

## REQUEST FOR PROPOSAL

### Minnesota Housing Finance Agency

#### Project Overview

For 40 years, the Minnesota Housing Finance Agency (“Minnesota Housing” or “Agency”) has worked to finance affordable housing for low and moderate income Minnesotans while fostering stronger communities. It has a national reputation as one of the finest housing finance agencies in the country and has built an enduring alliance among business partners in the for-profit, non-profit and government sectors to achieve its mission.

Minnesota Housing provides loans for homeowners including first mortgage loans for purchase or refinance with or without concurrent down-payment and/or closing cost assistance loans, and loans for home improvements and property rehabilitation.

Financing for home purchase/refinance loans may be made in coordination with traditional government insured or guaranteed first lien loans (i.e. FHA or Rural Development), eligible for sale to government sponsored enterprises (i.e. Fannie/Freddie), or may be held in portfolio. When making traditional first mortgage loans, Minnesota Housing operates primarily as a secondary market investor.

Minnesota Housing contracts with public and private sector mortgage lenders who originate loans meeting underlying product guidelines (i.e. FHA, Fannie, RD, etc) that are combined with overlay requirements established by Minnesota Housing. Lenders include banks, credit unions, mortgage brokers, community action agencies, and not-for-profit housing providers. Lenders originate loans in their own names and assign them to Minnesota Housing or to a master servicer for purchase. Minnesota Housing also contracts with private sector entities to service the loans it purchases. Servicers are responsible for collecting payments in accordance with the loan terms, remitting required funds to Minnesota Housing, and all other requirements to administer the loan in accordance with lending industry and/or Minnesota Housing requirements.

As part of its contracts with mortgage lenders and servicers, Minnesota Housing requires that all applicable laws and regulations pertaining to the origination or servicing of such loans be observed. Lenders and servicers are informed that if they do not follow these laws and regulations, they may be required to purchase/re-purchase such loans at Minnesota Housing’s discretion.

#### Goal

In recent years, the regulatory compliance environment pertaining to origination and servicing of mortgage secured loans has changed dramatically. Staying abreast of the changing regulations and how our programs are impacted is of utmost importance to Minnesota Housing. In addition to industry standard regulations, many of the programs offered through Minnesota Housing are financed through Bonds and therefore the underlying loans may be subject to mortgage revenue bond requirements under the Internal Revenue Code.

Minnesota Housing will select one firm to review and provide guidance and advice, which advice has been reviewed by and has the concurrence of, legal counsel, on rules, regulations, industry best practices or general information on mortgage compliance related matters, on an as-requested basis, for the duration of the contract.

#### Sample Tasks

Perform analysis of current policies and procedures against existing rules and regulations to create gap analysis’, recommend training, policy and procedure updates, help define appropriate controls and provide overall guidance on best practices for adhering to the various rules and regulations.

## RFP Minnesota Housing, September, 2015

Provide information, interpretation, feedback, backed by the review and concurrence of legal counsel, on proposed rules and regulations that affect the mortgage industry.

Laws and rules to be analyzed include (but are not limited to):

Dodd-Frank Wall Street Reform and Consumer Protection Act  
Real Estate Settlement Procedures Act and the Truth in Lending Act  
Mortgage Disclosure Improvement Act  
Ability-to-repay and Qualified Mortgage  
Loan Officer Compensation  
Laws pertaining to Fair Housing and Equal Credit Opportunity Act  
Fair Credit Reporting Act  
Home Ownership and Equity Protection Act  
HUD Discriminatory Effects Regulation/Disparate Impact Regulation  
CFPB Unfair, Deceptive, or Abusive Acts or Practices Rules  
Etc.

Responders are encouraged to propose additional tasks or activities if they will substantially improve the results of the information sought. These items should be separated from the required items on the cost proposal.

This request for proposal does not obligate Minnesota Housing to award a contract or complete the project, and Minnesota Housing reserves the right to cancel the solicitation if it is considered to be in its best interest.

**RFP responses must be received on or before 10/28/15** at 4 p.m. Central Time at the following address:

Agency Contact: Julie Stahl, Executive Assistant  
Address: 400 Sibley Street, Suite 300, St. Paul, MN 55101  
Telephone No.: 651-296-9811  
Fax Number: 651-296-8292  
E-Mail Address: [julie.stahl@state.mn.us](mailto:julie.stahl@state.mn.us)

Faxed or e-mailed responses are permitted. Questions may be directed to the contact listed above.

Other personnel are **NOT authorized** to discuss this request for proposal with responders, before the proposal submission deadline. Contact regarding this RFP with any personnel not listed above could result in disqualification.

## Proposal Content

Responders must submit the following information:

1. A statement of the objectives, goals, and tasks to show or demonstrate the responder's view and understanding of the nature of the contract.
2. A description of the deliverables to be provided by the responder as well as the basis for invoicing.
3. An outline of the responder's background and experience with examples of similar work done by the responder, detail any experience working with housing finance agencies and/or CFPB non-supervised non-banks. Provide a list of personnel who will conduct the project, detailing their training, and work experience. Resumes or other information about project personnel should not, if possible, contain personal telephone numbers, home addresses or home email addresses. If it is necessary to include personal contact information, please clearly indicate in the proposal that personal contact information is being provided.

## RFP Minnesota Housing, September, 2015

Provide details of method for providing legal review, including whether legal counsel are employed by the responder or whether the responder contracts with outside counsel to perform review.

4. Cost detail. Identify the level of Minnesota Housing's participation in the contract, as well as any other services to be provided by Minnesota Housing, and details of cost allowances for this participation.
5. Submit the following forms:
  - A. Affidavit of Non Collusion
  - B. Certificate Regarding Lobbying (if proposal exceeds \$100,000, including extension options)
  - C. Affirmative Action Certification (if proposal exceeds \$100,000, including extension options)
  - D. Veterans Preference Form (if applicable)

All proposals must be sent or e-mailed to:

Agency Contact: Julie Stahl, Executive Assistant  
Address: 400 Sibley Street, Suite 300, St. Paul, MN 55101  
Telephone No.: 651-296-9811  
Fax Number: 651-296-8292  
E-Mail Address: [julie.stahl@state.mn.us](mailto:julie.stahl@state.mn.us)

All proposals will be automatically time and date stamped when they are received. **PROPOSALS RECEIVED AFTER THE SUBMISSION DEADLINE WILL NOT BE CONSIDERED.** The State shall not be responsible for any errors or delays caused by technology-related issues, even if they are caused by Minnesota Housing or the State.

All costs incurred in responding to this RFP will be borne by the responder.

## Proposal Evaluation

All responses received by the deadline will be reviewed by Minnesota Housing. Proposals will first be reviewed for responsiveness to determine if the minimum requirements have been met. Proposals that fail to meet minimum requirements will not advance to the next phase of the evaluation. Minnesota Housing reserves the right, based on the scores of the proposals, to create a short-listing of vendors who have received the highest scores to interview, or conduct demonstrations/presentations. The state reserves the right to seek best and final offers from one or more responders. A 100-point scale will be used to create the final evaluation recommendation.

## Mandatory Requirements (Scored as Pass/Fail)

The following will be considered on a pass/fail basis:

1. Proposals must be received on or before the due date and time specified in this solicitation.
2. Responders must have a minimum of 3 years' experience and a minimum of 3 references.
3. Respondents must have qualified legal staff who are able to issue legal opinions about compliance matters as requested

## Evaluation Factors (Scored based on percentage or points as indicated)

The factors and weighting on which proposals will be judged are:

1. Expressed understanding of project objectives 10%
2. Description of deliverables 20%

3. Qualifications/experience of personnel working on the project	34%
4. Targeted Groups	6%
5. Cost detail	30%

It is anticipated that the evaluation and selection will be completed by **November 10, 2015**.

## General Requirements

### Affidavit of Noncollusion

Responder must complete the attached Affidavit of Noncollusion and include it with the response.

### Conflicts of Interest

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposals. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

### Proposal Contents

By submission of a proposal, Responder warrants that the information provided is true, correct and reliable for purposes of evaluation for potential contract award. The submission of inaccurate or misleading information may be grounds for disqualification from the award as well as subject the Responder to suspension or debarment proceedings as well as other remedies available by law.

### Disposition of Responses

All materials submitted in response to this RFP will become property of Minnesota Housing and will become public record in accordance with Minn. Stat. § 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected Responder. If the Responder submits information in response to this RFP that it believes to be trade secret materials, as defined under Minn. Stat. § 13.37, the Responder must:

- clearly mark all trade secret materials in its response at the time the response is submitted,
- include a statement with its response justifying the trade secret designation for each item, and
- defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless Minnesota Housing, its agents and employees, from any judgments or damages awarded against Minnesota Housing in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives Minnesota Housing's award of a contract. In submitting a response to this RFP, the Responder agrees that this indemnification survives as long as the trade secret materials are in possession of Minnesota Housing.

Minnesota Housing will not consider the prices submitted by the Responder to be proprietary or trade secret materials.

### Contingency Fees Prohibited

Pursuant to Minn. Stat. § 10A.06, no person may act as or employ a lobbyist for compensation that is dependent upon the result or outcome of any legislation or administrative action.

### Sample Contract

You should be aware of the State's standard contract terms and conditions in preparing your response. A sample State of Minnesota Professional/Technical Services Contract is attached for your reference. Much of the language reflected in the contract is required by statute. If you take exception to any of the terms, conditions or language in the contract, you must indicate those exceptions in your response to the RFP; certain exceptions may result in your

proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

### **Reimbursements**

Reimbursement for travel and subsistence expenses actually and necessarily incurred by the contractor as a result of the contract will be in no greater amount than provided in the current "Commissioner's Plan" promulgated by the commissioner of Employee Relations. Reimbursements will not be made for travel and subsistence expenses incurred outside Minnesota unless it has received Minnesota Housing's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

### **Organizational Conflicts of Interest**

The Responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a Responder is unable or potentially unable to render impartial assistance or advice to Minnesota Housing, or the Responder's objectivity in performing the contract work is or might be otherwise impaired, or the Responder has an unfair competitive advantage. The Responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to Minnesota Housing which must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organization conflict of interest is determined to exist, Minnesota Housing may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to Minnesota Housing, Minnesota Housing may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve Minnesota Housing's rights.

### **Preference to Targeted Group (TG) and Economically Disadvantaged Business and Individuals**

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal. Eligible TG businesses must be currently certified by the Materials Management Division prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at [mmdhelp.line@state.mn.us](mailto:mmdhelp.line@state.mn.us). For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

### **Veteran-Owned Preference**

In accordance with Minn. Stat. § 16C.16, subd. 6a, (a), except when mandated by the federal government as a condition of receiving federal funds, Minnesota Housing shall award up to a six percent preference on state procurement to **certified small businesses** that are **majority-owned and operated by:**

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;
- (2) Veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs; or
- (3) any other veteran-owned small businesses certified under Minn. Stat. §16C.19, paragraph (d).

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time.

If you are claiming the veteran-owned preference, **attach documentation, sign and return the Veteran-Owned Preference Form with your response to the solicitation.** Only eligible veteran-owned small businesses that meet the statutory requirements and provide adequate documentation will be given the preference.

### **Foreign Outsourcing of Work Prohibited**

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by subcontractors at all tiers.

### **Human Rights Requirements**

For all contracts estimated to be in excess of \$100,000, responders are required to complete the attached Affirmative Action Data page and return it with the response. As required by Minnesota Rule 5000.3600, "It is hereby agreed between the parties that Minnesota Statute § 363A.36 and Minnesota Rule 5000.3400 - 5000.3600 are incorporated into any contract between these parties based upon this specification or any modification of it. A copy of Minnesota Statute § 363A.36 and Minnesota Rule 5000.3400 - 5000.3600 are available upon request from the contracting agency."

### **Insurance Requirements**

- A. Responder shall not commence work under the contract until it has obtained all the insurance described below and Minnesota Housing has approved such insurance. Responder shall maintain such insurance in force and effect throughout the term of the contract.
- B. Responder is required to maintain and furnish satisfactory evidence of the following insurance policies:
  1. **Workers' Compensation Insurance:** Except as provided below, Responder must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Responder will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows:

\$100,000 – Bodily Injury by Disease per employee  
\$500,000 – Bodily Injury by Disease aggregate  
\$100,000 – Bodily Injury by Accident

If Minn. Stat. § 176.041 exempts Responder from Workers' Compensation insurance or if the Responder has no employees in the State of Minnesota, Responder must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Responder from the Minnesota Workers' Compensation requirements.

If during the course of the contract the Responder becomes eligible for Workers' Compensation, the Responder must comply with the Workers' Compensation Insurance requirements herein and provide the State of Minnesota with a certificate of insurance.

2. **Commercial General Liability Insurance:** Responder is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Responder or by a subcontractor or by anyone directly or indirectly employed by the Responder under the contract. Insurance **minimum** limits are as follows:

\$2,000,000 – per occurrence

\$2,000,000 – annual aggregate

\$2,000,000 – annual aggregate – Products/Completed Operations

The following coverages shall be included:

Premises and Operations Bodily Injury and Property Damage

Personal and Advertising Injury

Blanket Contractual Liability

Products and Completed Operations Liability

Other; if applicable, please list \_\_\_\_\_

State of Minnesota named as an Additional Insured

3. **Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability Insurance**

This policy will provide coverage for all claims the Responder may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Responder's professional services required under the contract.

Responder is required to carry the following **minimum** limits:

\$2,000,000 – per claim or event

\$2,000,000 – annual aggregate

Any deductible will be the sole responsibility of the Responder and may not exceed \$50,000 without the written approval of Minnesota Housing. If the Responder desires authority from Minnesota Housing to have a deductible in a higher amount, the Responder shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that Minnesota Housing can ascertain the ability of the Responder to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Responder shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Responder to fulfill this requirement.

C. **Additional Insurance Conditions:**

Responder's policy(ies) shall be primary insurance to any other valid and collectible insurance available to Minnesota Housing with respect to any claim arising out of Responder's performance under this contract;

If Responder receives a cancellation notice from an insurance carrier affording coverage herein, Responder agrees to notify Minnesota Housing within five (5) business days with a copy of the cancellation notice, unless Responder's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to Minnesota Housing;;

Responder is responsible for payment of Contract related insurance premiums and deductibles;

If Responder is self-insured, a Certificate of Self-Insurance must be attached;

Responder's policy(ies) shall include legal defense fees in addition to its liability policy limits, with the exception of B.4 above;

Responder shall obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota; and

An Umbrella or Excess Liability insurance policy may be used to supplement the Responder's policy limits to satisfy the full policy limits required by the Contract.

- D. Minnesota Housing reserves the right to immediately terminate the contract if the Responder is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Responder. All insurance policies must be open to inspection by Minnesota Housing, and copies of policies must be submitted to Minnesota Housing's authorized representative upon written request.
- E. The successful Responder is required to submit Certificates of Insurance acceptable to Minnesota Housing as evidence of insurance coverage requirements prior to commencing work under the contract.

**E-Verify Certification (In accordance with Minn. Stat. §16C.075)**

By submission of a proposal for services in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify program for all newly hired employees in the United States who will perform work on behalf of the State. In the event of contract award, Contractor shall be responsible for collecting all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at <http://www.mmd.admin.state.mn.us/doc/EverifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

## State Of Minnesota – Affirmative Action Certification

If your response to this solicitation is or could be in excess of \$100,000, complete the information requested below to determine whether you are subject to the Minnesota Human Rights Act (Minnesota Statutes 363A.36) certification requirement, and to provide documentation of compliance if necessary. **It is your sole responsibility to provide this information and—if required—to apply for Human Rights certification prior to the due date of the bid or proposal and to obtain Human Rights certification prior to the execution of the contract. The State of Minnesota is under no obligation to delay proceeding with a contract until a company receives Human Rights certification.**

**BOX A – For companies which have employed more than 40 full-time employees within Minnesota on any single working day during the previous 12 months. All other companies proceed to BOX B.**

Your response will be rejected unless your business:

has a current Certificate of Compliance issued by the Minnesota Department of Human Rights (MDHR)

–or–

has submitted an affirmative action plan to the MDHR, which the Department received prior to the date the responses are due.

Check one of the following statements if you have employed more than 40 full-time employees in Minnesota on any single working day during the previous 12 months:

- We have a current Certificate of Compliance issued by the MDHR. **Proceed to BOX C. Include a copy of your certificate with your response.**
- We do not have a current Certificate of Compliance. However, we submitted an Affirmative Action Plan to the MDHR for approval, which the Department received on \_\_\_\_\_ (date). **Proceed to BOX C.**
- We do not have a Certificate of Compliance, nor has the MDHR received an Affirmative Action Plan from our company. **We acknowledge that our response will be rejected. Proceed to BOX C. Contact the Minnesota Department of Human Rights for assistance.** (See below for contact information.)

**Please note:** Certificates of Compliance must be issued by the Minnesota Department of Human Rights. Affirmative Action Plans approved by the Federal government, a county, or a municipality must still be received, reviewed, and approved by the Minnesota Department of Human Rights before a certificate can be issued.

**BOX B – For those companies not described in BOX A**

Check below.

- We have not employed more than 40 full-time employees on any single working day in Minnesota within the previous 12 months. **Proceed to BOX C.**

**BOX C – For all companies**

By signing this statement, you certify that the information provided is accurate and that you are authorized to sign on behalf of the responder. You also certify that you are in compliance with federal affirmative action requirements that may apply to your company. (These requirements are generally triggered only by participating as a prime or subcontractor on federal projects or contracts. Contractors are alerted to these requirements by the federal government.)

Name of Company: \_\_\_\_\_ Date \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Telephone number: \_\_\_\_\_

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

**For assistance with this form, contact:**

Minnesota Department of Human Rights, Compliance & Community Relations

Mail: The Freeman Building 625 Robert Street North, Saint Paul, MN 55155      TC Metro: (651) 296-5663      Toll Free: 800-657-3704

Web: [www.humanrights.state.mn.us](http://www.humanrights.state.mn.us)      Fax: (651) 296-9042      TTY: (651) 296-1283

Email: [compliance.mdhr@state.mn.us](mailto:compliance.mdhr@state.mn.us)

**STATE OF MINNESOTA  
AFFIDAVIT OF NONCOLLUSION**

I swear (or affirm) under the penalty of perjury:

1. That I am the Responder (if the Responder is an individual), a partner in the company (if the Responder is a partnership), or an officer or employee of the responding corporation having authority to sign on its behalf (if the Responder is a corporation);
2. That the attached proposal submitted in response to the \_\_\_\_\_ Request for Proposals has been arrived at by the Responder independently and has been submitted without collusion with and without any agreement, understanding or planned common course of action with, any other Responder of materials, supplies, equipment or services described in the Request for Proposal, designed to limit fair and open competition;
3. That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not an employee or agent of the Responder and will not be communicated to any such persons prior to the official opening of the proposals; and
4. That I am fully informed regarding the accuracy of the statements made in this affidavit.

Responder's Firm Name: \_\_\_\_\_

Authorized Representative (Please Print) \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

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

Subscribed and sworn to me this \_\_\_\_\_ day of \_\_\_\_\_

Notary Public

My commission expires: \_\_\_\_\_

STATE OF MINNESOTA

VETERAN-OWNED PREFERENCE FORM

In accordance with Minn. Stat. § 16C.16, subd. 6a, (a) Except when mandated by the federal government as a condition of receiving federal funds, the commissioner shall award up to a six percent preference in the amount bid on state procurement to certified small businesses that are majority-owned and operated by:

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;
(2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs; or
(3) any other veteran-owned small businesses certified under section 16C.19, paragraph (d).

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time. When responding to a Request for Bid (RFB), the preference is applied only to the first \$500,000 of the response. When responding to a Request for Proposal (RFP), the preference is applied as detailed in the RFP.

If you are claiming the veteran-owned preference, attach documentation, sign and return this form with your response to the solicitation. Only eligible veteran-owned small businesses that meet the statutory requirements and provide adequate documentation will be given the preference.

I HEREBY CERTIFY THAT THE FIRM LISTED BELOW:

My firm is a certified small business and it is majority-owned and operated by an eligible person as defined by Minn. Stat. § 16C.16, subd. 6a.

Yes No (must check yes or no) State the type of documentation attached:

DOCUMENTATION MUST BE PROVIDED FOR ONE OF THE FOLLOWING REQUIREMENTS:

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;

State the type of documentation attached:

- (2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs;

State the type of documentation attached:

- (3) any other veteran-owned small businesses certified under Minnesota Statute Section 16C.19, paragraph (d).

State the type of documentation attached:

Name of Company: Date:
Authorized Signature: Telephone:
Printed Name: Title:

IF YOU ARE CLAIMING THE VETERAN-OWNED PREFERENCE, ATTACH DOCUMENTATION, SIGN AND RETURN THIS FORM WITH YOUR RESPONSE TO THE SOLICITATION.

*If you take exception to any of the terms, conditions or language in the contract, you must indicate those exceptions in your response to the RFP; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.*

# Professional and Technical Services Contract

## State of Minnesota

This Contract is between the State of Minnesota, acting through its \_\_\_\_\_ (“State”) and \_\_\_\_\_ (“Contractor”).

### Recitals

1. Under Minn. Stat. § 15.061 the State is empowered to engage such assistance as deemed necessary.
2. The State is in need of \_\_\_\_\_.
3. The Contractor represents that it is duly qualified and agrees to perform all services described in this Contract to the satisfaction of the State.

### Contract

#### 1. Term of Contract

- 1.1 **Effective date:** \_\_\_\_\_, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State’s Authorized Representative to begin the work.
- 1.2 **Expiration date:** \_\_\_\_\_, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of terms:** The following clauses survive the expiration or cancellation of this Contract: 8. Indemnification; 9. State audits; 10. Government data practices and intellectual property; 14. Publicity and endorsement; 15. Governing law, jurisdiction, and venue; and 16. Data disclosure.

#### 2. Contractor’s duties

The Contractor, who is not a State employee, will:

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

#### 3. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

#### 4. Consideration and payment

**4.1 Consideration.** The State will pay for all services performed by the Contractor under this Contract as follows:

- (a) *Compensation.* The Contractor will be paid \$\_\_\_\_\_.
- (b) *Travel expenses.* Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Contract will not exceed \$\_\_\_\_\_; provided that the Contractor will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner’s Plan" established by the Commissioner of Minnesota Management and Budget which is incorporated in to this Contract by reference. The Contractor will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State’s prior written approval for out-of-state travel. Minnesota will be considered the home state for determining whether travel is out of state.
- (c) *Total obligation.* The total obligation of the State for all compensation and reimbursements to the

Contractor under this Contract will not exceed \$ \_\_\_\_\_.

**4.2 Payment.**

(a) *Invoices.* The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule:

\_\_\_\_\_

(b) *Retainage.* Under Minn. Stat. § 16C.08, subd. 5(b), no more than 90 percent of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due will be paid when the State's agency head determines that the Contractor has satisfactorily fulfilled all the terms of this Contract.

(c) *Federal funds.* (Where applicable, if blank this section does not apply.) Payments under this Contract will be made from federal funds obtained by the State through \_\_\_\_\_. The Contractor is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the Contractor's failure to comply with federal requirements.

**5. Conditions of payment**

All services provided by the Contractor under this Contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations including business registration requirements of the Office of the Secretary of State. The Contractor will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

**6. Authorized Representative**

The State's Authorized Representative is \_\_\_\_\_, or his/her successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is \_\_\_\_\_, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

**7. Assignment, amendments, waiver, and contract complete**

**7.1 Assignment.** The Contractor may neither assign nor transfer any rights or obligations under this Contract without the prior consent of the State and a fully executed assignment agreement, executed and approved by the same parties who executed and approved this Contract, or their successors in office.

**7.2 Amendments.** Any amendment to this Contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Contract, or their successors in office.

**7.3 Waiver.** If the State fails to enforce any provision of this Contract, that failure does not waive the provision or its right to enforce it.

**7.4 Contract complete.** This Contract contains all negotiations and agreements between the State and the Contractor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

**8. Indemnification**

In the performance of this Contract by Contractor, or Contractor's agents or employees, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Contractor's:

- a) Intentional, willful, or negligent acts or omissions; or
- b) Actions that give rise to strict liability; or
- c) Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Contract.

**9. State audits**

Under Minn. Stat. § 16C.05, subd. 5, the Contractor's books, records, documents, and accounting procedures and

practices relevant to this Contract are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Contract.

## 10. Government data practices and intellectual property

**10.1 Government data practices.** The Contractor and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. ch. 13, by either the Contractor or the State.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with the State's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

## 10.2 Intellectual property rights.

(a) *Intellectual property rights.* The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the works and documents created and paid for under this Contract. The "works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. "Works" includes documents. The "documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract. The documents will be the exclusive property of the State and all such documents must be immediately returned to the State by the Contractor upon completion or cancellation of this Contract. To the extent possible, those works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the works and the documents to the State. The Contractor must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the works and documents.

### (b) *Obligations*

- (1) **Notification.** Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the State's Authorized Representative with complete information and/or disclosure thereon.
- (2) **Representation.** The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the works and documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the works and documents. The Contractor represents and warrants that the works and documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, the Contractor will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the works or documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

## 11. Workers' compensation and other insurance

Contractor certifies that it is in compliance with all insurance requirements specified in the solicitation document relevant to this Contract. Contractor shall not commence work under the Contract until they have obtained all the

insurance specified in the solicitation document. Contractor shall maintain such insurance in force and effect throughout the term of the Contract.

Further, the Contractor certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Contractor's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the State's obligation or responsibility.

**12. Debarment by State, its departments, commissions, agencies, or political subdivisions**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the State, or any of its departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to the State's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

**13. Certification regarding debarment, suspension, ineligibility, and voluntary exclusion**

Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore Contractor certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. Contractor's certification is a material representation upon which the Contract award was based.

**14. Publicity and endorsement**

**14.1 Publicity.** Any publicity regarding the subject matter of this Contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative.

For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

**14.2 Endorsement.** The Contractor must not claim that the State endorses its products or services.

**15. Governing law, jurisdiction, and venue**

Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

**16. Data disclosure**

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the Contractor consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the Contractor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

**17. Payment to subcontractors**

(If applicable) As required by Minn. Stat. § 16A.1245, the prime Contractor must pay all subcontractors, less any retainage, within 10 calendar days of the prime Contractor's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

**18. Termination**

**18.1 Termination by the State.** The State or Commissioner of Administration may cancel this Contract at any time, with or without cause, upon 30 days' written notice to the Contractor. Upon termination, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

**18.2 Termination for insufficient funding.** The State may immediately terminate this Contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Contractor. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any

penalty if the Contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Contractor notice of the lack of funding within a reasonable time of the State's receiving that notice.

**19. Non-discrimination (In accordance with Minn. Stat. § 181.59)**

The Contractor will comply with the provisions of Minn. Stat. § 181.59 which require:

*“Every contract for or on behalf of the state of Minnesota, or any county, city, town, township, school, school district, or any other district in the state, for materials, supplies, or construction shall contain provisions by which the contractor agrees:*

- (1) that, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or vendor, shall, by reason of race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates;*
- (2) that no contractor, material supplier, or vendor, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color;*
- (3) that a violation of this section is a misdemeanor; and*
- (4) that this contract may be canceled or terminated by the state, county, city, town, school board, or any other person authorized to grant the contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.”*

**20. E-Verify certification (In accordance with Minn. Stat. § 16C.075)**

For services valued in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the *E-Verify Subcontractor Certification Form* available at <http://www.mmd.admin.state.mn.us/doc/EVerifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

**[Signatures as required by the State.]**