

State of Hawaii
Department of Labor & Industrial Relations (DLIR)
Workforce Development Division (WDD)
Employment and Training Fund Program
Request for Proposals

RFP No. DLIR/WDD 2014-04
Solicitation for Small Business Projects

February 20, 2014

Note: *It is the Applicant's responsibility to check the public procurement notice website, the request for proposals website, or to contact the RFP point-of-contact identified in the RFP for any addenda issued to this RFP. The State shall not be responsible for any incomplete proposal submitted as a result of missing addenda, attachments or other information regarding the RFP.*

February 20, 2014

REQUEST FOR PROPOSALS

Training Services for the Employment and Training Fund Program RFP No. DLIR/WDD 2014-04

The purpose of the Employment and Training Fund (ETF) Program is to assist employers and workers through innovative programs to include, but not limited to, business-specific training, upgrade training, new occupational skills, management skills, and support services to improve the long-term employability of Hawaii's people. The Department of Labor and Industrial Relations (DLIR), Workforce Development Division (WDD), is requesting proposals under ETF's macro grant program from qualified Applicants to fund a limited number of innovative training projects that supports small businesses in Hawaii.

Only employer groups or non-profit organizations (ie. private sector business consortia or industry groups/associations) in partnership with training providers and/or governmental agencies may apply. The contract term will be for a maximum period of 12 months; which is subject to a no-cost extension upon mutual consent of the contracting organization and the DLIR, WDD. Up to eight (8) grants, not to exceed \$125,000 per grant, will be awarded under this request for proposals (RFP) in any of the following categories: agriculture, construction, creative/innovative sector, health & wellness, hospitality/visitor/sports/recreation, and science & technology. Of the eight potentially available grants, up to four (4) are projected to be awarded for state-wide proposals. The remaining four (4) grants may be granted county-specific in the state (Kauai, Oahu, Maui, and Hawaii Counties). In the event that additional funds become available, additional grants may be awarded based on funding availability. The State of Hawaii, Department of Labor & Industrial Relations, reserves the right to determine the configuration of services among all islands on proposals submitted and funding availability.

All proposals submitted shall consist of one (1) original and seven (7) copies and shall be mailed, postmarked by the United States Postal Service, on or before March 24, 2014 and shall be received no later than 4 business days from the submittal deadline. Hand-delivered proposals shall be received no later than 4:30 p.m. Hawaii Standard Time (HST) on March 24, 2014, at the drop-off site designated on the Proposal Mail-in and Delivery Information Sheet. Deliveries by private mail services such as FEDEX shall be considered hand deliveries and shall be rejected if received after the submittal deadline. Proposals postmarked or hand-delivered after the submittal deadline shall be considered late and rejected. Dated USPS shipping labels are not considered postmarks. Proposals transmitted by FAX, electronically mailed, or submitted on diskettes will NOT be accepted. **There are no exceptions to this requirement.**

RFP Orientations will be statewide. For orientation dates and times, please refer to page 1-3 of this RFP.

Submission of written questions must be received by facsimile or e-mail by no later than 4:30 p.m., HST, on March 5, 2014. All written questions will receive a formal response from ETF on or about March 10, 2014.

ETF is administered under Chapter 383-128, Hawaii Revised Statutes, and Chapter 12-6, Hawaii Administrative Rules. This procurement is exempt from Chapter 103F, however, this notice is placed on this site to assure wide dissemination. Any inquiries regarding this RFP should be directed to the RFP contact person, Mr. Lance Kimura at the Department of Labor and Industrial Relations, Workforce Development Division, 830 Punchbowl Street, Room 329, Honolulu, HI 96813, telephone: (808) 586-8818, fax: (808) 586-8822, e-mail: lance.a.kimura@hawaii.gov.

PROPOSAL MAIL-IN AND DELIVERY INFORMATION SHEET

NUMBER OF COPIES TO BE SUBMITTED: *One (1) Original & seven (7) Copies*

ALL MAIL-INS SHALL BE POSTMARKED BY THE UNITED STATES POSTAL SERVICE (USPS) NO LATER **THAN March 24, 2014** and received by the state purchasing agency no later than four (4) business days from the submittal deadline.

All Mail-ins

Department of Labor & Industrial Relations
Workforce Development Division
830 Punchbowl Street, Suite 329
Honolulu, HI 96813

RFP COORDINATOR

Lance Kimura
808-586-8818
808-586-8822
Lance.A.Kimura@hawaii.gov

ALL HAND DELIVERIES SHALL BE ACCEPTED AT THE FOLLOWING SITES UNTIL **4:30 P.M., Hawaii Standard Time (HST) March 24, 2014**. Deliveries by private mail services such as FEDEX shall be considered hand deliveries. Hand deliveries shall not be accepted if received after 4:30 p.m., **March 24, 2014**.

Drop-off Site

Department of Labor & Industrial Relations
Workforce Development Division
830 Punchbowl Street, Suite 329
Honolulu, HI 96813

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Section 1

Administrative Overview

Section 1

Administrative Overview

Applicants are encouraged to read each section of the RFP thoroughly. While sections such as the administrative overview may appear similar among RFPs, state purchasing agencies may add additional information as applicable. It is the responsibility of the Applicant to understand the requirements of *each* RFP.

1.1 Procurement Timetable

Note that the procurement timetable represents the State's best estimated schedule. If an activity on this schedule is delayed, the rest of the schedule will likely be shifted by the same number of days. Contract start dates may be subject to the issuance of a notice to proceed.

<u>Activity</u>	<u>Scheduled Date</u>
Public notice announcing Request for Proposals (RFP)	February 20, 2014
Distribution of RFP	February 20, 2014
RFP orientation session	Refer to Page 1-3
Closing date for submission of written questions for written responses	March 5, 2014
State purchasing agency's response to Applicants' written questions	March 10, 2014
Discussions with the Applicant prior to proposal submittal deadline (optional)	February 20, 2014- March 24, 2014
Proposal submittal deadline	March 24, 2014
Final revised proposals (optional)	March 31, 2014
Proposal evaluation period	April 1, 2014~April 11, 2014
Provider selection	April 14, 2014
Notice of statement of findings and decision	April 16, 2014
Contract start date	May 2, 2014

1.2 Website Reference

(Please note: website addresses may change from time to time. If a link is not active, try the State of Hawaii website at <http://hawaii.gov>)

The State Procurement Office (SPO) website is <http://hawaii.gov/spo>

	For	Click on “Doing Business with the State” tab or
1	Procurement of Health and Human Services	http://hawaii.gov/spo/health-human-svcs/doing-business-with-the-state-to-provide-health-and-human-services
2	RFP website	http://hawaii.gov/spo/general/procurement-notices-for-solicitations
3	Hawaii Revised Statutes (HRS) and Hawaii Administrative Rules (HAR) for Purchases of Health and Human Services	http://hawaii.gov/spo/general/statutes-and-rules/procurement-statutes-and-administrative-rules
4	Forms	http://hawaii.gov/spo/statutes-and-rules/general/spo-forms
5	Cost Principles	http://hawaii.gov/spo/health-human-svcs/cost-principles-for-procurement-of-health-and-human-services
6	Standard Contract -General Conditions, AG103F13	http://hawaii.gov/spo/general/gen-cond/general-conditions-for-contracts
7	Protest Forms/Procedures	http://hawaii.gov/spo/health-human-svcs/protestsreqforreconsideration/protests-requests-for-reconsideration-for-private-providers

Non-SPO websites

	For	Go to
8	Hawaii Compliance Express (HCE)	https://vendors.ehawaii.gov/hce/splash/welcome.html
9	Department of Taxation	http://hawaii.gov/tax/
10	Wages and Labor Law Compliance, HRS §103-055	http://capitol.hawaii.gov/hrscurrent
11	Department of Commerce and Consumer Affairs, Business Registration	http://hawaii.gov/dcca click “Business Registration”
12	Campaign Spending Commission	http://hawaii.gov/campaign

1.3 Authority

This RFP is issued under the provisions of the Hawaii Revised Statutes (HRS) Chapter 103F and its administrative rules. All prospective Applicants are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective Applicant shall constitute admission of such knowledge on the part of such prospective Applicant.

1.4 RFP Organization

This RFP is organized into five sections:

Section 1, Administrative Overview: Provides the Applicants with an overview of the procurement process.

Section 2, Service Specifications: Provides the Applicants with a general description of the tasks to be performed, delineates provider responsibilities, and defines deliverables (as applicable).

Section 3, Proposal Application Instructions: Describes the required format and content for the proposal application.

Section 4, Proposal Evaluation: Describes how proposals will be evaluated by the state purchasing agency.

Section 5, Attachments: Provides the Applicants with information and forms necessary to complete the application.

1.5 Contracting Office

The Contracting Office is responsible for overseeing the contract(s) resulting from this RFP, including system operations, fiscal agent operations, and monitoring and assessing provider performance. The Contracting Office is:

Department of Labor & Industrial Relations
Workforce Development Division
830 Punchbowl Street, Suite 329
Honolulu, HI 96813
Phone: (808) 586-8818
Fax: (808) 586-8822

1.6 RFP Contact Person

From the release date of this RFP until the selection of the successful provider(s), any inquiries and requests shall be directed to the sole point-of-contact identified below.

Mr. Lance Kimura

Ph: (808) 586-8818

Email: lance.a.kimura@hawaii.gov

1.7 Orientation

An orientation for the Applicants in reference to the request for proposals will be held as follows:

Kauai: *Wednesday, February 26, 2014 (9:00 am)* at Workwise Kauai: 4444 Rice St., #302, Lihue, HI 96766

Maui: *Wednesday, February 26, 2014 (2:00 pm)* at Worksource Maui: 2064 Wells Street, #108, Wailuku, HI 96793

Hawaii Island: *Friday, February 28, 2014 (9:00 am)* at Big Island Workplace Connection: 1990 Kinoole Street, #102, Hilo, HI 96720

Oahu: *Friday, February 28, 2014 (2:00 pm)* at Department of Labor & Industrial Relations, Conference Room, Room 310 at Princess Ruth Keelikolani Building, 830 Punchbowl Street, Honolulu, HI 96813

Applicants are encouraged to submit written questions prior to the orientation. Impromptu questions will be permitted at the orientation and spontaneous answers provided at the state purchasing agency's discretion. However, answers provided at the orientation are only intended as general direction and may not represent the state purchasing agency's position. Formal official responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation, but no later than the submittal deadline for written questions indicated in the subsection 1.8, Submission of Questions.

1.8 Submission of Questions

Applicants may submit questions to the RFP Contact Person identified in Section 1.6. Written questions should be received by the date and time specified in Section 1.1 Procurement Timetable. The purchasing agency will respond to written questions by way of an addendum to the RFP.

Deadline for submission of written questions:

Date: March 5, 2014 **Time:** 4:30 p.m. HST

State agency responses to the Applicant's written questions will be provided by:

Date: March 10, 2014

1.9 Submission of Proposals

- A. **Forms/Formats** - Forms, with the exception of program specific requirements, may be found on the State Procurement Office website referred to in subsection 1.2, Website Reference. Refer to the Section 5, Proposal Application Checklist for the location of program specific forms.

1. **Proposal Application Identification (Form SPOH-200).** Provides the Applicant's proposal identification.
 2. **Proposal Application Checklist.** The checklist provides the Applicants' specific program requirements, reference and location of required RFP proposal forms, and the order in which all proposal components should be collated and submitted to the state purchasing agency.
 3. **Table of Contents.** A sample table of contents for proposals is located in Section 5, Attachments. This is a sample and meant as a guide. The table of contents may vary depending on the RFP.
 4. **Proposal Application (Form SPOH-200A).** The Applicant shall submit comprehensive narratives that address all proposal requirements specified in Section 3, Proposal Application Instructions, including a cost proposal/budget, if required.
- B. **Program Specific Requirements.** Program specific requirements are included in Sections 2 and 3, as applicable. Required Federal and/or State certifications are listed on the Proposal Application Checklist in Section 5.
- C. **Multiple or Alternate Proposals.** Multiple or alternate proposals shall not be accepted unless specifically provided for in Section 2. In the event alternate proposals are not accepted and the Applicant submits alternate proposals, but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the Applicant.
- D. **Hawaii Compliance Express (HCE).** All providers shall comply with all laws governing entities doing business in the State. Providers shall register with HCE for online compliance verification from the Hawaii State Department of Taxation (DOTAX), Internal Revenue Service (IRS), Department of Labor and Industrial Relations (DLIR), and Department of Commerce and Consumer Affairs (DCCA). There is a nominal annual registration fee (currently \$12) for the service. The HCE's online "Certificate of Vendor Compliance" provides the registered provider's current compliance status as of the issuance date, and is accepted for both contracting and final payment purposes. Refer to **subsection 1.2, Website Reference**, for HCE's website address.
- **Tax Clearance.** Pursuant to HRS §103-53, as a prerequisite to entering into contracts of \$25,000 or more, providers are required to have a tax clearance from DOTAX and the IRS. (See subsection 1.2, Website Reference for DOTAX and IRS website address.)
 - **Labor Law Compliance.** Pursuant to HRS §103-55, providers shall be in compliance with all applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety. (See subsection 1.2, Website Reference for DLIR website address.)

- **DCCA Business Registration.** Prior to contracting, owners of all forms of business doing business in the state except sole proprietorships, charitable organizations, unincorporated associations and foreign insurance companies shall be registered and in good standing with the DCCA, Business Registration Division. Foreign insurance companies must register with DCCA, Insurance Division. More information is on the DCCA website. (See subsection 1.2, Website Reference for DCCA website address.)
- E. **Wages Law Compliance.** If applicable, by submitting a proposal, the Applicant certifies that the Applicant is in compliance with HRS §103-55, Wages, hours, and working conditions of employees of contractors performing services. Refer to HRS §103-55, at the Hawaii State Legislature website. (See subsection 1.2, Website Reference for DLIR website address.)
- F. **Campaign Contributions by State and County Contractors.** HRS §11-355 prohibits campaign contributions from certain State or county government contractors during the term of the contract if the contractors are paid with funds appropriated by a legislative body. Refer to HRS §11-355. (See subsection 1.2, Website Reference for Campaign Spending Commission website address.)
- G. **Confidential Information.** If the Applicant believes any portion of a proposal contains information that should be withheld as confidential, the Applicant shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal.

Note that price is not considered confidential and will not be withheld.

- H. **Proposal Submittal.** All mail-ins shall be postmarked by the United States Postal System (USPS) and received by the State purchasing agency no later than the submittal deadline indicated on the attached Proposal Mail-in and Delivery Information Sheet, or as amended. All hand deliveries shall be received by the State purchasing agency by the date and time designated on the Proposal Mail-In and Delivery Information Sheet, or as amended. Proposals shall be rejected when:
 1. Postmarked after the designated date; or
 2. Postmarked by the designated date but not received within 4 business days from the submittal deadline; or
 3. If hand delivered, received after the designated date and time.

The number of copies required is located on the Proposal Mail-In and Delivery Information Sheet. Deliveries by private mail services such as FEDEX shall be considered hand deliveries and shall be rejected if received after the submittal deadline. Dated USPS shipping labels are not considered postmarks. Proposals shall not be accepted via faxed proposal, diskette/CD, e-mail, website or other electronic means.

1.10 Discussions with the Applicants

- A. **Prior to Submittal Deadline.** Discussions may be conducted with potential Applicants to promote understanding of the purchasing agency's requirements.
- B. **After Proposal Submittal Deadline -** Discussions may be conducted with the Applicants whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with HAR §3-143-403.

1.11 Opening of Proposals

Upon the state purchasing agency's receipt of a proposal at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties.

1.12 Additional Materials and Documentation

Upon request from the state purchasing agency, the Applicants shall submit additional materials and documentation reasonably required by the state purchasing agency in its evaluation of the proposals.

1.13 RFP Amendments

The State reserves the right to amend this RFP at any time prior to the closing date for final revised proposals.

1.14 Final Revised Proposals

If requested, final revised proposals shall be submitted in the manner and by the date and time specified by the state purchasing agency. If a final revised proposal is not submitted, the previous submittal shall be construed as the Applicant's final revised proposal. *The Applicant shall submit **only** the section(s) of the proposal that are amended, along with the Proposal Application Identification Form (SPOH-200).* After final revised proposals are received, final evaluations will be conducted for an award.

1.15 Cancellation of Request for Proposal

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interest of the State.

1.16 Costs for Proposal Preparation

Any costs incurred by the Applicant in preparing or submitting a proposal are the Applicants' sole responsibility.

1.17 Provider Participation in Planning

Provider(s), awarded a contract resulting from this RFP,

are required

are not required

to participate in the purchasing agency's future development of a service delivery plan pursuant to HRS §103F-203.

Provider participation in a state purchasing agency's efforts to plan for or to purchase health and human services prior to the release of a RFP, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals, if conducted in accordance with HAR §§3-142-202 and 3-142-203.

1.18 Rejection of Proposals

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and comply with the service specifications. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any one or more of the following reasons:

- (1) Rejection for failure to cooperate or deal in good faith. (HAR §3-141-201)
- (2) Rejection for inadequate accounting system. (HAR §3-141-202)
- (3) Late proposals (HAR §3-143-603)
- (4) Inadequate response to request for proposals (HAR §3-143-609)
- (5) Proposal not responsive (HAR §3-143-610(a)(1))
- (6) Applicant not responsible (HAR §3-143-610(a)(2))

1.19 Notice of Award

A statement of findings and decision shall be provided to each responsive and responsible Applicant by mail upon completion of the evaluation of competitive purchase of service proposals.

Any agreement arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order or other directive.

No work is to be undertaken by the provider(s) awarded a contract prior to the contract commencement date. The State of Hawaii is not liable for any costs incurred prior to the official starting date.

1.20 Protests

Pursuant to Chapter 383-128, Hawaii Revised Statutes, and Chapter 12-6, Hawaii Administrative Rules, this procurement is exempt from Chapter 103F. An Applicant aggrieved by an award of a contract may file a protest. Applicant filing a protest must complete the Notice of Protest form, SPOH-801 which is available on the SPO website. (See subsection 1.2, Website Reference for website address.) Only the following matters may be protested:

The purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in this request for proposals.

The Notice of Protest shall be postmarked by USPS or hand delivered to 1) the head of the state purchasing agency conducting the protested procurement and 2) the procurement officer who is conducting the procurement (as indicated below) within **five (5)** working days of the postmark of the Notice of Findings and Decision sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the state purchasing agency.

The Head of the State Purchasing Agency will make a final decision on the protest.

Head of State Purchasing Agency	Procurement Officer
Name: Mr. Dwight Takamine	Name: Mr. Norman Ahu
Title: Director	Title: Business Management Officer
Mailing & Business Address: 830 Punchbowl Street, Room 321 Honolulu, HI 96813	Mailing Address: 830 Punchbowl Street, Room 309 Honolulu, HI 96813

1.21 Availability of Funds

The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to HRS Chapter 37, and subject to the availability of State and/or Federal funds.

1.22 General and Special Conditions of Contract

The general conditions that will be imposed contractually are on the SPO website. (See subsection 1.2, Website Reference for website address.) Special conditions may also be imposed contractually by the state purchasing agency, as deemed necessary.

1.23 Cost Principles

To promote uniform purchasing practices among state purchasing agencies procuring health and human services under HRS Chapter 103F, state purchasing agencies will utilize standard cost principles outlined in Form SPOH-201, which is available on the SPO website. (See subsection 1.2 Website Reference for website address.) Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

Section 2

Service Specifications

Section 2

Service Specifications

2.1 Introduction

A. Overview, purpose or need

Hawaii's employer population is predominantly populated by small businesses (defined as fewer than fifty (50) employees). According to the most recent Department of Labor & Industrial Relations' Research & Statistics office, out of the 484,064 non-government working adults in Hawaii, approximately 46% of them work in a company that has under fifty (50) employees.

One of the main challenges of small businesses is limited resources. Unlike larger corporations that have extensive training infrastructure to help their employees succeed in the workplace, small employers do not have the same resources. Training opportunities to improve overall performance is not only more limited, but also the potential cost to initiate training programs can be relatively high.

Recognizing this serious concern, the governor signed Act 25 of the 2013 Hawaii State Legislature which directs the Employment and Training Fund to emphasize serving the training needs of small businesses with fewer than 50 employees that have been identified in the State's economic development strategy as recommended by the Department of Business Economic Development & Tourism (DBEDT), training needs identified by local county workforce investment boards, employer organizations, industry or trade associations, labor organizations and similar organizations.

Complementary to the passage of Act 25, the Department of Labor & Industrial Relations (DLIR) has focused monies for ETF macro grant monies available from 2014 toward establishing innovative training projects that place greater emphasis on small businesses in the State of Hawaii.

B. Description of the service goals

The purpose of the Employment and Training Fund (ETF) Program is to assist employers and workers through innovative programs to include, but not limited to, business-specific training, upgrade training, new occupational skills, management skills, and support service to improve the long-term employability of Hawaii's people.

The goal of this solicitation is to initiate training projects targeting small businesses (defined as fewer than 50 employees) to develop the necessary skills they need to

meet the growing challenges in their respective industries. Industries with the biggest areas of projected growth and targeted in this RFP are the following:

- Agriculture
- Construction
- Creative/Innovation Sector (Digital media, Performing/Creative Arts, Engineering & Research & Development, Marketing & Photography-related, and Publishing & Information)
- Health & Wellness
- Hospitality/Visitor Industry/Sports & Recreation
- Science & Technology

C. Description of the target population to be served

The Request for Proposals targets private sector employers and their employees through grants awarded to employer groups, industry associations, or business consortia for the development of innovative programs to include, but are not limited to business-specific training, for upgrade training, new occupational skills, management skills, and support services to improve the long-term employability of Hawaii's people. In particular, emphasis is placed on supporting smaller employers (as defined as having fewer than 50 employees) as they have limited resources on hand to developing training programs that address their unique needs and challenges. In this competitive global economy, Hawaii's businesses are confronted by continuous change. Thus, private/public partnerships are essential in efforts to simultaneously address economic developments and workforce developments. By meeting critical private sector training needs and improving the workforce of Hawaii's people, we can better prepare for the challenges that lie ahead.

D. Geographic coverage of service

There are a total of five service areas:

1. State of Hawaii
2. City and County of Honolulu
3. Maui County
4. Kauai County
5. Hawaii County

The Applicant may provide services in one of the service areas mentioned above, however, only ***ONE*** (1) proposal per Applicant shall be considered by the DLIR for the evaluation process. If the Applicant submits multiple proposals only the most recent proposal submitted by the submittal deadline will be considered.

For statewide projects, the Applicant is required to execute project goals in at least ***two (2) of the four (4)*** counties. Proposal should also clearly address the intention of

expanding program objectives to the remaining counties after the contract is completed.

E. Probable funding amounts, source, and period of availability

Up to eight (8) grants, not to exceed \$125,000 per grant, will be awarded under this request for proposals (RFP). The intent is to provide funding for up to four (4) grants that focus on statewide training proposals and one (1) grant for each county (Kauai, Maui, Hawaii and City & County of Honolulu). Every grant awarded shall be subject to the availability of ETF funds, and may be terminated without liability to the State.

Depending on the overall quality of the submitted RFPs and/or funding availability, DLIR-WDD reserves the right to fund fewer than the maximum number of available grants. DLIR-WDD is also not obligated to fund grant awards to the full amount of \$125,000. DLIR-WDD also reserves the right to award more than the intended number of grants per county or statewide depending on funds available and quality of applications submitted.

In the event that additional federal or other funds become available, additional grants may be awarded under this RFP based on funding availability.

2.2 Contract Monitoring and Evaluation

The criteria by which the performance of the contract will be monitored and evaluated are:

- (1) Performance/Outcome Measures
- (2) Output Measures
- (3) Quality of Care/Quality of Services
- (4) Financial Management
- (5) Administrative Requirements
- (6) Overall compliance with contract terms

During the entire course of the project, vendors will be subject to onsite monitoring and evaluation by ETF program staff.

2.3 General Requirements

A. Specific qualifications or requirements, including but not limited to licensure or accreditation

1. Applicant must be an employer group or non-profit organization (i.e. Private sector business consortia or industry group/association) in partnership with training providers and/or governmental agencies. Private companies or non-

profit organizations that are not mandated by an industry or employer group to represent its interests are not eligible to apply.

2. Applicant and its subcontractor(s), if applicable, must have been doing business in the State of Hawaii for at least one year and have at least one year's experience with the project or in the program area for which the request or proposal is being made.
3. Applicant shall not use ETF funds under this RFP for purposes of entertainment or perquisites.
4. Applicant currently shall not be debarred from receiving any federal, State, or county funds.
5. Applicant currently shall not be under investigation or litigation by any federal, State, or county agency.
6. Applicant shall not be delinquent on federal or State tax payments.
7. Applicant shall hold all licenses, certificates, permits and accreditations required under applicable federal, state, and county laws, ordinances, codes and rules to provide the training services being offered, including good business standing with the State Department of Commerce and Consumer Affairs, Business Registration Division.
8. Applicant shall comply with Hawaii Labor Law requirements of §3-122-112, Hawaii Administrative Rules.
9. Applicant, if selected, shall provide course syllabus(es) for curriculum developed as a result of this RFP which describes course objective, course content, duration, schedule, training site, price of tuition, and, if applicable, any prerequisites.
10. Applicant, if selected, shall meet requirements for the training facility, personnel, reporting, training, and other conditions specified in item 2.4, Scope of Work, of this section.
11. Should federal funds become available through this RFP, the Applicant shall meet additional state and federal requirements applicable to the funding source in addition to those contained in this RFP.
12. In-kind contributions from partnering agencies/organizations shall be accompanied by a Letter of Support outlining their support for the proposal and the matching in-kind contributions they will be prepared to provide toward the proposal.

B. Preliminary requirements to be met before executing a state contract

Applicants, if selected for an ETF award as a result of this RFP, will be asked to complete the following actions before a contract can be fully executed:

1. Hawaii Compliance Express is a single certificate that will expedite your ability to furnish proof of compliance. The Applicant will be **required** to show proof of registration at the time of RFP submission. The Applicant must be in HCE compliance before the execution of the award. Failure to be in compliance will result in the State being unable to enter an agreement with the vendor or delay or denial of payment.
2. If an institution is used to provide training under this RFP, the Applicant shall provide a copy showing evidence of the training institution's accreditation, licensure, or exemption thereof as follows:
 - a. Post Secondary degree-granting schools shall be accredited by an accreditation body recognized by the U.S. Department of Education;
 - b. Professional or Vocation licensing schools shall be registered as a school with the appropriate board under the State Department of Commerce and Consumer Affairs; or
 - c. Private schools that do not meet criteria described in items 2a and 2b above shall be licensed by the State Department of Education (DOE), except as exempted by State statute (see Hawaii Administrative Rules 8-101-2 for a list of exemptions). For more information on exemptions, contact Annette Young-Ogata (808-203-5511 or Annette_young-ogata@hawaiidoe.org).

C. Secondary purchaser participation

(Refer to HAR §3-143-608)

After-the-fact secondary purchases will be allowed.

Planned secondary purchases-None

D. Multiple or alternate proposals

(Refer to HAR §3-143-605)

Allowed Unallowed

E. Single or multiple contracts to be awarded

(Refer to HAR §3-143-206)

Single Multiple Single & Multiple

Criteria for multiple awards:

F. Single or multi-term contracts to be awarded

(Refer to HAR §3-149-302)

Single term (2 years or less) Multi-term (more than 2 years)

Contract terms:

Initial term of contract: 1 year (12 months)

Length of each extension: 1 year subject to availability of funds

Number of possible extensions: 1

Maximum length of contract: 2 years (24 months)

The initial period shall commence on the contract start date.

Conditions for extension: Provider must submit their request for extension in writing in the form of a subsequent proposal to extend services. A supplemental agreement must be executed prior to the original contract expiration in order to be valid.

2.4 Scope of Work

The scope of work encompasses the following tasks and responsibilities:

A. Service Activities

(Minimum and/or mandatory tasks and responsibilities)

Applicant has the flexibility to design their program but must address the following guidelines:

1. **Although a project may serve larger businesses, the emphasis should be on services to small businesses.** Small businesses are defined as businesses with fewer than 50 paid employees per business. The number of employees includes full-time, part-time, seasonal workers, casual hires, and seasonal workers, and refers to the latest payroll period for which the data is available. If the number is inflated because of seasonal hires, then an annual average may be used to determine whether a business meets the definition of a small business.

The proposal should describe how small businesses will be targeted and how their needs will be identified and met. Also, the proposal should describe how the project will address different needs of large and small businesses.

2. **The project shall include the development and delivery of training in one or more of the following areas:**
 - a. Agriculture
 - b. Construction
 - c. Creative/Innovation Sector (Examples include: Cultural activities, Film/TV Production and Distribution, Digital Media Products)

- d. Health & Wellness
- e. Hospitality/Visitor Industry/Sports & recreation
- f. Science and Technology

Training can only be developed and delivered in areas for which training is not available locally, or the training does not meet industry needs.

3. **The project should demonstrate shared desire for development from business community/stakeholders.** Proposal must clearly show there is a need and/or training gap as compared to training that is not available in the local area. Companies and/or industry groups that would benefit from the proposed training should also have the opportunity to provide input to help develop the proposal.
4. **The project should clearly describe the targeted population.** The project should demonstrate a clear understanding of the needs and challenges of businesses including specific information for small businesses. The following should be addressed:
 - a. Demographic characteristics of the population
 - b. Challenges the targeted population faces without the proposed training
 - c. Recruitment strategy to encourage target population employers to participate in proposed project.
5. **The project should have sufficient justification.** The Applicant should show how the proposed training will address a critical business concern. Demand for the proposed training should also be evident.
6. **The project should not duplicate or supplant existing community training initiatives.** Proposed training should be non-existent, unavailable in the region (e.g., available on Oahu but not Maui), or inadequate (available, but justifiably does not fit need).
7. **The project should be consistent with the long-term goals of the businesses involved.** Proposed training should have a long-term impact on companies and demonstrate how training is consistent with their long-term goals. Diversifying customer markets, increasing revenues and other measures are examples of long-term success of participating companies.
8. **The project should become self-sufficient.** ETF will provide seed money for initial costs (e.g., curriculum development) which would otherwise

prohibit creation of the initiative. The proposal should include a plan to continue training after ETF funds end.

9. **The project must have at least 50% dollar or in-kind support.**
Partners or applicant must commit at least fifty (50) percent of the assistance in dollar and/or in-kind contributions (e.g., administrative oversight time, training facilities). Applicant must also produce Letter of Support which outlines partner organization/agency's support of the proposal as well as in-kind contribution toward the proposal.
10. **The project must include a detailed, line item budget.** Each cost must be itemized (e.g., contractual services, supplies, mileage) and justified in detail.
11. **The project should have clearly defined specific objectives and measurable outcomes.** These objectives and outcomes shall be particularly measured by at least three (3) of the following areas:
 - a. Number of businesses or employees provided training
 - b. Overall improved performance of workers after completing training
 - c. Increased efficiency of workers after completing training
 - d. Increased customer satisfaction as a result
 - e. Development of new viable services and/or products
 - f. Employee/Employer self-assessments
 - g. Demonstrated utilization of skills in the workplace
 - h. Timeline outlining applicant's proposed objectives in relation to the term of the contract
 - i. Other (Explain)
12. **The project proposal should also address the following:**
 - a. Types of training (upgrade, retraining, new skills, capacity building);
 - b. Number of employees to be trained and cost per trainee;
 - c. Length of training (up to one year); and
 - d. Qualified training providers.
 - e. Sustainability beyond the term of the grant
 - f. Long-term impact of training on workforce in relation to product/service quality
13. **Submitted proposals must provide a detailed content of training which should include:**
 - a. Length of training (training hours and number of sessions to complete training)
 - b. Detailed information on proposed class content (i.e. briefly describe class outline, modules, general concepts to be learned from each class)

B. Management Requirements (Minimum and/or mandatory requirements)

1. Personnel

- a. Applicant shall have written position descriptions, requirements and qualifications, policies and procedures to ensure that all personnel and/or subcontractors are fully qualified to engage in activities and perform the work requested under this RFP.
- b. Applicant shall ensure that only personnel or subcontractors who possess at least one (1) year full-time experience in teaching or who are certified or have a degree in the subject area being taught are used as instructors. The Applicant, if selected, is required to send resumes to WDD of any instructor that is hired or subcontracted after the execution of the contract.
- c. The Applicant shall be responsible for having qualified fiscal staff and other administrative staff to properly account for all funds received and to insure the training is being provided in a proper and satisfactory manner and in compliance with all requirements of the contract awarded.

2. Administrative

Applicant shall apply commonly acceptable accounting procedures, standards, and practices which are acceptable to the DLIR and shall maintain written policies and procedures for all services provided under this RFP, including but not limited to: personnel standards, operating procedures, attendance roster and sign-in sheets, record-keeping, data gathering, reporting, financial administration, quality assurance, monitoring and evaluation.

Applicant shall prepare a resolution from the governing board of the organization authorizing the executive officer to execute a contract with the Department of Labor and Industrial Relations, State of Hawaii. This is an official document that must be on company letterhead with corporate seal. Signatures must be notarized signatures of project personnel who will be authorized to draw funds from the ETF grant.

As a condition of the contract, the Applicant shall be required to participate in pre and post-award surveys to be conducted by the DLIR to demonstrate that it has the necessary accounting and financial management systems in place. All books, records, and documents shall be subject to reviews or audits by the State.

Under the ETF Agreement, *General Conditions, Section 26, Ownership Rights and Copyright*, any equipment purchased with ETF funds becomes the property of the State of Hawaii after the termination date of the

Agreement. Any curricular material or computer software developed by the project is also the property of the State and cannot be copyrighted.

3. **Quality assurance and evaluation specifications**

a. Monitoring

The DLIR reserves the right to review and monitor any services or expenditures of funds available as a result of this RFP.

Applicant shall be responsible for the following:

- Recording all cash and/or in-kind contributions made by supporting partners and/or employers;
- Overall compliance with contract terms;
- High quality of training;
- In-kind contribution partners shall be subject to monitoring;
- Vendors shall prepare copies of requested billing/invoicing documents prepared for ETF monitor ready for inspection and
- Sound administrative practices.

b. Evaluation

Applicant shall have each trainee complete a written course evaluation of the instructor as well as the course content for delivery immediately after the completion of a course in a format to be designated by the State and keep these evaluations on file for review by the DLIR upon request.

4. **Output and performance/outcome measurements**

Applicant shall set forth clearly defined specific objectives and measureable outcomes that are:

- Realistic and achievable;
- Measureable and results-oriented;
- Related to the stated problem/need;
- Demonstrates the ability to be self-supporting after ETF funding ceases;
- Extends services to as many employers and workers as possible.

Applicant shall also provide bi-monthly program progress reports (see Item 7B), a final report, and any follow-up reports that may be required.

5. **Experience**

Applicant shall provide evidence of agency, subcontractor, and/or instructor's experience working in the subject area for which services are being performed under this RFP. The Applicant must meet the following standards:

- be licensed and accredited, as applicable, under the laws of the state;
- have at least one year's experience with the project in the program area for which the request or proposal is being made, except that the director may grant an exception where the project or program area deals with new industry training;
- be, employed, or have under contract persons who are qualified to engage in the program or activity to be funded by the state; and
- demonstrate financial soundness;

6. **Coordination of services**

Applicant shall coordinate with the business community and/or other agencies and resources in the field for which training services are being provided to ensure that services provided meet the needs of the businesses being served.

Projects should **document** the need and labor for the training offered and the interest of the target population in enrolling in such training. Interest shall be documented by surveys or letters of support from employers verifying the need for training.

7. **Reporting requirements for program and fiscal data**

- a. Applicant shall, in accordance with generally accepted accounting practices, maintain fiscal records and supporting documents and related files, papers, receipts, reports and other evidence that sufficiently and properly reflect all direct and indirect expenditures and management and fiscal practices related to its performance under this Agreement. All records related to this Agreement shall be retained for at least three (3) years from the date of final payment under the Agreement as provided in paragraph 2.3 and 3.2 of the General Conditions (See Section 5, Attachment F).
- b. In order that STATE may monitor agreement compliance, the Applicant shall submit to STATE written:
 - i. Monthly fiscal reports within fourteen (14) calendar days of the last day of a month during the term of the Agreement. The fiscal reports shall detail the Applicant's usage of compensation paid to it pursuant

to this Agreement and outline the expenditures incurred. The Applicant shall certify the fiscal reports as to accuracy. The Applicant shall be responsible for obtaining detailed fiscal reports, along with supporting documents and receipts, from any assignee or subcontractor paid under this Agreement in a format determined by STATE; and

- ii. Bi-monthly program progress reports within fourteen (14) calendar days after the end of the previous reporting period. The program progress reports shall include the following:
 - Status/Update information including, but not limited to: 1) period covered; 2) accomplishments relating to training objectives; 3) major activities and events; 4) problems and resolutions; and 5) recommendations;
 - Trainee's evaluations will be accessible to STATE for review upon request;
 - Trainee information will be accessible to STATE for review upon request. Information should include: 1) number of trainees; 2) their names; 3) their job titles; 4) their employers' name; 5) business telephone numbers and/or addresses; and 6) if available, approximate size of employers' business;
- c. Reporting Penalty: If the Applicant fails to file the written fiscal reports, the program progress reports, or both on or before the required dates or files incomplete or unacceptable written fiscal reports, program progress reports, or both, STATE may withhold payments to Vendor until such time as the reports are acceptable and filed with STATE.
- d. In addition to the fiscal and program reports, the Applicant shall submit additional written reports that STATE may from time to time require upon request. These reports shall be sent to STATE care of the following address: Program Coordinator, Employment and Training Fund, Workforce Development Division, Department of Labor and Industrial Relations, 830 Punchbowl Street, #329, Honolulu, Hawaii 96813-5045.
- e. At the request of STATE, the Applicant shall make available program records, delivery records, fiscal records, and any other information relating to the Agreement.
- f. Final Report: the Applicant shall submit a Final Report to STATE within 60 days upon the completion of this Agreement (see section 5). Items to be covered in the Final Report include, if applicable, all information required in the program progress reports (see section 5) and the following:

- i. List of inventory/equipment purchased in accordance with this Agreement;
- ii. Final accounting of all amounts received and expenditures in accordance with this Agreement.

C. Facilities

Applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the proposed services. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable and special equipment that may be required for the services.

Potential training facility sites used under this RFP must be identified by the Applicant prior to the contract award. After the contract award, any additional sites not listed in the award must first have prior written approval by the DLIR.

2.5 COMPENSATION AND METHOD OF PAYMENT

Cost Reimbursement

The cost reimbursement pricing structure reflects a purchase arrangement in which the purchasing agency pays the provider for budgeted agreed-upon costs that are actually incurred in delivering the services specified in the contract, up to a stated maximum obligation.

ETF will not fund the salaries or wages of trainees nor will it provide moneys for meals, refreshments, or transportation. Administrative costs associated with the project will not be funded beyond 10 percent of the total ETF award. Reimbursement shall be the preferred method of payment.

Payments may be made on a monthly basis upon receipt of a completed request for payment in the form of an ETF Expenditure and Cash Request Report (ECRR), along with acceptable supporting documents and receipts due within fourteen (14) calendar days of the last day of a month during the term of the Agreement.

Section 3

Proposal Application Instructions

Section 3

Proposal Application Instructions

General instructions for completing applications:

- *Proposal Applications shall be submitted to the state purchasing agency using the prescribed format outlined in this section.*
- *The numerical outline for the application, the titles/subtitles, and the Applicant organization and RFP identification information on the top right hand corner of each page should be retained. The instructions for each section however may be omitted.*
- *Page numbering of the Proposal Application should be consecutive, beginning with page one and continuing through for each section. See sample table of contents in Section 5.*
- *Proposals may be submitted in a three ring binder (Optional).*
- *Tabbing of sections (Recommended).*
- *Applicants must also include a Table of Contents with the Proposal Application. A sample format is reflected in Section 5, Attachment B of this RFP.*
- *A written response is required for **each** item unless indicated otherwise. Failure to answer any of the items will impact upon the Applicant's score.*
- *Applicants are **strongly** encouraged to review evaluation criteria in Section 4, Proposal Evaluation when completing the proposal.*
- *This form (SPOH-200A) is available on the SPO website (see 1.2 Website Reference). However, the form will not include items specific to each RFP. If using the website form, the Applicant must include all items listed in this section.*

The Proposal Application is comprised of the following sections:

- *Proposal Coverpage*
- *Proposal Application Identification Form*
- *Table of Contents*
- *Program Overview*
- *Experience and Capability*
- *Project Organization and Staffing*
- *Service Delivery*
- *Financial*
- *Other*

3.1 Program Overview

Applicant shall give a brief overview to orient evaluators as to the program/services being offered. Describe the organization requesting a training grant including the product(s) or service(s) of the organization and its location(s).

3.2 Experience and Capability

Applicant shall describe the experience and capability of its organization **and** subcontractor(s), if applicable, to provide the proposed services by addressing the following:

A. Necessary Skills

The Applicant shall demonstrate that it has the necessary skills, abilities, and knowledge relating to the delivery of the proposed services.

B. Experience

The Applicant shall provide a description of projects/contracts pertinent to the proposed services and demonstrate at least one year's experience with the project and/or subject area for which services will be provided under this RFP.

The Applicant shall include points of contact, addresses, e-mail/phone numbers. The State reserves the right to contact references to verify experience.

C. Quality Assurance and Evaluation

The Applicant shall describe its own plans for quality assurance and evaluation for the proposed services, including methodology. The following questions should also be addressed:

- a. How will the project be reviewed, evaluated, and corrective actions taken?
- b. Who or what organization will be responsible for this evaluation and oversight?
- c. How often will the monitoring and evaluation be conducted?
- d. How will self-sufficiency be evaluated after the contract ends?

D. Coordination of Services

The Applicant shall describe collaboration with other businesses and/or organizations and identify the businesses and other partners collaborating on this project including a description of the roles and responsibilities of each partner.

E. Facilities

The Applicant shall describe project site including:

1. Location of project site (by island if applicable)
2. Location of training site(s)
3. Name of facility (if known)

The Applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the proposed services. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable and special equipment that may be required for the services.

3.3 Project Organization and Staffing

A. Staffing

1. Proposed Staffing

The Applicant shall describe the proposed staffing pattern, client/staff ratio and proposed caseload capacity appropriate for the viability of the services. (Refer to the personnel requirements in the Service Specifications, as applicable.)

2. Staff Qualifications

The Applicant shall provide the minimum qualifications (including experience) for staff assigned to the program. (Refer to the qualifications in the Service Specifications, as applicable) Describe qualifications of key personnel including but not limited to:

- a. Project Director
- b. Curriculum Developer
- c. Instructors
- d. Fiscal Person/ Accountant
- e. Program Evaluator

B. Project Organization

1. Supervision and Training

The Applicant shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

2. **Organizational Structure**

Describe the organization structure including:

- 1) Number of years in existence;
- 2) Number of years of experience with the project or program area in which proposal is being made (Attach summary of experience or reports).
 - if less than one year, is it a new industry? ___ Yes ___ No
 - if yes, is an exception being requested? ___ Yes ___ No
 - if yes, provide justification including reason why one year requirement was not met, a summary of experience in related areas, and how the organization plans to insure that training services are provided by qualified instructors.

3. **Organization Chart**

The Applicant shall reflect the position of each staff and line of responsibility/supervision (Include position title, name and full time equivalency). Both the “Organization-wide” and “Program” organization charts shall be attached to the Proposal Application. If any services provided under the Agreement are subcontracted, the Applicant shall provide organization charts as stated above for any subcontracted agency/training provider.

3.4 **Service Delivery**

Applicant shall include a detailed discussion of the Applicant’s approach to applicable service activities and management requirements from 2.4, Scope of Work, including (if indicated) a work plan of all service activities and tasks to be completed, related work assignments/responsibilities and timelines/schedules.

A. Project Guidelines

1. Describe in detail how a need for small business training is addressed through the proposed project. For the purpose of this RFP, small businesses is defined as fewer than fifty (50) employees. Refer to 2.4.A.1 for more details on definition of small business.
2. Describe how the proposed project can help the targeted industries (Refer to 2.4.A.2).
3. Provide clear evidence showing:
 - a. Clear evidence of a skills/knowledge gap in the targeted industry or lack of training opportunity in the local area

- b. Evidence of collaboration with the targeted business/industry group to gain their input in determining the necessary skills/training necessary to improve their profitability/performance
- 4. Demonstrate knowledge of the targeted population:
 - a. Demographic characteristics of the targeted population
 - b. Challenges the targeted population faces without the proposed training
 - c. Recruitment strategy to encourage target population employers to participate in proposed project.
- 5. Provide reasons for proposal justification to address a critical business concern
- 6. Describe how the target population does not have access to training in local area. If there are similar types of training, describe how this proposal's training is unique and does not duplicate existing training.
- 7. Describe in detail how the proposed project will have a long-term impact on the target population and its local area.
- 8. Describe how the project will sustain itself once ETF funding ends.
- 9. Provide evidence of funding matching in the form of cash or in-kind contributions. The total provided monetary and in-kind contributions must equal at the minimum of 50% of the requested amount in the proposal.
- 10. Proposals must provide a detailed, line item budget. Each cost must be itemized (e.g. contractual services, supplies, mileage) and justified in detail.
- 11. Project should have clearly defined objectives and outcomes. Objectives and outcomes must be measured by a minimum of three (3) of the following areas:
 - a. Number of businesses or employees provided training
 - b. Overall improved performance of workers after completed training
 - c. Increased efficiency of workers after completing training
 - d. Increase customer satisfaction
 - e. Development of new viable services and/or products
 - f. Employee/Employer self-assessments
 - g. Demonstrated utilization of skills in the workplace
 - h. Other (Explain)
- 12. Proposal must also address the following:
 - a. Types of training (upgrade, retraining, new skills, capacity building)
 - b. Details of proposed class content (Course outline, number of hours per class, etc)
 - c. Number of employees to be trained and cost per trainee
 - d. Length of training (up to one year)
 - e. Details on qualified training providers
 - f. Sustainability of the project beyond the term of the grant

- g. Long-term impact of training on workforce in relation to product/service quality.
- h. Potential challenges to meeting project objectives
- i. Method to recruit participants
- j. How training will be delivered , e.g. online, in physical classrooms; location; proposed dates, duration of class, class times.
- k. How training will address training needs.

B. Project Need

Describe the need for the project. Include results of a needs assessment and show that demand for the proposed training exists among business, industry and/or the community. Please attach appropriate supporting documentation including surveys or letters of support from businesses committed to support, collaboration and/or participation in the project.

- 1. How were the needs identified (survey, focus groups, other?)
- 2. When was the assessment conducted?
- 3. Identify who was targeted for the survey and /or participated in focus groups?
- 4. In which geographic area (s) were these needs identified?
- 5. What kind of training is available to meet these needs?
- 6. Can applicant demonstrate proposed training does not exist?
- 7. Can these needs be met without ETF funds? If no, describe why not.
- 8. Anticipated challenges to achieving project needs?

C. Project Work and Timeline of Service Activities

The Applicant shall include a detailed discussion of the Applicant’s approach to applicable service activities and management requirements from Section 2, 2.4- Scope of Work, including a work plan of all service activities and tasks to be completed, related work assignments/responsibilities and timeliness/schedules. Timeline should describe the major activities for each month, including the projected cumulative number of trainees and businesses that will benefit. Prior to the end of the contract, training should be completed and a system for continuing the project after ETF funding ends should be in place.

3.5 Financial

A. Pricing Structure

Applicant shall submit a cost proposal utilizing the pricing structure designated by the state purchasing agency. The cost proposal shall be attached to the Proposal Application.

Provide a budget with line-item detail and detailed calculations for each budget object class identified in the budget forms below. Detailed calculations must include estimation methods, quantities, unit costs, and other similar quantitative detail sufficient for the calculation to be duplicated. Each cost must be itemized (e.g. contractual services, supplies, mileage) and justified in detail.

Please note that Administrative costs associated with the project will not be funded beyond 10 percent of the total ETF award.

All budget forms, instructions and samples are located on the SPO website (see Section 1.2, Websites referred to in this RFP) with the exception of the specific instructions for SPO-H-205A and forms and instructions for the following Budget Justifications which are contained in Section 5 of this RFP:

- Cash & In-kind Contributions
- Indirect Costs
- Other Costs

If applicable, the following budget form(s) shall be submitted with the Proposal Application:

1. SPO-H-205A Proposal Budget for FY 2009-2010 (See Section 5)
2. SPO-H-206A Budget Justification – Personnel: Salaries and Wages
3. SPO-H-206B Budget Justification – Personnel: Payroll Taxes, Assessment and Fringe Benefits
4. SPO-H-206C Budget Justification – Travel: Inter-Island
5. SPO-H-206D Budget Justification – Travel: Out-of-State
6. SPO-H-206E Budget Justification – Contractual Services: Administrative
7. SPO-H-206F Budget Justification – Contractual Services: Subcontracts
8. SPO-H-206H Budget Justification – Program Activities
9. SPO-H-206I Budget Justification – Equipment Purchases
10. Budget Justification – Other Costs (see Section 5)
11. Budget Justification – Equipment Purchases (see Section 5)
12. Budget Justification – Cash & In-kind Contributions (see Section 5)

In completing the required budget forms, the Applicant should consider the evaluation criteria contained in Section 4, whereby the comprehensiveness of the information presented and the justification of all cost items are particularly important factors. If more space is needed to fully explain and justify the proposed cost items, the Applicant should attach additional sheets as necessary.

All budget forms, instructions and samples are located on the SPO website. (See subsection 1.2, Websites References for website address.) The following budget form(s) shall be submitted with the Proposal Application:

B. Other Financial Related Materials

1. Last Financial Audit

The Applicant shall submit a summary report of the last financial audit conducted of the organization, including any findings and recommendations made by the auditor in order to demonstrate the adequacy of the Applicant's accounting system.

2. Proof of compliance with the requirements of 103-53 HRS

The Applicant shall furnish proof of compliance with the requirements of 103-53 HRS which includes the following documentation requirements:

- Certificate of Vendor Compliance from Hawaii Compliance Express

A Certificate of Vendor Compliance from Hawaii Compliance Express is a single certificate that will expedite your ability to furnish proof of compliance with the requirements of 103-53 HRS as stated above. There is a nominal annual fee for the service. The "Certificate of Vendor Compliance" issued online through HCE provides the registered provider's current compliance status as of the issuance date, and is accepted for both contracting and final payment purposes. Refer to Section 1.2, *Website Reference*, for HCE's website address.

Applicants are required to include with their proposal proof of registering with HCE. The Applicants are also required to ensure their company/organization is in compliance with HCE at time of notification of award, at time of signing of contract and throughout the contract's enforcement. Failure to remain in HCE compliance will result in either the state from entering into an agreement with the vendor or payment being delayed or denied.

C. License or Accreditation

Any institution used to provide training services under this RFP shall meet the criteria provided below and furnish proof of compliance:

1. Post Secondary degree-granting schools shall be accredited by an accreditation body recognized by the U.S. Department of Education;
2. Professional or Vocation licensing schools shall be registered as a school with the appropriate board under the State Department of Commerce and Consumer Affairs; or
3. Private schools that do not meet criteria described in items 1 and 2 above shall be licensed by the State Department of Education (DOE), except as exempted by State statute (see Hawaii Administrative Rules §8-101-2 for a list of exemptions). If applicable, DOE licensure applications will be available at the scheduled RFP Orientation listed in Section 2.3, B.2.c, of this RFP. To learn more about acquiring exemptions from DOE, please contact Annette Young-Ogata at 203-5511 or Annette.Young-Ogata@hawaiidoe.org.

D. Cover Sheet

See Attachment E for a Cover Sheet that should be part of the RFP.

3.6 Other

A. Litigation

The Applicant shall disclose and explain any pending litigation to which they are a party, including the disclosure of any outstanding judgment.

Section 4

Proposal Evaluation

Section 4

Proposal Evaluation

4.1 Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

4.2 Evaluation Process

The procurement officer or an evaluation committee of designated reviewers selected by the head of the state purchasing agency or procurement officer shall review and evaluate proposals. When an evaluation committee is utilized, the committee will be comprised of individuals with experience in, knowledge of, and program responsibility for program service and financing.

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of Proposal Application
- Phase 3 - Recommendation for Award

Evaluation Categories and Thresholds

<u>Evaluation Categories</u>	<u>Possible Points</u>
<i>Administrative Requirements</i>	
<i>Proposal Application</i>	
Program Overview	0 points
Experience and Capability	20 points
Project Organization and Staffing	10 points
Service Delivery	60 points
Financial	10 Points
TOTAL POSSIBLE POINTS	100 Points

4.3 Evaluation Criteria

A. Phase 1 - Evaluation of Proposal Requirements

1. Administrative Requirements

- Proposal Application Packet (see section 3)
- Proposal Application Checklist (see Section 5)
- “Certificate of Vendor Compliance” from Hawaii Compliance Express (HCE)
- Evidence of accreditation or licensure required under federal, state, or county ordinances, codes and rules to provide training services or documented exemption thereof.
- Copy of the Applicant’s last financial audit
- Applicant is compliant with the terms and conditions as set forth in Section 2 of this RFP.
- Project supports small businesses in one or more of the following categories:
 - Agriculture
 - Construction
 - Creative/Innovation Sector
 - Health & Wellness
 - Hospitality/Visitor Industry/Sports & Recreation
 - Science & Technology
- Project does not supplant or duplicate existing training initiatives.
- Documented needs assessment in the form of survey or letters of support from participating businesses.
- Proposal Budget which contains at least 50% of the grant amount requested in the form of matching cash or in-kind contributions.
- Project Timeline and Work Plan of Service Activities including a realistic and achievable plan for self-sufficiency after ETF funding ends.
- Request for funding is for a period of one year.
- Applicant is an employer group or non-profit organization (i.e. private sector business consortia or industry group/association) in partnership with training provider(s) and/or governmental agencies.
- Project accepts cost reimbursement method of payment.

2. Proposal Application Requirements

- Proposal Application Identification Form (Form SPO-H-200 must be signed by Authorized Representative)
- Table of Contents
- Program Overview

- Experience and Capability
- Project Organization and Staffing
- Service Delivery
- Financial (All required forms and documents)
- Program Specific Requirements (as applicable)
- Proof of relevant accreditation and/or licensing
- Letter of Support and evidence of in-kind matching from partners

**B. Phase 2 - Evaluation of Proposal Application
(100 Points)**

1. Experience and Capability (20 Points)

The State will evaluate the Applicant's experience and capability relevant to the proposal contract, which shall include:

A. Necessary Skills

- Demonstrated skills, abilities, and knowledge relating to the delivery of the proposed services. 5

B. Experience

- Demonstrated necessary staffing, experience and capability to undertake the project. 2
- Entity to provide training service has demonstrated necessary qualifications and expertise to conduct the training. 2

C. Quality Assurance and Evaluation

- Sufficiency of quality assurance and evaluation plans for the proposed services, including methodology. 5
- Sufficiency of evaluation plans for self-sufficiency of the project after the contract ends. 2

D. Coordination of Services

- Demonstrated capability to coordinate services with other agencies and resources in the community. 2

E. Facilities

- Adequacy of facilities and equipment suitable for the proposed services being offered. 2

2. Project Organization and Staffing (10 Points)

The State will evaluate the Applicant's overall staffing approach to the service that shall include:

A. Staffing

- Proposed staffing pattern, client/staff ratio, and proposed caseload capacity is reasonable to insure viability of the services. 2
- Minimum qualifications (including experience) for staff assigned to the program includes at least one year of experience and is sufficient to carry out the proposed services. 3

B. Project Organization

- Supervision and Training: Demonstrated ability to supervise, train and provide administrative direction to staff relative to the delivery of the proposed services. 2
- Organization Chart: Approach and rationale for the structure, functions, and staffing of the proposed organization for the overall service activity and tasks. 3

3. Service Delivery (60 Points)

Evaluation criteria for this section will assess the Applicant's approach to the service activities and management requirements outlined in the Proposal Application.

A. Project Need

- Demonstrated problem or need for small business project is addressed under one or more of the following categories: agriculture, construction, creative/innovation sector, health & wellness, hospitality/visitor industry/sports & recreation, and science & technology. 7
- Extent to which the proposal is based on a collaborative agreement among training providers, employers, or other organizations to benefit an industry, a group of businesses, a geographic area, or a specified group of workers. 5

B. *Project Goals, Objectives, and Activities to be carried out*

- Extent to which the proposed project's goals and objectives contributes to the establishment of a sustainable and skilled workforce in the State that falls into one or more of the following categories: agriculture, construction, creative/innovation sector, health & wellness, hospitality/visitor industry/sports & recreation, and science & technology. 8
- Proposed objectives are realistic and achievable. 3
- Proposal demonstrates measurable, results-oriented objectives related to the stated problem/need. 5
- Extent to which the method of service delivery is appropriate to meet project goals and achieve training objectives for the targeted population/geographic area. 5
- Extent to which the proposal extends service to as many employers and workers possible. 2

- Evidence proposed training is currently not available to target group. 3

- Extent to which training is innovative and address training needs. 2

C. *Project Timeline and Work Plan of Service Activities*

- Demonstrated logic of the work plan for the major service activities and tasks to be completed, including clarity in work assignments and responsibilities, and the realism of the timelines and schedules 10
- Extent to which the proposal clearly describes the training process from beginning to end. 2
- Timeline is realistic and consistent with desired outcomes. 3
- Demonstrated ability to be self-supporting after ETF funding ceases. 5

4. Financial (10 Points)

- Pricing structure is based on cost reimbursement method of payment. 1

- Personnel costs are reasonable and comparable to positions in the community and program costs are reasonable and appropriate in order to carry out the proposed services. 3

- Extent to which the budget shows a significant amount of matching funds as compared to the total ETF funds requested. The project must have at least 50% matching funds in the form of cash or in-kind support. 3

- Adequacy of accounting system. 2

- Provide most recent financial audit 1

C. Phase 3 - Recommendation for Award

The proposals that meet all proposal requirements for Phase 1 (refer to 1.18) will then be forwarded for consideration during Phase 2. Awards will be given to the top four (4) Applicants who choose to submit a proposal for a statewide project. DLIR will not be obligated to award all four awards if the quality of the proposals do not score a minimum of at least 80 out of 100 possible points.

Each county (Kauai, Oahu, Maui, Hawaii) will have no more than one (1) award available. Only proposals from the same county will be evaluated against each other. The winning award must score at least 80 out of 100 possible points of the evaluation. In the event proposals do not meet the minimum scoring for a county award, DLIR-WDD may have the option to award funding to the highest scoring county-specific proposal that did not win an award.

Each notice of award shall contain a statement of findings and decision for the award or non-award of the contract to each Applicant.

Section 5

Attachments

- A. Proposal Application Checklist
- B. Sample Table of Contents
- C. Instruction for SPO-H-205A-Organization-wide Proposal Budget
by Source
- D. Cash and In-Kind Contributions
- E. Cover Sheet for Submitted RFP

Attachment A:
Proposal Application Checklist

Proposal Application Checklist

Applicant: _____ RFP No.: DLIR/WDD 2014-4 _____

The Applicant's proposal must contain the following components in the order shown below. Return this checklist to the purchasing agency as part of the Proposal Application. SPOH forms are on the SPO website.

Item	Reference in RFP	Format/Instructions Provided	Required by Purchasing Agency	Applicant to place "X" for items included in Proposal
General:				
Proposal Application Identification Form (SPOH-200)	Section 1, RFP	SPO Website*	X	
Proposal Application Checklist	Section 1, RFP	Attachment A	X	
Table of Contents	Section 5, RFP	Section 5, RFP	X	
Proposal Application (SPOH-200A)	Section 3, RFP	SPO Website*	X	
Hawaii Compliance Express Verification Certificate	Section 1, RFP	Hawaii Compliance Express SPO Website*	X	
Cost Proposal (Budget)				
SPO-H-205	Section 3, RFP	SPO Website*		
SPO-H-205A	Section 3, RFP	SPO Website* Special Instructions are in Section 5	X	
SPO-H-205B	Section 3, RFP,	SPO Website* Special Instructions are in Section 5		
SPO-H-206A	Section 3, RFP	SPO Website*		
SPO-H-206B	Section 3, RFP	SPO Website*		
SPO-H-206C	Section 3, RFP	SPO Website*		
SPO-H-206D	Section 3, RFP	SPO Website*		
SPO-H-206E	Section 3, RFP	SPO Website*		
SPO-H-206F	Section 3, RFP	SPO Website*		
SPO-H-206G	Section 3, RFP	SPO Website*		
SPO-H-206H	Section 3, RFP	SPO Website*		
SPO-H-206I	Section 3, RFP	SPO Website*		
SPO-H-206J	Section 3, RFP	SPO Website*		
Certifications:				
<i>Federal Certifications</i>		Section 5, RFP		
Debarment & Suspension		Section 5, RFP		
Drug Free Workplace		Section 5, RFP		
Lobbying		Section 5, RFP		
Program Fraud Civil Remedies Act		Section 5, RFP		
Environmental Tobacco Smoke		Section 5, RFP		
Program Specific Requirements:				
Cover Sheet			X	
Budget & In-Kind Contributions Form			X	
Project Work Plan/TimeTable			X	
Letters of Support from Partners			X	

*Refer to subsection 1.2, Website Reference for website address.

Attachment B:
Sample Table of Contents

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	SPO-H-206C Budget Justification - Travel: Interisland	
	SPO-H-206E Budget Justification - Contractual Services – Administrative	
	B. Other Financial Related Materials	
	Financial Audit for fiscal year ended June 30, 1996	
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	D. Performance and Output Measurement Tables	
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Attachment C:
Instruction for SPO-H-205A-Organization-wide
Proposal Budget by Source

**Instructions for Completing
FORM SPO-H-205A ORGANIZATION - WIDE BUDGET BY
SOURCE OF FUNDS**

Applicant/Provider:	Enter the Applicant's legal name.
RFP#:	Enter the Request For Proposal (RFP) identifying number of this service activity.
For all columns (a) thru (d)	<p>Report your total organization-wide budget for this fiscal year by source of funds. Your organization's budget should reflect the total budget of the "organization" legally named. Report each source of fund in separate columns, by budget line item.</p> <p>For the first column on the first page of this form, use the column heading, "Organization Total".</p> <p>For the remaining columns you may use column headings such as: Federal, State, Funds Raised, Program Income, etc. If additional columns are needed, use additional copies of this form.</p>
Columns (b), (c) & (d)	Identify sources of funding in space provided for column titles.
TOTAL (A+B+C+D)	Sum the subtotals for Budget Categories A, B, C and D, for columns (a) through (d).
SOURCE OF FUNDING: (a) (b) (c) (d)	Identify all sources of funding to be used by your organization.
TOTAL REVENUE	Enter the sum of all revenue sources cited above.
Budget Prepared by:	Type or print the name of the person who prepared the budget request and their telephone number. If there are any questions or comments, this person will be contacted for further information and clarification. Provide signature of Applicant's authorized representative, and date of approval.

Special Instructions by the State Purchasing Agency:

**Attachment D:
Cash and In-Kind Contributions**

BUDGET JUSTIFICATION
CASH & IN-KIND CONTRIBUTIONS
Instructions

- PERIOD** Enter the contract period by month, day, and year.
- APPLICANT** Enter the organization's legal name.
- PAGE __ OF __** Paginate each page and total number of pages (e.g., Page 10 of 10).
Submit as many pages as necessary.
- DESCRIPTION** Identify in Column A the budget line item individually as described in the **PROPOSAL BUDGET**. Do not group by category titles.
- AMOUNT BUDGETED** Enter in Column B the dollar amount of each budget line item.
- JUSTIFICATION** Explain in Column C the **JUSTIFICATION** of need for each item, including the unit of measurement as a basis for calculation (i.e., unit cost x number of pieces, rate per hour x number of hours, rate per mile x number of miles, etc.).
- TOTAL** Add each line item cost and enter total.
- COMMENTS** Enter additional comments. Use additional sheets, if necessary.

Attachment E:
Cover Sheet for Submitted RFP

Proposal for RFP: DLIR/WDD 2014-4

Submitted by: Name of Applying Organization

Proposal to be considered for the following category
(Select only 1):

Statewide _____

Or

County _____

(If selecting county, select only one (1) of the following options)

Kauai _____

Oahu _____

Maui _____

Hawaii Island _____

RFP Contact Applicant Contact Information:

Name

Title

Organization

Address

Address 2

City, State ZIP Code

Phone #

Fax#

Email

**Attachment F:
General Conditions for Health and Human Services
Contracts**

**GENERAL CONDITIONS FOR HEALTH & HUMAN SERVICES CONTRACTS
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GENERAL CONDITIONS FOR HEALTH & HUMAN SERVICES CONTRACTS

1. Representations and Conditions Precedent

1.1 Contract Subject to the Availability of State and Federal Funds.

1.1.1 State Funds. This Contract is, at all times, subject to the appropriation and allotment of state funds, and may be terminated without liability to either the PROVIDER or the STATE in the event that state funds are not appropriated or available.

1.1.2 Federal Funds. To the extent that this Contract is funded partly or wholly by federal funds, this Contract is subject to the availability of such federal funds. The portion of this Contract that is to be funded federally shall be deemed severable, and such federally funded portion may be terminated without liability to either the PROVIDER or the STATE in the event that federal funds are not available. In any case, this Contract shall not be construed to obligate the STATE to expend state funds to cover any shortfall created by the unavailability of anticipated federal funds.

1.2 Representations of the PROVIDER. As a necessary condition to the formation of this Contract, the PROVIDER makes the representations contained in this paragraph, and the STATE relies upon such representations as a material inducement to entering into this Contract.

1.2.1 Compliance with Laws. As of the date of this Contract, the PROVIDER complies with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the PROVIDER's performance of this Contract.

1.2.2 Licensing and Accreditation. As of the date of this Contract, the PROVIDER holds all licenses and accreditations required under applicable federal, state, and county laws, ordinances, codes, rules, and regulations to provide the Required Services under this Contract.

1.3 Compliance with Laws. The PROVIDER shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the PROVIDER's performance of this Contract, including but not limited to the laws specifically enumerated in this paragraph:

1.3.1 Smoking Policy. The PROVIDER shall implement and maintain a written smoking policy as required by Chapter 328K, Hawaii Revised Statutes (HRS), or its successor provision.

1.3.2 Drug Free Workplace. The PROVIDER shall implement and maintain a drug free workplace as required by the Drug Free Workplace Act of 1988.

1.3.3 Persons with Disabilities. The PROVIDER shall implement and maintain all practices, policies, and procedures required by federal, state, or county law, including but not limited to the Americans with Disabilities Act (42 U.S.C. §12101, et seq.), and the Rehabilitation Act (29 U.S.C. §701, et seq.).

1.3.4 Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the PROVIDER, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

1.4 Insurance Requirements. The PROVIDER shall obtain from a company authorized by law to issue such insurance in the State of Hawai'i commercial general liability insurance ("liability insurance") in an amount of at least TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) coverage for bodily injury and property damage resulting from the PROVIDER's performance under this Contract. The PROVIDER shall maintain in effect this liability insurance until the STATE certifies that the PROVIDER's work under the Contract has been completed satisfactorily.

The liability insurance shall be primary and shall cover the insured for all work to be performed under the Contract, including changes, and all work performed incidental thereto or directly or indirectly connected therewith.

A certificate of the liability insurance shall be given to the STATE by the PROVIDER. The certificate shall provide that the STATE and its officers and employees are Additional Insureds. The certificate shall provide that the coverages being certified will not be cancelled or materially changed without giving the STATE at least 30 days prior written notice by registered mail.

Should the "liability insurance" coverages be cancelled before the PROVIDER's work under the Contract is certified by the STATE to have been completed satisfactorily, the PROVIDER shall immediately procure replacement insurance that complies in all respects with the requirements of this section.

Nothing in the insurance requirements of this Contract shall be construed as limiting the extent of PROVIDER's responsibility for payment of damages resulting from its operations under this Contract, including the PROVIDER's separate and independent duty to defend, indemnify, and hold the STATE and its officers and employees harmless pursuant to other provisions of this Contract.

1.5 Notice to Clients. Provided that the term of this Contract is at least one year in duration, within 180 days after the effective date of this Contract, the PROVIDER shall create written procedures for the orderly termination of services to any clients receiving the Required Services under this Contract, and for the transition to services supplied by another provider upon termination of this Contract, regardless of the circumstances of such termination. These procedures shall include, at

the minimum, timely notice to such clients of the termination of this Contract, and appropriate counseling.

- 1.6 Reporting Requirements. The PROVIDER shall submit a Final Project Report to the STATE containing the information specified in this Contract if applicable, or otherwise satisfactory to the STATE, documenting the PROVIDER's overall efforts toward meeting the requirements of this Contract, and listing expenditures actually incurred in the performance of this Contract. The PROVIDER shall return any unexpended funds to the STATE.
- 1.7 Conflicts of Interest. In addition to the Certification provided in the Standards of Conduct Declaration to this Contract, the PROVIDER represents that neither the PROVIDER nor any employee or agent of the PROVIDER, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the PROVIDER's performance under this Contract.

2. Documents and Files

- 2.1 Confidentiality of Material.
 - 2.1.1 Proprietary or Confidential Information. All material given to or made available to the PROVIDER by virtue of this Contract that is identified as proprietary or confidential information shall be safeguarded by the PROVIDER and shall not be disclosed to any individual or organization without the prior written approval of the STATE.
 - 2.1.2 Uniform Information Practices Act. All information, data, or other material provided by the PROVIDER to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, HRS, and any other applicable law concerning information practices or confidentiality.
- 2.2 Ownership Rights and Copyright. The STATE shall have complete ownership of all material, both finished and unfinished that is developed, prepared, assembled, or conceived by the PROVIDER pursuant to this Contract, and all such material shall be considered "works made for hire." All such material shall be delivered to the STATE upon expiration or termination of this Contract. The STATE, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the PROVIDER pursuant to this Contract.
- 2.3 Records Retention. The PROVIDER and any subcontractors shall maintain the books and records that relate to the Contract, and any cost or pricing data for three (3) years from the date of final payment under the Contract. In the event that any litigation, claim, investigation, audit, or other action involving the records retained under this provision arises, then such records shall be retained for three (3) years from the date of final payment, or the date of the resolution of the action, whichever occurs later. During the period that records are retained under this section, the

PROVIDER and any subcontractors shall allow the STATE free and unrestricted access to such records.

3. Relationship between Parties

- 3.1 Coordination of Services by the STATE. The STATE shall coordinate the services to be provided by the PROVIDER in order to complete the performance required in the Contract. The PROVIDER shall maintain communications with the STATE at all stages of the PROVIDER's work, and submit to the STATE for resolution any questions which may arise as to the performance of this Contract.
- 3.2 Subcontracts and Assignments. The PROVIDER may assign or subcontract any of the PROVIDER's duties, obligations, or interests under this Contract, but only if (i) the PROVIDER obtains the prior written consent of the STATE and (ii) the PROVIDER's assignee or subcontractor submits to the STATE a tax clearance certificate from the Director of Taxation, State of Hawai'i, and the Internal Revenue Service showing that all delinquent taxes, if any, levied or accrued under state law against the PROVIDER's assignee or subcontractor have been paid. Additionally, no assignment by the PROVIDER of the PROVIDER's right to compensation under this Contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawai'i, as provided in section 40-58, HRS.
- 3.3 Change of Name. When the PROVIDER asks to change the name in which it holds this Contract, the STATE, shall, upon receipt of a document acceptable or satisfactory to the STATE indicating such change of name such as an amendment to the PROVIDER's articles of incorporation, enter into an amendment to this Contract with the PROVIDER to effect the change of name. Such amendment to this Contract changing the PROVIDER's name shall specifically indicate that no other terms and conditions of this Contract are thereby changed, unless the change of name amendment is incorporated with a modification or amendment to the Contract under paragraph 4.1 of these General Conditions.
- 3.4 Independent Contractor Status and Responsibilities, Including Tax Responsibilities.
- 3.4.1 Independent Contractor. In the performance of services required under this Contract, the PROVIDER is an "independent contractor," with the authority and responsibility to control and direct the performance and details of the work and services required under this Contract; however, the STATE shall have a general right to inspect work in progress to determine whether, in the STATE's opinion, the services are being performed by the PROVIDER in compliance with this Contract.
- 3.4.2 Contracts with Other Individuals and Entities. Unless otherwise provided by special condition, the STATE shall be free to contract with other individuals and entities to provide services similar to those performed by the Provider under this Contract, and the

PROVIDER shall be free to contract to provide services to other individuals or entities while under contract with the STATE.

3.4.3 PROVIDER's Employees and Agents. The PROVIDER and the PROVIDER's employees and agents are not by reason of this Contract, agents or employees of the State for any purpose. The PROVIDER and the PROVIDER's employees and agents shall not be entitled to claim or receive from the STATE any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees. Unless specifically authorized in writing by the STATE, the PROVIDER and the PROVIDER's employees and agents are not authorized to speak on behalf and no statement or admission made by the PROVIDER or the PROVIDER's employees or agents shall be attributed to the STATE, unless specifically adopted by the STATE in writing.

3.4.4 PROVIDER's Responsibilities. The PROVIDER shall be responsible for the accuracy, completeness, and adequacy of the PROVIDER's performance under this Contract.

Furthermore, the PROVIDER intentionally, voluntarily, and knowingly assumes the sole and entire liability to the PROVIDER's employees and agents, and to any individual not a party to this Contract, for all loss, damage, or injury caused by the PROVIDER, or the PROVIDER's employees or agents in the course of their employment.

The PROVIDER shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the PROVIDER by reason of this Contract, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The PROVIDER also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Contract.

The PROVIDER shall obtain a general excise tax license from the Department of Taxation, State of Hawai'i, in accordance with section 237-9, HRS, and shall comply with all requirements thereof. The PROVIDER shall obtain a tax clearance certificate from the Director of Taxation, State of Hawai'i, and the Internal Revenue Service showing that all delinquent taxes, if any, levied or accrued under state law against the PROVIDER have been paid and submit the same to the STATE prior to commencing any performance under this Contract. The PROVIDER shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under section 103-53, HRS, and these General Conditions.

The PROVIDER is responsible for securing all employee-related insurance coverage for the PROVIDER and the PROVIDER's employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

3.5 Personnel Requirements.

3.5.1 Personnel. The PROVIDER shall secure, at the PROVIDER's own expense, all personnel required to perform this Contract, unless otherwise provided in this Contract.

3.5.2 Requirements. The PROVIDER shall ensure that the PROVIDER's employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Contract, and that all applicable licensing and operating requirements imposed or required under federal, state, or county law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

4. Modification and Termination of Contract

4.1 Modification of Contract.

4.1.1 In Writing. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract permitted by this Contract shall be made by written amendment to this Contract, signed by the PROVIDER and the STATE.

4.1.2 No Oral Modification. No oral modification, alteration, amendment, change, or extension of any term, provision or condition of this Contract shall be permitted.

4.1.3 Tax Clearance. The STATE may, at its discretion, require the PROVIDER to submit to the STATE, prior to the STATE's approval of any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract, a tax clearance from the Director of Taxation, State of Hawai'i, and the Internal Revenue Service showing that all delinquent taxes, if any, levied or accrued under state and federal law against the PROVIDER have been paid.

4.2 Termination in General. This Contract may be terminated in whole or in part because of a reduction of funds available to pay the PROVIDER, or when, in its sole discretion, the STATE determines (i) that there has been a change in the conditions upon which the need for the Required Services was based, or (ii) that the PROVIDER has failed to provide the Required Services adequately or satisfactorily, or (iii) that other good cause for the whole or partial termination of this Contract exists. Termination under this section shall be made by a written notice sent to the PROVIDER ten (10) working days prior to the termination date that includes a brief statement of the reason for the termination. If the Contract is terminated under this paragraph, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.

- 4.3 Termination for Necessity or Convenience. If the STATE determines, in its sole discretion, that it is necessary or convenient, this Contract may be terminated in whole or in part at the option of the STATE upon ten (10) working days' written notice to the PROVIDER. If the STATE elects to terminate under this paragraph, the PROVIDER shall be entitled to reasonable payment as determined by the STATE for satisfactory services rendered under this Contract up to the time of termination. If the STATE elects to terminate under this section, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.
- 4.4 Termination by PROVIDER. The PROVIDER may withdraw from this Contract after obtaining the written consent of the STATE. The STATE, upon the PROVIDER's withdrawal, shall determine whether payment is due to the PROVIDER, and the amount that is due. If the STATE consents to a termination under this paragraph, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.
- 4.5 STATE's Right of Offset. The STATE may offset against any monies or other obligations that STATE owes to the PROVIDER under this Contract, any amounts owed to the State of Hawai'i by the PROVIDER under this Contract, or any other contract, or pursuant to any law or other obligation owed to the State of Hawai'i by the PROVIDER, including but not limited to the payment of any taxes or levies of any kind or nature. The STATE shall notify the PROVIDER in writing of any exercise of its right of offset and the nature and amount of such offset. For purposes of this paragraph, amounts owed to the State of Hawai'i shall not include debts or obligations which have been liquidated by contract with the PROVIDER, and that are covered by an installment payment or other settlement plan approved by the State of Hawai'i, provided, however, that the PROVIDER shall be entitled to such exclusion only to the extent that the PROVIDER is current, and in compliance with, and not delinquent on, any payments, obligations, or duties owed to the State of Hawai'i under such payment or other settlement plan.

5. Indemnification

- 5.1 Indemnification and Defense. The PROVIDER shall defend, indemnify, and hold harmless the State of Hawai'i, the contracting agency, and their officers, employees, and agents from and against any and all liability, loss, damage, cost, expense, including all attorneys' fees, claims, suits, and demands arising out of or in connection with the acts or omissions of the PROVIDER or the PROVIDER's employees, officers, agents, or subcontractors under this Contract. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Contract.
- 5.2 Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the PROVIDER in connection with this Contract, the PROVIDER shall pay any cost and expense incurred by or imposed on the STATE, including attorneys' fees.

6. Publicity

- 6.1 Acknowledgment of State Support. The PROVIDER shall, in all news releases, public statements, announcements, broadcasts, posters, programs, computer postings, and other printed, published, or electronically disseminated materials relating to the PROVIDER's performance under this Contract, acknowledge the support by the State of Hawai'i and the purchasing agency.
- 6.2 PROVIDER's Publicity Not Related to Contract. The PROVIDER shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, or to the services or goods, or both provided under this Contract, in any of the PROVIDER's publicity not related to the PROVIDER's performance under this Contract, including but not limited to commercial advertisements, recruiting materials, and solicitations for charitable donations.

7. Miscellaneous Provisions

- 7.1 Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the PROVIDER, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.
- 7.2 Paragraph Headings. The paragraph headings appearing in this Contract have been inserted for the purpose of convenience and ready reference. They shall not be used to define, limit, or extend the scope or intent of the sections to which they pertain.
- 7.3 Antitrust Claims. The STATE and the PROVIDER recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the purchaser. Therefore, the PROVIDER hereby assigns to the STATE any and all claims for overcharges as to goods and materials purchased in connection with this Contract, except as to overcharges which result from violations commencing after the price is established under this Contract and which are not passed on to the STATE under an escalation clause.
- 7.4 Governing Law. The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, shall be governed by the laws of the State of Hawai'i. Any action at law or in equity to enforce or interpret the provisions of this Contract shall be brought in a state court of competent jurisdiction in Honolulu, Hawai'i.
- 7.5 Conflict between General Conditions and Procurement Rules. In the event of a conflict between the General Conditions and the Procurement Rules or a Procurement Directive, the Procurement Rules or any Procurement Directive in effect on the date this Contract became effective shall control and are hereby incorporated by reference.
- 7.6 Entire Contract. This Contract sets forth all of the contracts, conditions, understandings, promises, warranties, and representations between the STATE and the PROVIDER relative to this Contract. This Contract supersedes all prior agreements, conditions, understandings,

promises, warranties, and representations, which shall have no further force or effect. There are no contracts, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the PROVIDER other than as set forth or as referred to herein.

7.7 Severability. In the event that any provision of this Contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Contract.

7.8 Waiver. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Contract shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE's right to enforce the same in accordance with this Contract. The fact that the STATE specifically refers to one provision of the Procurement Rules or one section of the Hawai'i Revised Statutes, and does not include other provisions or statutory sections in this Contract shall not constitute a waiver or relinquishment of the STATE's rights or the PROVIDER's obligations under the Procurement Rules or statutes.

7.9 Execution in Counterparts. This Contract may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one instrument.

8. Confidentiality of Personal Information

8.1 Definitions.

8.1.1 Personal Information. "Personal Information" means an individual's first name or first initial and last name in combination with any one or more of the following data elements, when either name or data elements are not encrypted:

- 1) Social Security number;
- 2) Driver's license number or Hawaii identification card number; or
- 3) Account number, credit or debit card number, access code, or password that would permit access to an individual's financial information.

Personal information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

8.1.2 Technological Safeguards. "Technological safeguards" means the technology and the policy and procedures for use of the technology to protect and control access to personal information.

8.2 Confidentiality of Material.

8.2.1 Safeguarding of Material. All material given to or made available to the PROVIDER by the STATE by virtue of this Contract which is identified as personal information, shall be safeguarded by the PROVIDER and shall not be disclosed without the prior written approval of the STATE.

8.2.2 Retention, Use, or Disclosure. PROVIDER agrees not to retain, use, or disclose personal information for any purpose other than as permitted or required by this Contract.

8.2.3 Implementation of Technological Safeguards. PROVIDER agrees to implement appropriate "technological safeguards" that are acceptable to the STATE to reduce the risk of unauthorized access to personal information.

8.2.4 Reporting of Security Breaches. PROVIDER shall report to the STATE in a prompt and complete manner any security breaches involving personal information.

8.2.5 Mitigation of Harmful Effect. PROVIDER agrees to mitigate, to the extent practicable, any harmful effect that is known to PROVIDER because of a use or disclosure of personal information by PROVIDER in violation of the requirements of this paragraph.

8.2.6 Log of Disclosures. PROVIDER shall complete and retain a log of all disclosures made of personal information received from the STATE, or personal information created or received by PROVIDER on behalf of the STATE.

8.3 Security Awareness Training and Confidentiality Agreements.

8.3.1 Certification of Completed Training. PROVIDER certifies that all of its employees who will have access to the personal information have completed training on security awareness topics related to protecting personal information.

8.3.2 Certification of Confidentiality Agreements. PROVIDER certifies that confidentiality agreements have been signed by all of its employees who will have access to the personal information acknowledging that:

- 1) The personal information collected, used, or maintained by the PROVIDER will be treated as confidential;
- 2) Access to the personal information will be allowed only as necessary to perform the Contract; and
- 3) Use of the personal information will be restricted to uses consistent with the services subject to this Contract.

8.4 Termination for Cause. In addition to any other remedies provided for by this Contract, if the STATE learns of a material breach by PROVIDER of this paragraph by PROVIDER, the STATE may at its sole discretion:

- 1) Provide an opportunity for the PROVIDER to cure the breach or end the violation; or
- 2) Immediately terminate this Contract.

In either instance, the PROVIDER and the STATE shall follow chapter 487N, HRS, with respect to notification of a security breach of personal information.

8.5 Records Retention.

8.5.1 Destruction of Personal Information. Upon any termination of this Contract, PROVIDER shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.

8.5.2 Maintenance of Files, Books, Records. The PROVIDER and any subcontractors shall maintain the files, books, and records, that relate to the Contract, including any personal information created or received by the PROVIDER on behalf of the STATE, and any cost or pricing data, for three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall not be disclosed without the prior written approval of the STATE. After the three (3) year retention period has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS.