home-care program for the elderly established under section 17b-342 to receive personal care assistance provided such services are cost effective as determined by the Commissioner of Social Services. Persons who receive personal care assistance services pursuant to the pilot program established by section 47 of public act 00-2 of the June special session\* shall be included as participants of the pilot program established pursuant to this section. Personal care assistance under the program may be provided by nonspousal family members of the recipient of services under the program.

Approved June 19, 2007

**Office of the State Comptroller**

**GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION**

*Certification to accompany a State contract with a value of \$50,000 or more in a calendar or fiscal year, pursuant to C.G.S. §§ 4-250 and 4-252(c) C.G.S. §9-612(g)(2), as amended by Public Act 07-1. Annual certification with respect to campaign contributions and gifts as defined by the general statutes.*

**INSTRUCTIONS:**

Complete all sections of the form. If additional pages are required to provide full disclosure, please attach them to this form. The form is required to be signed under oath before a Commissioner of the Superior Court (other properly licensed attorney from jurisdiction of signor) or Notary Public. The completed form must be returned to the Comptroller's Office at the time of initial contract execution (and on each anniversary date of a multi-year contract, if applicable).

**CHECK ONE:**   ☐ Initial Certification                      ☐ Annual Update (Multi-year contracts only.)

**GIFT CERTIFICATION:**

As used in this certification, the following terms have the meaning set forth below:

- 1) "Contract" means that contract between the Office of the State Comptroller and the Contractor, attached hereto;
- 2) If this is an Initial Certification, "Execution Date" means the date the Contract is fully executed by, and becomes effective between, the parties; if this is an Annual Update, "Execution Date" means the date this certification is signed by the Contractor;
- 3) "Contractor" means the person, firm or corporation named as the contactor below;
- 4) "Applicable Public Official or State Employee" means any public official or state employee described in C.G.S. §4-252(c)(1)(i) or (ii);
- 5) "Gift" has the same meaning given that term in C.G.S. § 4-250(1);
- 6) "Planning Start Date" is the date the State agency began planning the project, services, procurement, lease or licensing arrangement covered by this Contract, as indicated by the awarding State agency below; and
- 7) "Principals or Key Personnel" means and refers to those principals and key personnel of the Contractor, and its or their agents, as described in C.G.S. §§ 4-250(5) and 4-252(c)(1)(B) and (C).

I, the undersigned, am the official authorized to execute the Contract on behalf of the Contractor. I hereby certify that, between the Planning Start Date and Execution Date, neither the Contractor nor any Principals or Key Personnel has made, will make (or has promised, or offered, to, or otherwise indicated that he, she or it will, make) any Gifts to any Applicable Public Official or State Employee.

I further certify that no Principals or Key Personnel know of any action by the Contractor to circumvent (or which would result in the circumvention of) the above certification regarding Gifts by providing for any other principals, key personnel, officials, or employees of the Contractor, or its or their agents, to make a Gift to any Applicable Public Official or State Employee. I further certify that the Contractor made the bid or proposal for the Contract without fraud or collusion with any person.

**CAMPAIGN CONTRIBUTION CERTIFICATION:**

I further certify that, on or after December 31, 2006, neither the Contractor nor any of its principals, as defined in C.G.S. § 9-612(g)(1), has made any campaign contributions to, or solicited any contributions on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support, any candidate for statewide public office, in violation of C.G.S. § 9-612(g)(2)(A). I further certify that all lawful campaign contributions that have been made on or after December 31, 2006 by the Contractor or any of its principals, as defined in C.G.S. § 9-612(g)(1), to, or solicited on behalf of, any exploratory committee, candidate committee, political committee, or party

committee established by, or supporting or authorized to support any candidates for statewide public office or the General Assembly, are listed below:

**Lawful Campaign Contributions to Candidates for Statewide Public Office:**

Contribution Date Name of Contributor Recipient Value Description


**Lawful Campaign Contributions to Candidates for the General Assembly:**

Contribution Date Name of Contributor Recipient Value Description


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

\_\_\_\_\_  
Printed Contractor Name Signature of Authorized Official

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

\_\_\_\_\_  
Commissioner of the Superior Court (or Notary Public)



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

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

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

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

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

This form is **MANDATORY** and must be completed, signed, and returned with the vendor's bid.

**ACKNOWLEDGMENT OF CONTRACT COMPLIANCE  
NOTIFICATION TO BIDDERS**

INSTRUCTION: Bidder must sign acknowledgment below, and return this form to the awarding agency with the bid proposal.

The undersigned duly authorized representative of the bidding vendor acknowledges receiving and reading a copy of the **NOTIFICATION TO BIDDERS**. *(Please print name under signature line.)*

---

Signature

---

Title

---

Date

**On behalf of:**

---

Vendor Name

---

Street Address

---

City State Zip

---

Federal Employee Identification Number  
(FEIN/SSN)

This form is **MANDATORY** and must be completed, signed, and returned with the vendor's bid.

## SEEC FORM 11

### **NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN**

This notice is provided under the authority of Connecticut General Statutes 9-612(g)(2), as amended by P.A. 07-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined below):

#### **Campaign Contribution and Solicitation Ban**

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

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

#### **Duty to Inform**

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

#### **Penalties for Violations**

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

**Civil penalties** - \$2000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of \$2000 or twice the amount of the prohibited contributions made by their principals.

**Criminal penalties** - Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or \$5000 in fines, or both.

#### **Contract Consequences**

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

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

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

Additional information and the entire text of P.A 07-1 may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seec](http://www.ct.gov/seec). Click on the link to "State Contractor Contribution Ban."

#### **Definitions:**

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

classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

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

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

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

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

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

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

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

## SEEC FORM 10

### **NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN**

This notice is provided under the authority of Connecticut General Statutes 9-612(g)(2), as amended by P.A. 07-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on page 2):

#### **Campaign Contribution and Solicitation Ban**

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

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

#### **Duty to Inform**

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

#### **Penalties for Violations**

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

**Civil penalties**--\$2000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of \$2000 or twice the amount of the prohibited contributions made by their principals.

**Criminal penalties**—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or \$5000 in fines, or both.

#### **Contract Consequences**

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

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

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

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

(signature) (date)

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

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

Additional information and the entire text of P.A 07-1 may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seec](http://www.ct.gov/seec). Click on the link to "State Contractor Contribution Ban"

# **STATE OF CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION 20 Trinity Street Hartford, Connecticut 06106—1628**

## Definitions:

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

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

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

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

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

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

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

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

## **Plain Language Summary of State Ethics Laws for Current and Potential State Contractors**

**Note:** The following is a summary of the major ethics laws and related provisions applicable to current and potential state contractors. For more detailed information or to discuss any questions you may have, contact the Office of State Ethics at (860) 566-4472.

### **RESTRICTIONS ON THE BENEFITS YOU MAY GIVE TO STATE PERSONNEL**

**GIFTS:** In general, no one doing business with or seeking business from a state or quasi-public agency may give a gift to an official or employee of that agency. Connecticut's gift ban is strict, but has some exceptions. For example, under the Ethics Code, you may give: (1) food and drink up to \$50 per person per year, if the person paying, or his or her representative, is in attendance; and (2) tangible gifts up to \$10 per item up to \$50 per person per year. Also exempt are certain items such as informational materials, or plaques costing less than \$100. For a complete list of the Code's gift exceptions, consult Conn. Gen. Stat. § 1-79(e) or contact the Office of State Ethics.

**IMPORTANT RECENT CHANGE IN LAW:** As of July 1, 2004, gifts for "major life events," including a wedding or the birth of a child, which were previously exempt from the gift ban, are now subject to the strict gift limits outlined above if the gifts are provided by any individual or entity doing business with or seeking business from the state.

**NOTE:** State agencies may have stricter gift rules than the provisions of the Ethics Code (for example, an agency policy may ban all food and drink). Be sure to obtain a copy of the agency's ethics policy before you provide any benefit to an agency official/employee.

**NECESSARY EXPENSES:** Under the Ethics Code, you may not pay a fee or an honorarium to a state official or employee for making a speech or appearing at your organization's event. You may, however, under limited circumstances, pay the "necessary expenses" of such a state servant. These expenses are limited to: necessary travel, lodging for the nights before, or and after the speech, meals and conference fees. There may be reporting requirements attached to the giving and taking of necessary expenses, so contact the Office of State Ethics if you need more information. **NOTE:** Before providing necessary expenses, check with the state agency's ethics officer to determine if the agency allows such payments.

**GIFTS TO THE STATE:** The Ethics Code allows limited "gifts to the state" which facilitate state action or functions (for example, donating a piece of equipment to the agency).

**NOTE:** Recent legislation was passed that may impact gifts to the state. Please contact the Office of State Ethics before giving a gift to the state to determine if such donations are acceptable.

## **RULES ON HIRING STATE PERSONNEL**

Before you hire a current or **former** state employee, you should be aware of certain provisions of the Ethics Code. First, if you are considering hiring a current state employee, especially from a state agency with which you do business or by which you are regulated, you should know the following:

A current state employee must not accept outside employment that impairs his independence of judgment regarding his state duties, or that encourages him to disclose confidential information learned in his state job. Also, a current state employee may not use his or her state position for financial gain, however inadvertent that use may be. Therefore, for example, a current state employee who exercises any contractual, supervisory or regulatory authority over you or your business may not be able to work for you.

Second, if you are considering hiring a **former** state employee, you should be aware of the Ethics Code's post-state employment, or revolving door, laws:

If you hire or otherwise engage the services of a former state official or employee, he or she may not represent you before his or her former agency for one year after leaving state service.

**NOTE:** The former State Ethics Commission established a limited exception to this provision which allows the former employee to return to his or her former agency within the one year period for the sole purpose of providing technical expertise (for example, to help implement a previously awarded contract). This is a fact-specific exception that applies in very limited circumstances: therefore, you should contact the Office of State Ethics for further assistance if you think this exception applies to you.

If a state official or employee was substantially involved in, or supervised, the negotiation or award of a contract valued at \$50,000 or more, and the contract was signed within his or her last year of state service, and you or your business was one of the parties to the contract, then you and/or your business are prohibited from hiring him or her for one year after he or she leaves state employment.

A former state official or employee can **never** represent anyone other than the state regarding a particular matter in which he or she was personally and substantially involved while in state service and in which the state has a substantial interest.

Third, there are approximately 75 state officials or employees who may not negotiate for, seek or accept employment with any business subject to regulation by their agency, and may not accept employment with such a business for one year after leaving state service. Under that section of the law, it is also illegal for a business in the industry to employ such an individual.



## **CONFLICT OF INTEREST RULES THAT APPLY TO YOU AS A STATE CONTRACTOR**

Under Conn. Gen. Stat. §1-86e of the Ethics Code, no state contractor, including a consultant or other independent contractor, can use the authority provided under the contract, or confidential information acquired in the performance of the contract, to obtain financial gain for himself, his employee, or a member of his immediate family. Also, a state contractor cannot accept another state contract that would impair his independence of judgment in the performance of the first contract. Finally, a state contractor cannot accept anything of value based on an understanding that his actions on behalf of the state would be influenced.

It is important to call the Office of State Ethics at (860) 566-4472 to discuss the application of this law, or any of the other ethics laws, to your specific situation.

## **OTHER ETHICS PROVISIONS THAT MAY APPLY TO YOU**

Contractors seeking large state contracts are required to execute affidavits regarding gifts and/or campaign contributions made to certain state employees or public officials in the two-year period prior to the submission of a bid or proposal. You need to check the web sites of both the Department of Administrative Services, [www.das.state.ct.us](http://www.das.state.ct.us), and the Office of Policy and Management, [www.opm.state.ct.us](http://www.opm.state.ct.us), for copies of these affidavits and for other updated information regarding state contractors. Also, because the particular agency with which you wish to contract may have specific rules that you must follow, you need to check with that agency as well.

If you or your business provides "investment services" as defined in the Code of Ethics, and you make a political contribution in connection with the Office of the Treasurer, you may be prohibited from contracting with that office. See Conn. Gen. Stat. § 1-84(n).

Finally, if you or your business spends or receives \$2,000 or more in a calendar year for activities that constitute lobbying under the Ethics Code, whether to affect legislation or the actions of an administrative state agency, then you and/or your business may have to register as a lobbyist with the Office of State Ethics, and more ethics rules will apply to you. Contact the Office of State Ethics, or review the lobbyist registration information at [www.ct.gov/ethics](http://www.ct.gov/ethics).

Recent legislation (Public Act 05-287) prohibits anyone who is a party (or who is seeking to become a party) to a state construction, procurement, or consultant services contract over \$500,000 from:

- (1) Soliciting information from a public official or state employee that is not available to other bidders for that contract, with the intent to obtain a competitive advantage over other bidders;
- (2) intentionally or recklessly charging a state agency for work not performed or goods or services not provided, or falsifying invoices or bills; or

(3) intentionally violating or trying to circumvent the state competitive bidding and ethics laws.

Recent legislation (Public Act 05-287) also requires any prospective state contractor to affirm in writing that he or she has been provided with a summary of the state's ethics laws and that his key employees have read and understood the summary and agree to comply with the applicable provisions of the ethics law.

**COMPTROLLER'S AFFIRMATION OF RECEIPT OF  
SUMMARY OF STATE ETHICS LAWS**

This form is mandatory and must be completed, signed and returned to the Comptroller's Office before your bid can be considered by the Comptroller's Office.

The undersigned, as a duly authorized officer of the company/firm bidding/negotiating the attached contract, affirms (1) receipt of the summary of State ethics laws for contractors, (2) that key employees of the company/firm have read and understand the summary and (3) that company/firm agrees to comply with the provisions of State ethics laws.

\_\_\_\_\_  
Signature & Title

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Principal Address

\_\_\_\_\_  
FEIN/SSN

**STATE OF CONNECTICUT  
OFFICE OF THE STATE COMPTROLLER**

**Notice to Proposers**

Please be advised that the Office of the State Comptroller requires that each Proposer fill out sections 2, 3, 4 and 5 of the following Standard Contract and Conditions and return this completed document with their proposal.

## **OSC Standard Contract and Conditions**

### **SECTION 1**

This Agreement (hereinafter referred to as "Agreement") is entered into between the State of Connecticut (hereinafter "State") acting through the Office of the State Comptroller (OSC) pursuant to Connecticut General Statutes Sections 4-8, 4-65a and 4-66, and, a corporation having its principal offices (hereinafter "Contractor"). The parties agree that the services specified below shall be provided by Contractor in strict compliance with the provisions of this Agreement.

### **SECTION 2**

#### **CONTRACT PERIOD AND DEFINITIONS**

This Agreement shall commence on July 1, 2008 and the duties of the Contractor as set forth in Section 4 of this Agreement shall be completed by the Contractor no later than June 30, 2012 (hereinafter "end date").

Whenever the following terms or phrases are used in this Agreement, they shall have the following meaning unless the context clearly requires otherwise:

State - Wherever the term 'State' is used in this Agreement, it shall include the State Comptroller, or her authorized agents, employees or designees.

### **SECTION 3**

#### **NOTICE OF CHANGE AND CANCELLATION**

This Agreement may be canceled at will by either party upon ten (10) days written notice delivered by certified or registered mail. Unless otherwise expressly provided to the contrary, any other notice provided under this Agreement shall be in writing and may be delivered personally or by certified or registered mail. All notices shall be effective if delivered personally, or by certified or registered mail, to the following addresses:

State: State of Connecticut

Office of the State Comptroller

55 Elm Street

Hartford, CT 06106

Attention: Marti Carlson

Contractor: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any request for written notice under this Agreement shall be made in the manner set forth in this section. The parties may change their respective addresses for notices under this paragraph upon prior written notification to the other.

**SECTION 4**  
**SPECIFICATION OF SERVICES**  
*(Insert Outline of Work)*

**SECTION 5**  
**COST AND SCHEDULE OF PAYMENTS**  
*(Insert Proposed Outline of Cost Proposal)*

**SECTION 6**  
**OTHER CONDITIONS**

A. Entire Agreement

This Agreement embodies the entire agreement between the State and Contractor on the matters specifically addressed herein. The parties shall not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind or nature not set forth herein. This Agreement shall supersede all prior written agreements between the parties and their predecessors. No changes, amendments, or modifications of any of the terms or conditions of the Agreement shall be valid unless reduced to writing, signed by both parties, and approved by the Attorney General or his Deputy. This Agreement shall inure to the benefit of each party's heirs, successors, and assigns.

B. Changes in Service

When changes in the services are required or requested by the State, Contractor shall promptly estimate their monetary effect and so notify the State. No change shall be implemented by Contractor unless it is approved by the State in writing; and, unless otherwise agreed to in writing, the provisions of this Agreement shall apply to all changes in the services. If the State determines that any change materially affects the cost or time of performance of this Agreement as a whole, Contractor and the State will mutually agree in writing to an equitable adjustment.

C. Independent Contractor

Contractor represents that it is fully experienced and properly qualified to perform the services provided for herein, and that it is properly licensed, equipped, organized, and financed to perform such services. Contractor shall act as an independent Contractor in performing this Agreement, maintaining complete control over its employees and all of its subcontractors. Contractor shall furnish fully qualified personnel to perform the services under this Agreement. Contractor shall perform all services in accordance with its methods, subject to compliance with this Agreement and all applicable laws and regulations. It is acknowledged that services rendered by the Contractor to the State hereunder do not in any way conflict with other contractual commitments with or by the Contractor.

If applicable, Contractor shall deliver copies of any and all current license(s) and registration(s) relating to the services to be performed under this Agreement to the

State, at the time of the execution of this Agreement, as evidence that such are in full force and effect.

#### D. Laws and Regulations

This Agreement shall be interpreted under and governed by the laws of the State of Connecticut.

Contractor, its employees and representatives shall at all times comply with all applicable laws, ordinances, statutes, rules, regulations, and orders of governmental authorities, including those having jurisdiction over its registration and licensing to perform services under this Agreement.

#### E. Labor and Personnel

At all times, Contractor shall utilize approved, qualified personnel and any State approved subcontractors necessary to perform the services under this Agreement. Contractor shall advise the State promptly, in writing, of any labor dispute or anticipated labor dispute or other labor related occurrence known to Contractor involving Contractor's employees or subcontractors which may reasonably be expected to affect Contractor's performance of services under this Agreement. The State may then, at its option, ask Contractor to arrange for a temporary employee(s) or subcontractor(s) satisfactory to the State to provide the services otherwise performable by Contractor hereunder. The Contractor will be responsible to the State for any economic detriment caused the State by such subcontract arrangement. Contractor shall, if requested to do so by the State, reassign from the State's account any employee or authorized representatives whom the State, in its sole discretion, determines is incompetent, dishonest, or uncooperative. In requesting the reassignment of an employee under this paragraph, the State shall give ten (10) days notice to Contractor of the State's desire for such reassignment. Contractor will then have five (5) days to investigate the situation and attempt, if it so desires, to satisfy the State that the employee should not be reassigned; however, the State's decision in its sole discretion after such five (5) day period shall be final. Should the State still desire reassignment, then five days thereafter, or ten (10) days from the date of the notice of reassignment, the employee shall be reassigned from the State's account.

#### F. Conflicts, Errors, Omissions, and Discrepancies

In the event of any conflict between the provision of this Agreement and the provisions of Form CO-802A to which this Agreement is attached, the provisions of this Agreement shall control.

In case of conflicts, discrepancies, errors, or omissions among the various parts of this Agreement, any such matter shall be submitted immediately by Contractor to the State for clarification. The State shall issue such clarification within a reasonable period of time. Any services affected by such conflicts, discrepancies, errors, or omissions which are performed by Contractor prior to clarification by the State shall be at Contractor's risk.

#### G. Indemnity

Contractor hereby indemnifies and shall defend and hold harmless the State, its officers, and its employees from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, monetary loss,

interest, attorney's fees, costs and expenses of whatsoever kind or nature arising out of the performance of this Agreement, including those arising out of injury to or death of Contractor's employees or subcontractors, whether arising before, during, or after completion of the services hereunder and in any manner directly or indirectly caused, occasioned or contributed to in whole or in part, by reason of any act, omission, fault or negligence of Contractor or its employees, agents or subcontractors.

#### H. Nondisclosure

Contractor shall not release any information concerning the services provided pursuant to the Agreement or any part thereof to any member of the public, press, business entity or any official body unless prior written consent is obtained from the State.

#### I. Quality Surveillance and Examination of Records

All services performed by Contractor shall be subject to the inspection and approval of the State at all times, and Contractor shall furnish all information concerning the services.

The State or its representatives shall have the right at reasonable hours to examine any books, records, and other documents of Contractor or its subcontractors pertaining to work performed under this Agreement and shall allow such representatives free access to any and all such books and records. The State will give the Contractor at least twenty-four (24) hours notice of such intended examination. At the State's request, the Contractor shall provide the State with hard copies of or magnetic disk or tape containing any data or information in the possession or control of the Contractor which pertains to the State's business under this Agreement. The Contractor shall incorporate this paragraph verbatim into any Agreement it enters into with any subcontractor providing services under this Agreement.

The Contractor shall retain and maintain accurate records and documents relating to performance of services under this Agreement for a minimum of three (3) years after the final payment by the State and shall make them available for inspection and audit by the State.

In the event that this Agreement constitutes a grant Agreement, and the Contractor is a public or private agency other than another state agency, the Contractor shall provide for an audit acceptable to the State, in accordance with the provisions of Conn. Gen. Stat. Sec. 7-396a.

#### J. Insurance

The Contractor, at its sole expense, agrees to secure and keep in full force and effect at all times during the term of this Agreement as defined in Section 2 above, a one million dollar (\$1,000,000) liability insurance policy or policies provided by an insurance company or companies licensed to do business in the State of Connecticut. Said policy or policies shall cover all of the Contractor's activities under this Agreement and shall state that it is primary insurance in regard to the State, its officers and employees. The State shall be named as an additional insured.

In addition, the Contractor shall at its sole expense maintain in effect at all times during the performance of its obligations hereunder the following additional insurance coverages with limits not less than those set forth below with insurers and under forms of policies approved by the State Insurance Commissioner to do business in Connecticut:



Coverage: Minimum Amounts and Limits

1. Workers' Compensation Connecticut Statutory Requirements
2. Employer's Liability To the extent included under Workers' Compensation Insurance Policy
3. Adequate comprehensive Vehicle Liability Insurance covering all vehicles owned or leased by Contractor and in the course of work under this Agreement:
  - a. Bodily Injury Insurance meeting Connecticut statutory requirements;
  - b. Property Damage Insurance meeting Connecticut statutory requirements;None of the requirements contained herein as to types, limits, and approval of insurance coverage to be maintained by Contractor are intended to and shall not in any way limit or qualify the liabilities and obligations assumed by Contractor under this Agreement.

Contractor shall deliver Certificates of Insurance relating to all of the above referenced coverages to the State at the time of the execution of this Agreement as evidence that policies providing such coverage and limits of insurance are in full force and effect, which Certificate shall provide that no less than thirty (30) days advance notice will be given in writing to the State prior to cancellation, termination or alteration of said policies of insurance.

K. Non-Waiver

None of the conditions of this Agreement shall be considered waived by the State or the Contractor unless given in writing. No such waiver shall be a waiver of any past or future default, breach, or modification of any of the conditions of this Agreement unless expressly stipulated in such waiver.

L. Promotion

Unless specifically authorized in writing by the Secretary of the Office of Policy and Management, on a case by case basis, Contractor shall have no right to use, and shall not use, the name of the State of Connecticut, its officials, agencies, or employees or the seal of the State of Connecticut or its agencies:

- (1) in any advertising, publicity, promotion; or
- (2) to express or to imply any endorsement of Contractor's products or services; or
- (3) to use the name of the State of Connecticut, its officials, agencies, or employees or the seal of the State of Connecticut or its agencies in any other manner (whether or not similar to uses prohibited by subparagraphs (1) and (2) above), except only to manufacture and deliver in accordance with this Agreement such items as are hereby contracted for by the State. In no event may the Contractor use the State Seal in any way without the express written consent of the Secretary of State.

M. Confidentiality

All data provided to Contractor by the State or developed internally by Contractor with regard to the State will be treated as proprietary to the State and confidential unless the State agrees in writing to the contrary. Contractor agrees to forever hold in confidence all

files, records, documents, or other information as designated, whether prepared by the State or others, which may come into Contractor's possession during the term of this Agreement, except where disclosure of such information by Contractor is required by other governmental authority to ensure compliance with laws, rules, or regulations, and such disclosure will be limited to that actually so required. Where such disclosure is required, Contractor will provide advance notice to the State of the need for the disclosure and will not disclose absent consent from the State.

#### N. Subpoenas

In the event the Contractor's records are subpoenaed pursuant to Conn. Gen. Stat. Section 36a-43, the Contractor shall, within twenty-four (24) hours of service of the subpoena, notify the person designated for the State in Section 3 of this Agreement of such subpoena. Within thirty-six (36) hours of service, the Contractor shall send a written notice of the subpoena together with a copy of the same to the person designated for the State in Section 3 of this Agreement.

#### O. Survival

The rights and obligations of the parties which by their nature survive termination or completion of the Agreement, including but not limited to those set forth herein in sections relating to Indemnity, Nondisclosure, Promotion, and Confidentiality of this Agreement, shall remain in full force and effect.

#### P. Americans with Disabilities Act

This clause applies to those Contractors which are or will become responsible for compliance with the terms of the Americans with Disabilities Act of 1990 during the term of the contract. Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. Failure of the Contractor to satisfy this standard either now or during the term of the contract as it may be amended will render the contract voidable at the option of the State upon notice to the Contractor. Contractor warrants that it will hold the State harmless from any liability which may be imposed upon the State as a result of any failure of the Contractor to be in compliance with this Act.

#### Q. Non-Discrimination and Executive Orders

The non-discrimination clause on the reverse side of page 1 of Form CO 802-A, attached hereto, is superseded and the following is inserted in lieu thereof:

(a) For the purposes of this Section, "minority business enterprise" means any small Contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Conn. Gen. Stat. Sec. 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

For purposes of this Section, "Commission" means the Commission on Human Rights and Opportunities.

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

(b) (1) The Contractor agrees and warrants that in the performance of the contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or worker's representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this Section and Conn. Gen. Stat. Secs. 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Conn. Gen. Stat. Sec. 46a-56, as amended by Section 5 of Public Act 89-253, Conn. Gen. Stat. Sec. 46a-68e and Conn. Gen. Stat. Sec. 46a-68f; (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Conn. Gen. Stat. Sec. 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

(c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

(d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. Sec. 46a-56, as amended by Section 5 of Public Act 89-253; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

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

(g) The Contractor agrees to the following provisions: The Contractor agrees and warrants that in the performance of the Agreement such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and the employees are treated when employed without regard to their sexual orientation; the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Conn. Gen. Stat. Sec. 46a-56; the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Conn. Gen. Stat. Sec. 46a-56.

(h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including

sanctions for noncompliance in accordance with Conn. Gen. Stat. Sec. 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and State may so enter. This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971, and, as such, this Agreement may be canceled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Three, or any State or federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination until the Agreement is completed or terminated prior to completion.

The Contractor agrees, as part consideration hereof, that this Agreement is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. Three, and that it will not discriminate in its employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner.

This Agreement is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this Agreement may be canceled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be party to this Agreement. The parties to this Agreement, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to contract performance in regard to listing all employment openings with the Connecticut State Employment Service.

#### R. Violence in the Workplace Prevention

This contract is subject to the provisions of Executive Order No. 16 of Governor John G. Rowland promulgated August 4, 1999 and, as such, the contract may be canceled, terminated or suspended by the state for violation of or noncompliance with said executive Order No. 16. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. 16 is incorporated herein by reference and made a part hereof. The parties agree to abide by such Executive Order.

#### S. Sovereign Immunity

Notwithstanding any provisions to the contrary contained in this Agreement, it is agreed and understood that the State of Connecticut shall not be construed to have waived any

rights or defenses of sovereign immunity which it may have with respect to all matters arising out of this Agreement.

T. Assignment

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

U. Severability

If any part or parts of this Agreement shall be held to be void or unenforceable, such part or parts shall be treated as severable, leaving valid the remainder of this Agreement notwithstanding the part or parts found to be void or unenforceable.

V. Headings

The titles of the several sections, subsections, and paragraphs set forth in this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

W. Third Parties

The State shall not be obligated or liable hereunder to any party other than the Contractor.

X. Non Waiver

In no event shall the making by the State of any payment to the Contractor constitute or be construed as a waiver by the State of any breach of covenant, or any default which may then exist, on the part of the Contractor and the making of any such payment by the State while any such breach or default exists shall in no way impair or prejudice any right or remedy available to the State in respect to such breach or default.

Y. Contractor Certification

The Contractor certifies that the Contractor has not been convicted of bribery or attempting to bribe an officer or employee of the State, nor has the Contractor made an admission of guilt of such conduct which is a matter of record