



Judicial Council of California
Administrative Office of the Courts

Human Resources Division
455 Golden Gate Avenue ♦ San Francisco, CA 94102-3660
Telephone 415-865-4260 ♦ Fax 415-865-4327 ♦ TDD 415-865-4272

RONALD M. GEORGE
Chief Justice of California
Chair of the Judicial Council

WILLIAM C. VICKREY
Administrative Director of the Courts

RONALD G. OVERHOLT
Chief Deputy Director

SUSAN M. HOUGH
Director
Human Resources Division

TO: POTENTIAL BIDDERS

FROM: Administrative Office of the Courts, Human Resources Division

DATE: June 24, 2002

SUBJECT/PURPOSE OF MEMO: REQUEST FOR PROPOSALS
SUCCESSION PLANNING FOR THE CALIFORNIA COURT SYSTEM

ACTION REQUIRED: You are invited to review and respond to the attached Request for Proposals (“RFP”):

Project Title: **Succession Planning Assessment**
RFP Number: **TC-HRD-072902**

DEADLINE: **Proposals must be received by 12:00 p.m. on Monday, July 29, 2002**

SUBMISSION OF PROPOSAL: Proposals should be sent to:
Judicial Council of California
Administrative Office of the Courts
Attn: Vanessa Wilcox
455 Golden Gate Avenue
San Francisco, CA 94102

CONTACT FOR FURTHER INFORMATION: **NAME:** Vanessa Wilcox **TEL:** 415-865-4270 **FAX:** 415-865-4328 **E-MAIL:** vanessa.wilcox@jud.ca.gov

1.0 GENERAL INFORMATION

1.1 Judicial Council Background

The Judicial Council, chaired by the Chief Justice of California, is the primary policymaking agency of the California judicial system, which includes the state Supreme Court, six Courts of Appeal, 58 superior courts, the Administrative Office of the Courts (AOC), the Habeas Corpus Resource Center (HCRC), and the Commission on Judicial Performance (CJP). The California Constitution directs the council to improve the administration of justice by surveying judicial business, recommending improvements to the courts, and making recommendations annually to the Governor and the Legislature. The council also must adopt rules for court administration, practice, and procedure, not inconsistent with statute, and perform other functions prescribed by law. The six Judicial Council goals are:

Goal I

ACCESS, FAIRNESS, AND DIVERSITY

All Californians will have equal access to the courts and equal ability to participate in court proceedings, and will be treated in a fair and just manner. Members of the judicial branch community will reflect the rich diversity of the state's residents.

Goal II

INDEPENDENCE AND ACCOUNTABILITY

The judiciary will be an institutionally independent, separate branch of government that responsibly seeks, uses, and accounts for public resources necessary for its support. The independence of judicial decision making will be protected.

Goal III

MODERNIZATION OF MANAGEMENT AND ADMINISTRATION

Justice will be administered in a timely, efficient, and effective manner that utilizes contemporary management practices; innovative ideas; highly competent judges, other judicial officers, and staff; and adequate facilities.

Goal IV

QUALITY OF JUSTICE AND SERVICE TO THE PUBLIC

Judicial branch services will be responsive to the needs of the public and will enhance the public's understanding and use of and its confidence in the judiciary.

Goal V

EDUCATION

The effectiveness of judges, court personnel, and other judicial branch staff will be enhanced through high-quality continuing education and professional development.

Goal VI

TECHNOLOGY

Technology will enhance the quality of justice by improving the ability of the judicial branch to collect, process, analyze, and share information and by increasing the public's access to information about the judicial branch.

The Administrative Office of the Courts is the staff agency for the council and assists both the council and its Chair in performing their duties.

The Human Resources Division of the AOC provides the full range of human resources services to California judicial officers and to employees of the appellate courts, the AOC, the Habeas Corpus Resource Center (HCRC), and the Commission on Judicial Performance (CJP). In addition, the division provides direct and indirect support to the trial courts as they undertake the implementation of new and effective personnel systems in the transition to their new role as employer under Senate Bill 2140. The division's mission is to provide timely, responsive, and professional human resource management services reflecting "best practices" to its diverse judicial branch customers, with the overarching goal of developing the California judicial branch as an employer of choice. The number of employees in each court ranges in size from 5 to 5,720 employees. In total, the judicial branch includes approximately 22,000 employees.

1.2 California Court Background

In a recent survey of the California courts, 70 percent of the respondents stated their concern that a significant number of managerial and executive staff will retire in the next few years. In fact, 26 to 40 percent of them can

retire within 5 years, and 23 to 35 percent in 6 to 10 years. On the whole, the California judicial system can expect to lose up to 75 percent of its managerial and executive staff within the next 10 years.

A similar trend is occurring in private industry with the mass exodus of “baby boomers,” which has greatly increased the competition between the public and private sector for educated, trained, and experienced managers and executives. This problem is compounded in the California courts as college graduate programs in judicial administration are replaced by public administration curricula.

Although the courts have augmented their in-house training, these programs focus on specific issues rather than global career development and education programs. In addition, the role of the court manager/executive has substantially changed to require a successful court executive to be a “jack-of-all-trades” in legal, human resources, and fiscal matters, as well as in facilities management and contract negotiation.

Today’s court manager/executive has extensive and in-depth knowledge of judicial court processes, procedures, and practices in addition to a clear understanding of judicial court system history and culture. However, much of this experience, knowledge, and skill may leave the judicial system when the person retires.

Another facet of this problem is the exodus of judges from the California courts through retirement, return to law practice, private judging, or public office. Many current judges eventually will be placed in positions of leadership without having the necessary skills to be successful leaders.

2.0 PURPOSE OF THIS RFP

The AOC seeks the services of a consultant with expertise in succession planning and the ability to create processes that will (1) capture and preserve institutional knowledge of judicial court processes and judicial court history before the experienced and knowledgeable employees leave the system; and (2) develop a succession plan and stewardship system to ensure that trained leadership and executive talent are available for critical positions throughout the California court system.

3.0 PROPOSED CONSULTANT SERVICES

- 3.1 Assess the current workforce to determine (at three-year intervals) the knowledge, skills, abilities, and competencies required for critical positions, including, but not limited to, leadership and executive talent. These requirements should be consistent with the Strategic and Operational Plans of the Judicial Council and the individual courts and branch agencies. Assess internal employee competencies and develop profiles of the current and future workforce.
- 3.2 Conduct and document a gap analysis of the workforce, including the gap between the present and future (if no planning is done or as it exists today) and the gap between the present profiles and the future profiles developed in section 3.1 above.
- 3.3 Recommend solutions based on the gap analysis, including, but not limited to, the following strategies:
 - a. Establish core competencies and criteria for critical positions;
 - b. Assess training needs to develop core competencies and professional development;
 - c. Develop training programs and partnerships with California colleges and universities;
 - d. Design developmental assignments to achieve core competencies through hands-on experience for leadership and executive talent;
 - e. Recommend recruitment, selection, and retention strategies for critical position, including but not limited to, management and executive ; and
 - f. Develop career and educational paths.
- 3.4 Recommend other strategies to address critical elements involved in planning the workforce of the California judicial system, including, but not limited to, the following:
 - a. Recruitment systems;
 - b. Employee retention/promotion;
 - c. Leadership assessment;
 - d. Education/skills/mentor development;
 - e. College/university partnerships; and
 - f. Communication strategies.
- 3.5 Develop a strategic plan to address the gaps, including prioritization of staffing gaps, budgetary analysis, compliance with California employment laws and memoranda of understanding, organization development

considerations, impact of technology, and changes in service requirements and delivery.

- 3.6 Develop knowledge transfer strategies, including, but not limited to, documenting court and agency methods and procedures, information-sharing procedures, and archiving of records and systems. Develop a succession planning handbook to be used by all courts.
- 3.7 Evaluate industry software tools and other technology that model changes, forecast needs, provide early warning notices of shortcomings in the succession plan, and track progress. Recommend tools based on evaluation results.
- 3.8 Develop a stewardship mechanism and procedure to continually monitor and evaluate the succession plan and to update, evaluate, and validate the plan against changes in the workforce, work environment, legislation, budgets, organization changes, and evolving customer needs.
- 3.9 Develop succession planning documentation or a guide for use by each of the trial courts, the Courts of Appeal, the Supreme Court, and the Administrative Office of the Courts.
- 3.10 Working with HR staff of the Administrative Office of the Courts, offer training programs in succession planning for courts and branch agencies.
- 3.11 Collaborate with any existing consultants focusing on workforce and/or succession planning at the individual court level.
- 3.12 Work with a succession planning work group composed of California judicial branch management and executives.

4.0 SPECIFICS OF A RESPONSIVE PROPOSAL

The following information shall be included in the proposal:

- 4.1 Name, address, telephone and fax numbers, and social security number or federal tax identification number.
- 4.2 **TEN** copies of the proposal signed by an authorized representative of the company, including name, title, address, and telephone number of one individual who is the responder's designated representative.

- 4.3 Resumes describing the background and experience of key staff, as well as each individual's ability and experience in conducting the proposed activities.
- 4.4 Describe key staff's knowledge of the requirements necessary to complete this project.
- 4.5 Names, addresses, and telephone numbers of a minimum of **five (5)** clients for whom the consultant has conducted similar services. The AOC may check references listed by the consultant.
- 4.6 Responsive proposals should provide straightforward, concise information that satisfies the requirements noted above. Expensive bindings, color displays, and the like are not necessary or desired. Emphasis should be placed on conformity to the state's instructions, requirements of this RFP, and completeness and clarity of content.
- 4.7 Proposal should include an overall plan with time estimates for completion of all work, including the items specified in Sections 3.0 - 4.1.
- 4.8 Method to complete the Project:
 - 4.8.1 Provide a proposed process necessary to address the project objectives Provide a timeframe for each phase of the process.
 - 4.8.2 Propose data collection methods and assessment instruments to be used. Provide samples.
 - 4.8.3 Describe how the collection of data will be supervised.
 - 4.8.4 Proposed project and team organization.
 - 4.8.5 Describe how you propose to communicate with the work group and how you will present the collected data, analysis and proposed strategies to address the findings.

5.0 COST PROPOSAL

Submit a detailed line item budget showing total cost of the services. Fully explain and justify all budget line items in a narrative entitled "Budget Justification."

6.0 RIGHTS

The AOC reserves the right to reject any and all proposals, in whole or in part, as well as the right to issue similar RFPs in the future. This RFP is in no way an agreement, obligation, or contract and in no way is the AOC or the State of California responsible for the cost of preparing the proposal. One copy of a submitted proposal will be retained for official files and becomes a public record.

Only written responses will be accepted. Responses should be sent by registered or certified mail or by hand delivery. A receipt should be requested for hand-delivered material. Responses must be received by the AOC no later than **12:00 p.m. on Monday, July 29, 2002.**

7.0 PROJECT MANAGEMENT

The Project Manager for this RFP process is:

Vanessa Wilcox
Human Resources Division
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, CA 94102-3660
Phone (415) 865-4276
Fax (415) 865-4328
vanessa.wilcox@jud.ca.gov

8.0 EVALUATION OF PROPOSALS

Proposals will be evaluated by the AOC using the following criteria:

- a. Quality of work plan submitted
- b. Experience on similar assignments
- c. Credentials of staff to be assigned to the project
- d. Ability to meet timing requirements to complete the project
- e. Reasonableness of cost projections
- f. Experience with other public agencies

Consultants must comply with attachments A, B, and C of this request.

9.0 ADDITIONAL REQUIREMENTS

It may be necessary to interview prospective service providers to clarify aspects of their submittal. The AOC will notify prospective service providers regarding the interview arrangements. We anticipate these interview will be conducted at the Administrative Office of the Courts in San Francisco no sooner than **August 5, 2002**.

10.0 PROPOSED CONTRACT TERMS AND ADMINISTRATIVE RULES

Contracts with successful firms will be signed by the parties on a State of California Standard Agreement form and will include terms appropriate for this project. Generally, the terms of the contract will include, but are not limited to: (1) completion of the project within the timeframe provided; (2) no additional work authorized without prior approval; (3) no payment without prior approval; (4) funding availability subject to Legislature; (5) termination of contract under certain conditions; (6) indemnification of the State; (7) approval by the State of any subcontractors; (8) national labor relations board, drug-free workplace, nondiscrimination, and ADA requirements; and (9) minimum appropriate insurance requirements.

Incorporated in this RFP, and attached as Attachment A, is a document entitled "Administrative Rules Governing Requests for Proposals. Consultants shall follow these rules in preparation of their proposals.

11.0 DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION GOALS

The State requires contract participation goals of three percent (3%) for disabled veteran business enterprises (DVBEs). Therefore, your response should demonstrate DVBE compliance; otherwise, if it is impossible for your firm to comply, please use the DVBE participation form attached as Attachment B to explain why, and demonstrate written evidence of a "good faith effort" to achieve participation. Your firm must complete the attached DVBE participation requirement form even if it is only to explain why your firm cannot achieve the participation goal. Completing the attached form to the extent feasible is mandatory to be responsive to this solicitation's requirements. If your firm has any questions regarding the form, you should contact the Contracting Officer, Stephen Saddler, at 415-865-7989. For further information regarding DVBE

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resources, please contact the Office of Small Business and DVBE Certification at 916-372-9978.

**JUDICIAL COUNCIL OF CALIFORNIA
ADMINISTRATIVE OFFICE OF THE COURTS**

ADMINISTRATIVE RULES GOVERNING REQUESTS FOR PROPOSALS

A. General

1. This solicitation document, the evaluation of proposals, and the award of any contract shall conform with current competitive bidding procedures as they relate to the procurement of goods and services. A vendor's proposal is an irrevocable offer for 30 days following the deadline for its submission.
2. A nondiscrimination clause will be included in any contract that ensues from this solicitation document.
3. In addition to explaining the State's requirements, the solicitation document includes instructions which prescribe the format and content of proposals.

B. Errors in the solicitation document

1. If a vendor submitting a proposal discovers any ambiguity, conflict, discrepancy, omission, or other error in this solicitation document, the vendor shall immediately provide the State with written notice of the problem and request that the solicitation document be clarified or modified. Without disclosing the source of the request, the State may modify the solicitation document prior to the date fixed for submission of proposals by issuing an addendum to all vendors to whom the solicitation document was sent.
2. If prior to the date fixed for submission of proposals a vendor submitting a proposal knows of or should have known of an error in the solicitation document but fails to notify the State of the error, the vendor shall bid at its own risk, and if the vendor is awarded the contract, it shall not be entitled to additional compensation or time by reason of the error or its later correction.

C. Questions regarding the solicitation document

1. If a vendor's question relates to a proprietary aspect of its proposal and the question would expose proprietary information if disclosed to competitors, the vendor may submit the question in writing, conspicuously marking it as "CONFIDENTIAL." With the question, the vendor must submit a statement explaining why the question is sensitive. If the State concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered, and both the question and answer will be kept in confidence. If the State does not concur regarding the proprietary nature of the question, the question will not be answered in this manner and the vendor will be notified.
2. If a vendor submitting a proposal believes that one or more of the solicitation document's requirements is onerous or unfair, or that it unnecessarily precludes less costly or alternative solutions, the vendor may submit a written request that the solicitation document be changed. The request must set forth the recommended change and vendor's reasons for proposing the change. Any such request must be submitted to **Vanessa Wilcox** at the Administrative Office of the Courts by **5:00 p.m. on Friday, July 19, 2002.**

D. Addenda

1. The State may modify the solicitation document prior to the date fixed for submission of proposals by faxing an addendum to the vendors to whom the solicitation document was sent. If any vendor determines that an addendum unnecessarily restricts its ability to bid, it must notify **Vanessa Wilcox** at the Administrative Office of the Courts no later than one day following the receipt of the addendum.

E. Withdrawal and resubmission/modification of proposals

1. A vendor may withdraw its proposal at any time prior to the deadline for submitting proposals by notifying the State in writing of its withdrawal. The notice must be signed by the vendor. The vendor may thereafter submit a new or modified proposal, provided that it is received at the Administrative Office of the Courts no later than **12:00 p.m. on Monday, July 29, 2002.** Modification offered in any other manner, oral or written, will not be considered. Proposals cannot be changed or withdrawn after **12:00 p.m. on Monday, July 29, 2002.**

F. Evaluation process

1. An evaluation team will review in detail all proposals that are received to determine the extent to which they comply with solicitation document requirements.
2. If a proposal fails to meet a material solicitation document requirement, the proposal may be rejected. A deviation is material to the extent that a response is not in substantial accord with solicitation document requirements. Material deviations cannot be waived. Immaterial deviations may cause a bid to be rejected.
3. Proposals that contain false or misleading statements may be rejected if in the State's opinion the information was intended to mislead the state regarding a requirement of the solicitation document.
4. Cost sheets will be checked only if a proposal is determined to be otherwise qualified. All figures entered on the cost sheets must be clearly legible.
5. During the evaluation process, the State may require a vendor's representative to answer questions with regard to the vendor's proposal. Failure of a vendor to demonstrate that the claims made in its proposal are in fact true may be sufficient cause for deeming a proposal nonresponsive.

G. Rejection of bids

1. The State may reject any or all proposals and may or may not waive an immaterial deviation or defect in a bid. The State's waiver of an immaterial deviation or defect shall in no way modify the solicitation document or excuse a vendor from full compliance with solicitation document specifications. The AOC reserves the right to accept or reject any or all of the items in the proposal, to award the contract in whole or in part and/or negotiate any or all items with individual vendors if it is deemed in the AOC's best interest. Moreover, the AOC reserves the right to make no selection if proposals are deemed to be outside the fiscal constraint or against the best interest of the government.

H. Award of contract

1. Award of contract, if made, will be in accordance with the solicitation document to a responsible vendor submitting a proposal compliant with all the requirements of the solicitation document and any addenda thereto, except for such immaterial defects as may be waived by the State.

2. The State reserves the right to determine the suitability of proposals for contracts on the basis of a proposal's meeting administrative requirements, technical requirements, its assessment of the quality of service and performance of items proposed, and cost.

I. Decision

1. Questions regarding the State's award of any business on the basis of proposals submitted in response to the solicitation document, or any other related matter, should be addressed to:

Vanessa Wilcox
Human Resources Division
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, CA 94102-3660
Phone (415) 865-4276
Fax (415) 865-4328
vanessa.wilcox@jud.ca.gov

J. Execution of contracts

1. The State will make a reasonable effort to execute any contract based on this solicitation document within 30 days of selecting a proposal that best meets its requirements.
2. A vendor submitting a proposal must be prepared to use a standard state contract form rather than its own contract form.

K. Protest procedure

1. The Administrative Office of the Courts intends to be completely open and fair to all vendors in selecting the best possible system within budgetary and other constraints described in the solicitation document. In applying evaluation criteria and making the selection, members of the evaluation team will exercise their best judgment.

Attachment A

2. A vendor submitting a proposal may protest the award if it meets all the following conditions:
 - a. the vendor has submitted a proposal which it believes to be responsive to the solicitation document;
 - b. the vendor believes that its proposal meets the state's administrative requirements and technical requirements, proposes items of proven quality and performance, and offers a competitive cost to the State; and
 - c. the vendor believes that the State has incorrectly selected another vendor submitting a proposal for an award.
3. A vendor submitting a proposal who is qualified to protest should contact the Contract Officer at the Administrative Office of the Courts at the address given below or call him at 415-865-7989.

Stephen Saddler
Contracts Officer
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, CA 94102-3660

4. If the Contract Officer is unable to resolve the protest to the vendor's satisfaction, the vendor should file a written protest within five working days of the contract award notification. The written protest must state the facts surrounding the issue and the reasons the vendor believes the award to be invalid. The protest must be sent by certified or registered mail or delivered personally to:

Grant Walker
Business Services Manager
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, CA 94102-3660

A receipt should be requested for hand-delivered material.

L. News releases

1. News releases pertaining to the award of a contract may not be made without prior written approval of the Director of the Administrative Office of the Courts.

M. Disposition of materials

1. All materials submitted in response to this solicitation document will become the property of the State of California and will be returned only at the State's option and at the expense of the vendor submitting the proposal. One copy of a submitted proposal will be retained for official files and become a public record. However, any confidential material submitted by a vendor that was clearly marked as such will be returned upon request.

N. Payment

1. Payment terms will be specified in any agreement that may ensue as a result of this solicitation document.
2. **THE STATE DOES NOT MAKE ANY ADVANCE PAYMENT FOR SERVICES.** Payment is normally made based upon completion of tasks as provide in the agreement between the State and the selected vendor. The State may withhold ten percent of each invoice until receipt of the final product. The amount of the withhold may depend upon the length of the project and the payment schedule provide in the agreement between the State and the selected vendor.

Attachment B

Propser Name: _____
RFP Project Title: _____
RFP Number: _____

The State’s goal of awarding of at least three percent (3%) of the total dollar contract amount to Disabled Veterans Business Enterprise (DVBE) has been achieved for this Project. *Check one:*

Yes _____ *(Complete Parts A & C only)*

No _____ *(Complete Parts B & C only)*

“Contractor’s Tier” is referred to several times below; use the following definitions for tier:

- 0 = Prime or Joint Contractor;
- 1 = Prime subcontractor/supplier;
- 2 = Subcontractor/supplier of level 1 subcontractor/supplier

PART A – COMPLIANCE WITH DVBE GOALS

Fill out this Part ONLY if DVBE goal has been met; otherwise fill out Part B.

INCOMPLETE DOCUMENTATION MAY RESULT IN DISQUALIFICATION FROM FURTHER PARTICIPATION IN SELECTION PROCESS FOR THIS CONTRACT

PRIME CONTRACTOR

Company Name: _____

Nature of Work _____ Tier: _____

Claimed Value: DVBE \$ _____
Percentage of Total Contract Cost: DVBE _____%

SUBCONTACTORS/SUBCONTRACTOR/PROPOSERS/SUPPLIERS

1. Company Name: _____
 Nature of Work: _____ Tier: _____
 Claimed Value: DVBE \$. _____

Percentage of Total Contract Cost: DVBE _____%

2. Company Name: _____
 Nature of Work _____ Tier: _____
 Claimed Value: DVBE \$ _____

Percentage of Total Contract Cost DVBE _____%

3. Company Name: _____
 Nature of Work _____ Tier: _____
 Claimed Value: DVBE \$ _____

Percentage of Total Contract Cost DVBE _____%

GRAND TOTAL: DVBE _____%

PART B – ESTABLISHMENT OF GOOD FAITH EFFORT

Fill out this Part ONLY if DVBE goal will not be met but you have made a good faith effort to meet such goal.

INCOMPLETE DOCUMENTATION MAY RESULT IN DISQUALIFICATION FROM FURTHER PARTICIPATION IN SELECTION PROCESS FOR THIS CONTRACT

- List contacts made with personnel from state or federal agencies, and with personnel from DVBEs to identify DVBEs.

<i>Source</i>	<i>Person Contacted</i>	<i>Date</i>

Attachment B

2. List the names of DVBE's identified from contacts made with other state, federal, and local agencies.

<i>Source</i>	<i>Person Contacted</i>	<i>Date</i>

3. If an advertisement was published in trade papers and/or papers focusing on DVBEs, attach proof of publication.

<i>Publication</i>	<i>Date(s) Advertised</i>

4. Solicitations were submitted to potential DVBE contractors (list the company name, person contacted, and date) to be subcontractors. Solicitation must be job specific to plan and/or contract.

<i>Company</i>	<i>Person Contacted</i>	<i>Date Sent</i>

5. List the available DVBEs that were considered as subcontractors or suppliers or both. (*Complete each subject line.*)

<i>Company Name:</i>	
<i>Contact Name & Title:</i>	
<i>Telephone Number:</i>	

Attachment B

<i>Nature of Work:</i>	
<i>Reason Why Rejected:</i>	

<i>Company Name:</i>	
<i>Contact Name & Title:</i>	
<i>Telephone Number:</i>	
<i>Nature of Work:</i>	
<i>Reason Why Rejected:</i>	

<i>Company Name:</i>	
<i>Contact Name & Title:</i>	
<i>Telephone Number:</i>	
<i>Nature of Work:</i>	
<i>Reason Why Rejected:</i>	

CERTIFICATION *(to be completed by Proposer)*

I hereby certify that I have made a diligent effort to ascertain the facts with regard to the representations made herein and, to the best of my knowledge and belief, each firm set forth in this bid as a Disabled Veterans Business Enterprise complies with the relevant definition set forth in section 1896.61 of Title 2, and section 999 of the Military and Veterans Code, California Code of Regulations. In making this certification, I am aware of section 10115 *et seq.* of the Government Code that establishes the following penalties for State Contracts:

Penalties for a person guilty of a first offense are a misdemeanor, civil penalty of \$5,000, and suspension from contracting with the State for a period of not less than thirty (30) days nor more than one (1) year.

Attachment B

Penalties for second and subsequent offenses are a misdemeanor, a civil penalty of \$20,000 and suspension from contracting with the State for up to three (3) years.

IT IS MANDATORY THAT THE FOLLOWING BE COMPLETED ENTIRELY; FAILURE TO DO SO WILL RESULT IN IMMEDIATE REJECTION.

<i>Firm Name of Proposer:</i>	
<i>Signature of Person Signing for Proposer</i>	
<i>Name (printed) of Person Signing for Proposer</i>	
<i>Title of Above-Named Person</i>	
<i>Date</i>	

PART C – CONTRACT AMOUNT CERTIFICATION

To be filled out by ALL proposers.

I hereby certify that the “Contract Amount,” as defined herein, is the amount of \$ _____. I understand that the “Contract Amount” is the total dollar figure against which the DVBE participation requirements will be evaluated.

<i>Firm Name of Proposer</i>	
<i>Signature of Person Signing for Proposer</i>	
<i>Name (printed) of Person Signing for Proposer</i>	
<i>Title of Above-Named Person</i>	
<i>Date</i>	

INSURANCE REQUIREMENTS

Prior to execution of the agreement, the contractor shall file with the State Certificates of Insurance and endorsements from the insurer(s) certifying to the coverage of all insurance required herein. All evidences of insurance must be certified by a properly authorized officer, agent, general agent or qualified representative of the insurer(s) and shall certify the name of the insured, the type and amount of insurance, the location and operations to which the insurance applies, the expiration date, and that the State receives notice at least forty-five (45) days prior to the effective date of any cancellation, lapse or material change in the policy. The contractor shall, upon demand of the State, make available to the State at the contractor's local office all such policies of insurance and the receipts of payment of premiums thereon. Failure to provide such policies of insurance within a time acceptable to the State shall entitle the State to suspend or terminate negotiations with the firm and enter negotiations with the next highest ranked proposer.

The contractor shall obtain and maintain at a minimum the limits of insurance set forth below. By requiring such minimum insurance, the State shall not be deemed or construed to have assessed the risks that may be applicable to the contractor under the agreement. The contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.

Each insurance policy shall be written on an "occurrence" form; excepting that insurance for professional liability, errors and omissions when required, may be acceptable on a "claims made" form. If coverage is approved and purchased on a "claims made" basis, the contractor warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three years from the date of completion of the work which will be the subject of the agreement.

If, in order to meet the requirements of this Section, the contractor must rely on the insurance to be provided by one or more subcontractor(s), then such subcontractor(s) shall be required to meet all of the requirements herein applicable to the insurance they are providing, and must include the State as additional insureds on their liability insurance policies. Provided the affected insurance policies permit the following waiver without voiding coverage, the contractor and the State shall waive all rights

against each other to subrogation for damages covered by property insurance.

1. Minimum Scope and Limits of Insurance.

The contractor shall maintain coverage at least as broad as, and with limits no less than, the following:

a) ***General Liability:***

- (1) Limits: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage, and for those policies with aggregate limits, a \$2,000,000 aggregate limit.
- (2) Coverage: Insurance Services Office form number (CG 00 01 Ed. 11-88) covering Commercial General Liability.

b) ***Professional Liability for licensed professionals:***

- (1) Limits: \$1,000,000 single occurrence; \$2,000,000 aggregate limit.
- (2) Coverage: Errors and Omissions

c) ***Automobile Liability:***

- (1) Limits: \$1,000,000 combined single limit per accident for bodily injury and property damage.
- (2) Coverage: Insurance Services Office form number (CA 00 01 Ed. 12/90) covering Business Auto Coverage, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9.

d) ***Workers' Compensation and/or Employer's Liability:***

- (1) Limits: Statutory requirements of the state of residency.
- (2) Coverage: as required for this work by applicable federal or "other states" state law.

2. Deductibles and Self-Insured Retention

Any deductibles or self-insured retentions must be declared to, and approved by, the State. The deductible and/or self-insured retention of

the policies shall not limit or apply to the vendor's liability to the State and shall be the sole responsibility of the contractor.

3. Other Insurance Provisions.

The insurance policies that are required in the agreement are to contain, or be endorsed to contain, the following provisions:

General Liability Policy:

- (1) The State, its officers, officials, employees and agents are to be covered as additional insured as respects liability arising out of activities performed by or on behalf of the contractor in connection with this agreement.
- (2) To the extent of the contractor's negligence, the contractor's insurance coverage shall be primary insurance as respects the State, its officers, officials, employees and agents. Any insurance and/or self-insurance maintained by the State, its officers, officials, employees or agents shall not contribute with the contractor's insurance or benefit the contractor in any way.
- (3) The contractor's insurance shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

4. Acceptability of Insurers.

Unless otherwise approved by the State, insurance is to be placed with insurers with an A.M. Best's rating of no less than A:VIII, or, if not rated with A.M. Best Company, with minimum surpluses the equivalent of A.M. Best's financial size category: VIII.

Professional Liability, Errors and Omissions insurance may be placed with insurers with an A.M. Best's rating of B+:VII. Any exception must be approved by the State.

If at any time any of the foregoing policies shall be or become unsatisfactory to the State, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the State, the contractor shall, upon notice to that effect from the State, promptly

Attachment C

obtain a new policy, and shall submit the same to the State for approval with the appropriate certificates and endorsements.