300 S. Spring Street, Suite 8500
Los Angeles, CA 90013
p (213) 620-4608

915 Capitol Mall, Suite 220
Sacramento, CA 95814
p (916) 651-7710
f (916) 651-7709

csfa@treasurer.ca.gov
www.treasurer.ca.gov/csfa

CALIFORNIA SCHOOL FINANCE AUTHORITY

Request for Proposals No. CSFA02-26
ACCOUNTING SERVICES

Notice to Prospective Proposers

June 12, 2026

You are invited to review and respond to this Request for Proposals (RFP) No. CSFA02-26, entitled Accounting Services for the California School Finance Authority (CSFA). The RFP seeks assistance in completing Conversion Entries to bring CSFA's Budgetary Legal Basis financial statements to GAAP/GASB standards to fulfill CSFA's obligations pursuant to Government Code sections 5871 and 5872 and meet the Office of the State Controller's minimum auditing requirements. In submitting your proposal, you must comply with these instructions.

Proposals for these services must comply with the instructions included in the RFP. The RFP includes the Sample Standard Agreement the selected contractor will be expected to execute. The agreement that will be entered into with the State of California (State) will include by reference the General Terms and Conditions and Contractor Certification Clauses which may be viewed and downloaded online at https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language. The General Terms and Conditions and all Exhibits that are a part of the Sample Standard Agreement are not negotiable. By submitting a proposal, your firm agrees to the terms and conditions stated in this RFP.

Proposals must be submitted on or before **5:00 pm Pacific Time, July 10, 2026** to the address below.

Katrina Johantgen
California School Finance Authority
300 S. Spring Street, Suite 8500
Los Angeles, CA 90013

Emailed or faxed submissions will not be accepted. Please submit all questions regarding the RFP to kjohantgen@treasurer.ca.gov.

Sincerely,
Katrina Johantgen, Executive Director

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A. PURPOSE AND DESCRIPTION OF SERVICES

1. Introduction

The accounting services requested for this Request for Proposal (RFP) are specialized and relevant to the California School Finance Authority's (Authority) existing and new programs. Such programs include: 1) the Charter School Facilities Program, 2) Charter School Facility Grant Program (SB 740), 3) Charter School Facilities Credit Enhancement Grant Program, 4) State Charter School Facilities Incentive Grants Program, 5) Charter School Revolving Loan Program, 6) Conduit Bond Financing Program, 7) Project Acceleration Notes and Credit Enhancement Alternatives (PANACEA), and 8) Charter Access Bank Loan Enhancement Program (ABLE). The Authority manages loan and grant programs totaling over $7 billion for California charter schools, school and community college districts and county offices of education.

The Authority requests that proposals be submitted for the following purpose and in accordance with each of the terms and conditions in this RFP. The purpose of this RFP is to solicit proposals from qualified accounting firms to assist with conversion entries. All proposals submitted to perform these services must explain the experience and qualifications that demonstrate the firm's ability to provide these services. Failure to provide the entire required format may result in disqualification.

The selected firm must be technically and professionally capable of providing the services in all subject areas described in Section A, Item 3, Scope of Work and meet the Minimum Qualifications for Proposers in Section B. The firm scoring the highest points following the evaluation process as outlined in Proposal Requirements and Information in the section below will be awarded the audit contract. Upon contract award, and annually thereafter throughout the term of the contract, the selected firm will be required to comply with the Political Reform Act and the principals assigned to this contract will be required to file a Statement of Economic Interest (Form 700, Fair Political Practices Commission).

The Authority anticipates entering into a two (2) year contract with a one (1) year option to renew for the described services. The audit periods shall be for each of the two (2) fiscal years ending June 30, 2026 and 2027. The Authority anticipates a start date in August 2026 and the awarded firm must be available to initiate services at that time.

2. Program Descriptions

The Authority administers a number of state- and federally- funded programs. Below is a description of each program.

<u>Charter School Facilities Program (CSFP):</u> Through the passage of Propositions 47, 55, and 1D, and most recently, Proposition 51, $1.4 billion has been made available to charter schools for construction of new facilities or rehabilitation of existing school district facilities. The state-funded Charter School Facilities Program (CSFP) is jointly administered by the Authority and the Office of Public School Construction (OPSC). The Authority directs the financial soundness review process for the CSFP and provides certification of financial soundness for purposes of Preliminary, Advance, and Final Apportionments. The Authority is responsible for: 1) making a financially sound determination for all Program applicants at the time of preliminary, advance and final apportionment, 2) conducting on-going monitoring and due diligence of recipients'

financial soundness before and after final apportionment, 3) carrying out the due diligence on guarantors or related organizations, when applicable, 4) developing, negotiating, and maintaining Program agreements on behalf of the State, and 5) integrating Program funding into the Authority's existing financing programs. This program is accounted for in the Charter School Facilities Account Fund.

<u>Charter School Facility Grant Program (Senate Bill (SB) 740):</u> The SB 740 program provides annual assistance with facilities rent and lease expenditures to charter schools that meet eligibility criteria. Charter schools are awarded a dollar amount per unit of classroom-based Average Daily Attendance (ADA), up to 75% of their annual facilities rent and lease costs for the school. The dollar amount is determined annually based on the Cost of Living Allocation metric provided by the California Department of Finance. The amount for the 2025-26 funding round was $1,469.00 per unit of ADA. This program, previously administered by the California Department of Education, was transferred to the Authority in 2013-14. This program is accounted for in the Charter School Facility Grant Program Fund.

<u>State Charter School Facilities Incentive Grants Program (Incentives):</u> The Incentives program is a federal grant program designed to assist high-performing charter schools with rent, lease, debt service, and Proposition 39 pro-rata payments or costs related to purchase, acquisition, design, new construction, and renovation. CSFA was awarded this $30 million federal grant in 2024.

<u>Charter School Revolving Loan Fund Program (CSRLFP):</u> The CSRLFP provides low-interest loans of up to $250,000 to new charter schools to assist them with meeting the purposes of the school's approved charter. The program is available to any charter school that is not a conversion of an existing public school, and that has not yet completed the full term of its initial charter. This program is accounted for in the Charter School Revolving Loan Fund.

<u>Conduit Bond and Note Financing Program:</u> The Authority serves as a conduit issuer on behalf of nonprofit charter schools to provide access to the capital markets. The Authority's low-cost fee structure, its intercept mechanism, and its no-cost, state-level Tax Equity and Fiscal Responsibility Act (TEFRA) hearing process has made the Authority the issuer of choice for creditworthy charter schools throughout the state. To date, the Authority has issued more than $3.8 billion in bonds, notes, and loans to provide low-cost, fixed rate financing to California's charter schools. This program is accounted for in the California School Finance Authority Fund.

<u>Charter School Facilities Credit Enhancement Grant Program (Credit Enhancement)</u>: The Credit Enhancement program is an $8.3 million program, awarded by the U.S. Department of Education, serves to fund debt service reserves for the financing of acquisition, renovation, or construction of charter school facilities, or the refinancing of the existing charter school facility debt. This program is accounted for in the Federal Trust Fund (ALN: 84.354A).

<u>Project Acceleration Notes and Credit Enhancement Alternatives (PANACEA):</u> PANACEA Program supports short-term interim financing to charter schools that have received a reservation of funds through the Charter School Facilities Program or are awaiting the issuance of long-term debt through the Authority's Conduit Bond and Note Financing Program. The $8 million dollar grant was secured through the federal

"Expanding Quality Charter Schools Program – Grants for Credit Enhancement for Charter School Facilities" (ALN #84.354A) grant competition.

Charter Access Bank Loan Enhancement Program (ABLE): Charter ABLE (ALN: 84.354A) is a Program to provide credit enhancement by way of an individual Loan Loss Reserve obligation on bank loans either made for Charter School facility project capital costs or made to fund up to fifteen months of facility operating costs including maintenance, financing and lease expenses. Due to cash flow short falls that many charter schools experienced in fiscal years 2020-21 and 2021-22, this program was temporarily altered to allow the funds be used for short-term working capital. A $20 million federal Grant award was secured and the Authority with existing Charter School Bank Loan Program (CSBLP) and Conduit Issuance Program when issuing credit enhancements.

Charter Finance Enhancement Program (FINE): CSFA has been awarded $10,000,000 for the newest Department of Education credit enhancement grant. The proposed structure for the award will focus on enhancing pooled loans rather than standalone financings.

3. Scope of Work

Upon the request of the Contract Manager, or CSFA/State Treasurer's Office (STO) Staff identified by the Contract Manager as being authorized to request services under this Agreement, Contractor will perform the following:

A. Assist CSFA/STO staff in the transition of the fund financial statements from the Budgetary Legal Basis to the Governmental Fund Basis in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) requirements. Services will include the preparation of a detailed reconciliation workbook that:
   - Reconciles governmental fund balances, as reported in FI$Cal, to the corresponding balances under GAAP/GASB
   - Identifies, supports, and documents all necessary adjusting journal entries required to effect the conversion
   - Presents final adjusted governmental fund balances in compliance with GAAP/GASB standards

   In addition, the firm will prepare a comprehensive listing of all journal entries required for the transition, including sufficient supporting detail to facilitate internal review and audit procedures. All deliverables will be structured to support CSFA/STO's financial statement preparation process and external audit requirements, ensuring transparency, accuracy, and full traceability of adjustments.

B. Prepare conversion entries as required for Financial Reporting under GASB 34/103.

C. Assist in review of the Management Discussion and Analysis letter in preparation for CSFA annual financial statements using the Governmental Accounting Standards Board (GASB) 34/103 reporting model.

D. Provide general accounting advice, as needed.

E. Provide accounting guidance and advice on routine and complex governmental accounting transactions and journal entries, year-end adjusting entries and accruals. Answer technical questions on accounting transactions dealing with financial statement components such as revenues, expenses, receivables, payables, and loans.

F. Provide official literature and interpretations on relevant accounting standards for GASB and Financial Accounting Standards Board (FASB) as well as guidance during the editing of notes to financial statements for the year-end financial audit. Answer technical questions regarding GASB and FASB as well as providing the latest pronouncements and notifications.

G. Provide advice and assist CSFA/STO staff in the implementation of all current and new GASB standards or other pronouncements that affect the methodology or procedures of the accounting operation or accounting records.

All work performed under this Agreement is under the direction and approval of the Contract Manager.

4. Term of Agreement

The term of the agreement will be a two-year period beginning August 1, 2026 through July 31, 2028. The Agreement may be extended for one additional year at the option of the State. All rates will remain the same for the entire term of the agreement, including all optional extensions.

B. MINIMUM QUALIFICATIONS FOR PROPOSERS

Failure to meet the minimum qualifications will cause your proposal to be considered unresponsive and the proposal will be disqualified.

The firm must have, at minimum, the following qualifications and experience:

- An office established in the State of California.
- Be qualified to do business in the State of California.
- Be a professional certified public accounting firm, not in public employment, that has been in business for at least three (3) years.
- Have conducted within the last five (5) years, services related to the scope of work.
- Be a publicly traded corporation or subsidiary there of that is principally marketed for public trading in the US (not incorporated offshore).
- Have sufficient resources to provide accounting services to the Authority to meet the deadlines outlined in the Scope of Work in Section A, Item 3.

C. PROPOSAL REQUIREMENTS AND INFORMATION

1. Key Action Dates

It is recognized that time is of the essence. All firms are hereby advised of the following schedule and will be expected to adhere to the required dates and times:

Due Date	Event
June 12, 2026	RFP available to Prospective Proposers
June 19, 2026, 5:00 p.m. PT	**Deadline to Submit any Written Questions**
June 23, 2026	Answers to Written Questions Distributed
July 10, 2026, 5:00 p.m. PT	Deadline for submission of proposals, must be received at the Authority's office at 300 S. Spring Street, Suite 8500, Los Angeles, CA 90013
July 13 - 16, 2026	Evaluation of Proposals
July 17, 2026	Notice of Intent to Award Released
August 1, 2026	Anticipated Contract Commencement (or upon approval by the State of California, whichever is later)

2. Questions and Answers

In the opinion of CSFA, this RFP is complete and without need of explanation. However, if you have questions, or should you require any clarifying information, please email Katrina Johantgen at kjohantgen@treasurer.ca.gov. Questions regarding this RFP must be submitted in writing no later than June 19, 2026 at 5:00 pm PT. Responses to questions will be provided on June 23, 2026 and will be made available in the California State Contracts Register located at https://caleprocure.ca.gov/ and the CSFA website.

3. Content and Format of Proposals

a) Cover Letter

Include the name, address, telephone and email of the principal contact responsible for the oversight of the contract. Indicate the availability of this person for meetings with the Authority, and the Authority's Executive Director.

b) Firm Experience, Personnel, and References

The Authority expects to have a close working relationship with the firm as evidenced by the scope of work listed above and requires the demonstration of a high degree of experience, training and proficiency in the conduct of the various functions performed. The firm should have extensive background in accounting of conduit financing and issuance of conduit revenue bonds. In addition, the Authority expects the firm will comply with current accounting standards and financing trends and will maintain appropriate expertise at the firm's own expense. This section is intended for the firm to demonstrate its qualifications. Firms will provide the following information to be used in the evaluation process.

1) Qualifications and Experience of Accounting Firm - Discuss the overall experience of your firm that demonstrates your ability to successfully complete Purpose and Description of Services in Section A, Item 3, Scope of Work. Provide a detailed list of accounting services by client or transaction for the past three years as an attachment. Indicate if the accounting service provided was transaction specific or for a contracted period.

2) Qualifications and Experience of Accounting/Auditing Firm to State or Governmental Agency – Discuss your firm's experience as an accounting firm to state or local governments. Indicate if the accounting service provided was transaction specific or for a contracted period.

3) Qualification of Personnel/Resumes - Identify the personnel who will be providing the services required by the proposal, including years and type of experience for each person. Experience should include number of years at current firm as well as all prior service. Experience in financing should be detailed. The lead personnel in charge of the Authority account must have at least five (5) years of experience in public accounting of State governmental agencies, or services as an accounting or financial consultant to a State agency. Please include resumes for each team member assigned to provide the services outlined in this agreement as Attachment 5. The firm must ensure that the quality and availability of its personnel assigned to this agreement will be maintained over the term of the agreement. Any changes in assigned personnel are at the discretion of the firm, provided that any replacements have substantially the same as or better qualifications and experience than the original personnel. Include staff of subcontractors (if any).

4) References - Submit a list of at least three (3) references (clients) to which the firm has provided similar accounting/auditing services within the past five (5) years and contact numbers for each (Refer to Attachment 4 in Section E).

c) Cost Detail Format and Requirements

The anticipated contract for accounting/auditing services will establish a maximum amount per year. The vendor will be compensated using an invoice procedure upon completion of each audit. The Authority expects the total amount not to exceed $30,000, or a maximum $15,000 per year, for the initial term of the agreement. The maximum amount for the optional extension shall not exceed $15,000 for a total of $45,000 over the entire term of the agreement. All rates will remain the same for the entire term of the agreement, including all optional extensions.

The proposed work should be broken down into a work plan and work schedule. Use the Cost Proposal Worksheet (Refer to Attachment 3 in Section E) as a guide in preparing the cost. The work plan must identify lead personnel, include anticipated employee hours, reflect the cost for preparation of reports, analysis, charts and other printed materials, anticipated travel, and other direct cost expenses. The proposal must include the rate per year. The proposed fee schedule will be the basis for the scoring of the cost portion of the evaluation and must include the maximum cost per year for a total of three (3) years (Refer to Attachment 3 in Section E). Proposals submitted with a fee schedule not in compliance with these requirements will be rejected.

4. Submission of Proposals

a) Proposals should provide straightforward and concise descriptions of the firm's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements may be cause for rejection of a proposal.

b) The proposal package should be prepared in the least expensive method.

c) All proposals must be submitted under sealed cover and sent to the Authority by dates and times shown in the Key Action Dates in Section C, Item 1. Proposals received after this date and time will not be considered.

d) A minimum of one (1) original and four (4) copies of the proposal must be submitted.

e) The original proposal must be marked "ORIGINAL COPY". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the firm. All additional proposal sets may contain photocopies of the original package.

f) The proposal envelopes must be plainly marked with the RFP number and title, the firm name and address, and must be marked with **"DO NOT OPEN"**, as shown in the following example:

Request for Proposals No. CSFA02-26
Audit Services
Firm Name
Firm Address
Contact Person
Telephone Number
DO NOT OPEN

If the proposal is made under a fictitious name or business title, the actual legal name of firm must be provided. Proposals not submitted under sealed cover and marked as indicated may be rejected.

g) All proposals shall include the documents identified in the Required Attachment Check List, Attachment 1 in Section E.

h) Proposals not including the proper required attachments shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.

i) Mail or deliver proposals to the following address:

California School Finance Authority
Katrina Johantgen, Executive Director
300 S. Spring Street, Suite 8500
Los Angeles, CA 90013

j) Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.

k) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The Authority may reject any or all proposals and may waive any immaterial deviation in a proposal. The Authority's waiver of an immaterial deviation shall in no way modify the RFP document or excuse the proposer from full compliance with all requirements if awarded the agreement.

l) Costs (for developing proposals in anticipation of award of the agreement) is entirely the responsibility of the proposer and shall not be charged to the Authority, or the State of California.

m) An individual who is authorized to bind the proposing firm contractually shall sign the Proposal/Proposer Certification Sheet, Attachment 2 in Section E. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.

n) A firm may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Key Action Dates in Section C, Item 1. The submission of a new proposal must comply with requirements of this section. Proposal modifications offered in any other manner, oral or written, will not be considered.

o) A firm may withdraw its proposal by submitting a written withdrawal request to the Authority, signed by the proposer or an authorized agent in accordance with m) above. A firm may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.

p) The Authority may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package.

q) The Authority reserves the right to reject all proposals. The agency is not required to award an agreement.

r) Before submitting a response to this solicitation, firms should review, correct all errors and confirm compliance with the RFP requirements.

s) Where applicable, the firm should carefully examine work sites and specifications. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.

t) More than one proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered.

u) The Authority will not accept alternate contract language from the firm. A proposal with such language will be considered a counter proposal and will be rejected. The General Terms and Conditions (GTC 02/2025) are not negotiable.

v) No oral understanding or agreement shall be binding on either party.

5. Evaluation Process

a) An evaluation committee comprised of at least three individuals will review all proposals. At the time of proposal opening, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP. The absence of required information will cause a proposal to be deemed unresponsive and will result in the proposal's disqualification.

b) Proposals that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the proposer, may be rejected.

c) Award, if made, will be to the responsible proposer with the highest scored proposal.

d) Proposal Evaluation - Proposals that meet the Minimum Qualifications outlined in Section B and the Proposal Requirements and Information outlined in Section C. will be evaluated and scored according to the criteria indicated below. The selection will be made on the basis of the following weighted factors. (Maximum points available for each criterion are noted).

Rating/Scoring Criteria	Maximum Possible Points
Qualification of personnel: The Authority will evaluate the individuals to be assigned to the contract on the basis of background and experience in related work.	20 Points
Experience as an accounting firm: The Authority will evaluate the firm on the basis of the firm's overall experience demonstrating its ability to successfully complete the requirements identified in the Scope of Work in Section A, Item 3.	30 Points
Experience as an accounting firm to state/or governmental agency: The Authority will evaluate the firm on the firm's experience with State Accounting procedures specifically and experience to other state or local government agencies.	15 Points
Cost: The Authority will score the cost proposal based upon the Cost Detail Format and Requirements.	35 Points
Maximum Total Possible Points	100 Points

e) Scoring Scale:

Points Awarded	**Interpretation**	**General Basis for Point Assignment**
100%	Exceptional	Category is addressed with the highest degree of confidence. Response exceeds the needs, requirements, and/or expectations with superior background, experience, expertise.
80%	Excellent	Response fully meets the needs, requirements, and/or expectations with a high degree of confidence. Proposal offers one or more enhancing feature, method, or approach exceeding basic
60%	Good	Response addresses the category being scored. Good degree of confidence with minimal weaknesses.
40%	Adequate	Response is adequate to meet the needs, requirements, and/or expectations. Any omissions, flaws, or defects, are inconsequential and acceptable.
20%	Minimally Adequate	Minimally addresses the category being scored, but one or more major considerations of the category are not addressed or are addressed in such a limited way that it results in a low degree of
0%	Inadequate	Fails to address any portion of the category being scored. The omissions, flaws, or defects are significant and considered

f) The following formula will be used for the award of cost points:

Lowest cost proposal is awarded the maximum cost points for thirty-five (35) points. Other proposals are awarded cost points based on the following calculation:

Lowest Cost / Other Cost = Factor
Cost Points for Other Cost= Factor × Maximum Cost Points

EXAMPLE: A maximum of thirty-five (35) points is available
Lowest Cost Proposal = $11,250 Other Cost Proposal = $15,000 Factor ($11,250 ÷ $15,000) = 0.75
Points Awarded to Other Cost: 26.25 points

g) In the event two (2) or more responsive and responsible proposals earn the highest score, the contract will be awarded to the responsive and responsible proposal earning the higher score in Experience as an accounting firm to state/or governmental agency. If the scores for Experience as an accounting firm to state/or governmental agency are the same, the contract will be awarded to the responsive and responsible proposal earning the higher score in the Qualification of Personnel. If the scores in the Qualification of Personnel are the same, the contract will be awarded to the responsive and responsible proposal earning the higher score for the Cost.

6. Award and Protest

a) Notice of the proposed award(s) shall be posted in a public place in the office of the Authority, 300 S. Spring Street, Suite 8500, Los Angeles, CA 90013 and on the following Internet site for five (5) working days prior to awarding the agreement(s): http://www.treasurer.ca.gov/CSFA.

b) If any firm, prior to the award of agreement, files a protest with the Authority and the Department of General Services, Office of Legal Services, 707 Third Street, 7th Floor, West Sacramento, CA 95605, on the grounds that the (protesting) firm would have been awarded a contract had the Authority correctly applied the evaluation standard in the RFP, or if the Authority followed the evaluation and scoring methods in the RFP, the agreement(s) shall not be awarded until either the protest has been withdrawn or the Department of General Services (DGS) has decided the matter.

c) An initial written statement of protest, including the RFP Number, the name of the State Agency, and the contact person listed within the RFP, should be submitted to:

California School Finance Authority
Attention: Katrina Johantgen
300 S. Spring Street, Suite 8500
Los Angeles, CA 90013
kjohantgen@treasurer.ca.gov

DGS, Office of Legal Services
Attention: Protest Coordinator
707 Third Street, 7th Floor, Suite 7-330
West Sacramento, CA 95605
OLSProtests@dgs.ca.gov

d) If submitting the initial written statement of protest via mail, it is suggested that the firm do so via certified or registered mail.

e) Within five (5) days after filing the initial protest, the protesting firm shall file with the DGS, Office of Legal Services and the Authority a full and complete written statement specifying the grounds for the protest. It is suggested that the firm submit this complete written statement by certified or registered mail.

7. Disposition of Proposals

a) Upon proposal opening, all documents submitted in response to this RFP will become the property of the Authority and the State of California and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.

b) Proposal packages may be returned only at the firm's expense unless such expense is waived by the Authority.

8. Agreement Execution and Performance

a) Performance shall start on the express date set by the Authority and the selected firm, after all approvals have been obtained and the agreement is fully executed. Should the firm fail to commence work at the agreed upon time, the Authority, upon five (5) days written notice to the firm, reserves the right to terminate the agreement. In addition, the firm shall be liable to the Authority for the difference between the firm's proposal price and the actual cost of performing work by another contractor.

b) All performance under the agreement shall be completed on or before the termination date of the agreement.

D. PREFERENCE AND INCENTIVE PROGRAMS

1. Small Business or Microbusiness Preference

https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Apply-for-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise

Reference Attachment 12 in Section E. A five percent (5%) preference will be applied to certified small business firms submitting proposals. To obtain the preference, firms must be certified as a small business at the time the proposal is submitted. (Small Business Certification will be verified with the DGS prior to applying preference). The five percent (5%) preference is issued only for computation purposes to arrive at the successful firm and does not alter the amounts of the actual proposals. Once each proposal has been scored, if the highest responsible firm is not a certified small business or microbusiness, five percent (5%) of the highest scoring proposal is added to the total “earned” points for each proposal submitted by a certified small business. These final numbers, with the five percent (5%) included, are then used to determine the highest scoring proposal.

Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & Disabled Veteran Business Enterprises (OSDS) at (916) 375-4940 or can be found at the website listed above.

2. Non-Small Business or Microbusiness Preference

https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Apply-for-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise

Reference Attachment 13 in Section E. A five percent (5%) preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the proposal must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least twenty-five percent (25%) of the net price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the proposal and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net price (as specified in the solicitation) per subcontractor.

Firms claiming the five percent (5%) preference must commit to subcontract at least twenty-five percent (25%) of the net price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m. on the proposal due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of twenty-five percent (25%) of its net price shall be five percent (5%) of either the lowest, responsive, responsible firm’s price or the highest responsive, responsible firm’s total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

3. California Disabled Veteran Business Enterprise Incentive Program

https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Apply-for-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise

This RFP does not include a minimum Disabled Veteran Business Enterprise (DVBE) participation requirement. However, a DVBE incentive will be applied as provided in Attachment 14 in Section E.

The DGS established a DVBE incentive pursuant to Senate Bill 115, Chaptered October 3, 2005 and the military and Veterans Code section 999.5(a). The regulations apply to all competitive solicitations for public works, services, goods, and information technology goods and services posted or released after October 9, 2007. The DVBE incentive is required in solicitations that include DVBE program requirements and may be offered in other competitive solicitations. DGS’ policy implements this program by rewarding prime proposers for increased DVBE participation: the more DVBE participation, the greater the incentive. This incentive program helps State agencies to meet their annual DVBE participation goals.

Attachment 14 in Section E outlines the DVBE Incentive Program. Companies who have been certified by the State of California as a DVBE must submit a completed DGS PD 843 (Disabled Veteran Business Enterprise Declaration) form. All disabled veteran owners and disabled veteran managers of the DVBE must sign the form. DVBE Incentive participation is *optional* and at the discretion of the proposing company.

NOTE: For this RFP, the Incentive application is based on the High Score Method and shall not exceed five percent (5%), nor be less than one percent (1%) of the total score (see table in Attachment 14 in Section E).

Any contract awarded to a company committing to subcontract with a certified DVBE will follow requirements as provided in MVC 999.7 including compliance with the Std. 817 reporting process, and permanent withholds and deductions for non-compliance.

E. REQUIRED ATTACHMENTS

For the proposal to be considered responsive, all required attachments must be included with the RFP by the dates and times shown in the Key Action Dates in Section C, Item 1.

ATTACHMENT 1
REQUIRED ATTACHMENT CHECKLIST

A complete proposal or proposal package will consist of the items identified below. Complete this checklist to confirm the attachments. Place a check mark or “X” next to each item that you are submitting to the State. **For your proposal to be deemed responsive, each of the following required attachments must be submitted with your proposal package**. This checklist should be returned with your proposal package.

<u>**ATTACHMENT**</u>	<u>**ATTACHMENT NAME/DESCRIPTION**</u>
☐ Attachment 1	Required Attachment Checklist
☐ Attachment 2	Proposal/Proposer Certification Sheet
☐ Attachment 3	Cost Proposal Worksheet
☐ Attachment 4	Proposer References
☐ Attachment 5	Resumes of Key Personnel
☐ Attachment 6	Payee Data Record (STD. 204)
☐ Attachment 7	Contractor Certification Clauses (CCC 04/2017)
☐ Attachment 8	Darfur Contract Act Certification Form
☐ Attachment 9	Bidder Declaration (GSPD-05-105)
☐ Attachment 10	Generative Artificial Intelligence (GenAI) Notification
☐ Attachment 11	Minimum Qualifications Certification
☐ Attachment 12	Small Business or Microbusiness Preference*
☐ Attachment 13	Non-Small Business or Microbusiness Preference*
☐ Attachment 14	California Disabled Veteran Business Enterprise (DVBE) Incentive Program*

**If applicable*

ATTACHMENT 2
PROPOSAL / PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

A. Place all required attachments behind this certification sheet.

B. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

C. The signature below certifies to the best of your knowledge that the information provided on this document is true and complete.

An Unsigned Proposal/Proposer Certification Sheet May Be Cause For Rejection

1. Company Name	2. Telephone Number ( )	2a. Fax Number ( )
3. Address		
Indicate your organization type: 4. ☐ Sole Proprietorship	5. ☐ Partnership	6. ☐ Corporation
Indicate the applicable employee and/or corporation number: 7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. **Signature**	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business and Disabled Veteran Business Enterprise Resources (OSDS) as: a. California Small Business Yes ☐ No ☐ If yes, enter certification number:	b. Disabled Veteran Business Enterprise Yes ☐ No ☐ If yes, enter your service code below:	
NOTE: A copy of your Certification is required to be included if either of the above items is checked **"Yes"**. Date application was submitted to OSDS, if an application is pending:		

COMPLETION INSTRUCTIONS FOR PROPOSAL/PROPOSER CERTIFICATION SHEET

Complete the numbered items on the Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the Authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
10, 11, 12, 13	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSDS.

ATTACHMENT 3
COST PROPOSAL WORKSHEET

DIRECT LABOR (Job description as applicable)	Rate Per Hour		Hours	Cost
Program Manager/Lead Personnel	__________	@	__________	__________
Manager	__________	@	__________	__________
Senior Associates	__________	@	__________	__________
Staff Associate	__________	@	__________	__________
Administrative Support (Job Description)	__________	@	__________	__________
TOTAL DIRECT LABOR				$__________
SUBCONTRACTOR(S) COST ITEMIZED				$__________
INDIRECT COSTS (OVERHEAD AND FRINGE BENEFITS)				
Overhead Rate			__________	__________
Fringe Benefits			__________	__________
DIRECT COSTS (EXCEPT LABOR)				
Travel Costs (mileage, parking)				__________
Equipment and Supplies (Itemized)				__________
Other Direct Costs (Itemized)				__________
TOTAL INDIRECT AND DIRECT COSTS				$__________
Total Proposed Annual Fee				**$__________**

All rates will remain the same for the entire term of the agreement, including all optional extensions.

Travel, transportation and per diem expenses shall not exceed the rates payable to State employees. Authorized actual expenses incurred will be limited to $50.00 per transaction, including but not limited to, postage, mailing, courier, printing/reproduction costs, etc. unless written prior approval from the Authority is obtained. Please provide basis of estimate for these costs. (The Authority will not reimburse the printing of or the copying of electronically received/delivered documents for the contractor's in-house use.)

ATTACHMENT 4
PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive.

List below three references for services performed within the last five years, which are similar to the scope of work to be performed in this contract. If three references cannot be provided, provide an explanation on an attached sheet of paper.

REFERENCE 1			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 2			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 3			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

ATTACHMENT 5
RESUMES

Please attach resumes for each identified key personnel who will be directly involved in providing these services.

ATTACHMENT 6
PAYEE DATA RECORD (STD. 204)

https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf

ATTACHMENT 7
CONTRACTOR CERTIFICATION CLAUSES (CCC 04/2017)

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY, that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

Contractor/Bidder Firm Name (Printed)	*Federal ID Number*
By (Authorized Signature)	
Printed Name and Title of Person Signing	
Date Executed	*Executed in the County of*

CONTRACTOR CERTIFICATION CLAUSES

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

   a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

   b. Establish a Drug-Free Awareness Program to inform employees about:

      1) the dangers of drug abuse in the workplace;
      2) the person's or organization's policy of maintaining a drug-free workplace;
      3) any available counseling, rehabilitation, and employee assistance programs; and,
      4) penalties that may be imposed upon employees for drug abuse violations.

   c. Every employee who works on the proposed Agreement will:

      1) receive a copy of the company's drug-free workplace policy statement; and,
      2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement, or termination of the Agreement, or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred:

the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES $50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

   Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

   Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

   a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweat free Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

   b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of $100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of $100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

Doing Business with the State Of California

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

   a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

   b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

   c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has the Authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be*:* (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

ATTACHMENT 8
DARFUR CONTRACTING ACT CERTIFICATION

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a "scrutinized" company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please complete only **one** of the following three paragraphs:

1.	______ Initials	We do not currently have, and have not had within the previous three years, business activities or other operations outside of the United States.
		OR
2.	______ Initials	We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.
		OR
3.	_______ Initials + certification	We currently have, or we have had within the previous three years, business activities or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code below section 10476.

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above. This certification is made under the laws of the State of California.

Company/Vendor Name (Printed)	*Federal ID Number*
Printed Name and Title of Person Initialing	
By (Authorized Signature)	
Printed Name and Title of Person Signing	
Date Executed	*Executed in the County and State of*

ATTACHMENT 9
BIDDER DECLARATION (GSPD-05-105)

https://www.documents.dgs.ca.gov/dgs/fmc/gs/pd/gspd05-105.pdf

ATTACHMENT 10

GENERATIVE ARTIFICIAL INTELLIGENCE (GENAI) NOTIFICATION

The State of California seeks to realize the potential benefits of GenAI, through the development and deployment of GenAI tools, while balancing the risks of these new technologies.

Government Code 11549.64 defines Generative Artificial Intelligence (GenAI) as an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio that emulates the structure and characteristics of the system's training data.

Proposer must notify the State in writing if it:

1. Intends to provide GenAI as a deliverable to the State; or

2. Intends to utilize GenAI, including GenAI from third parties, to complete all or a portion of any deliverable that materially impacts:

   (i) functionality of a State system,
   (ii) risk to the State, or
   (iii) contract performance.

For avoidance of doubt, the term "materially impacts" shall have the meaning set forth in State Administrative Manual (SAM) §4986.2 – Definitions for GenAI.

Failure to report GenAI to the State may result in disqualification. The State reserves the right to seek any and all relief to which it may be entitled to as a result of such non-disclosure.

Upon notification by a Proposer of GenAI as required, the State reserves the right to incorporate GenAI Special Provisions into the final contract or reject proposals that present an unacceptable level of risk to the State.

ATTACHMENT 11

MINIMUM QUALIFICATIONS CERTIFICATION

The Firm certifies that it fulfills all the minimum qualifications outlined in Section B of this Request for Proposals (RFP) No. CSFA02-26. By signing this certification, the Firm also agrees to notify the Board immediately upon its failure to continue to meet the minimum qualifications, if selected as contractor for the Authority.

On behalf of______________________________________, I certify that said Firm

(Firm Name)

complies with the Minimum Qualifications set forth in Section B of the RFP.

____

(Authorized Signature of Firm)

____

(Firm Name)

____

(Print Name)

____

(Date)

____

(Title)

ATTACHMENT 12

SMALL BUSINESS OR MICROBUSINESS PREFERENCE

(If Applicable)

A five percent (5%) preference will be applied to certified small business firms submitting proposals. To obtain the preference, firms must be certified as a small business at the time the proposal is submitted. The firm MUST include an updated copy of their Small Business Certificate to obtain the preference. The 5% preference is issued only for computation purposes to arrive at the successful firms and does not alter the amounts of the actual proposals. Once each proposal has been scored, if the highest responsible firm is not a certified small business or microbusiness, 5% of the highest scoring proposal is added to the total “earned” points for each proposal submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring proposal.

Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & DVBE Services (OSDS) at (916) 375-4940 or can be found at the following website: https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Apply-for-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise

ATTACHMENT 13

NON-SMALL BUSINESS OR MICROBUSINESS PREFERENCE
(If Applicable)

A five percent (5%) preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the proposal must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25% of the net price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the proposal and must include the following: 1) subcontractor name,
2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net price (as specified in the solicitation) per subcontractor.

Firms claiming the 5% preference must commit to subcontract at least 25% of the net price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m. on the proposal due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940 or can be found at https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program

The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of 25% of its net price shall be 5% of either the lowest, responsive, responsible firm’s price or the highest responsive, responsible firm’s total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

ATTACHMENT 14

CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) INCENTIVE PROGRAM (If Applicable)

DVBE PARTICIPATION REQUIREMENT. The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC) section 10115 et seq., Military and Veterans Code (MVC) section 999 et seq., and California Code of Regulations (CCR), title 2, section 1896.60 et seq. **This solicitation DOES NOT include a minimum DVBE participation requirement. DVBE participation is NOT required in the bid or proposal. However, a DVBE incentive will be applied as provided below.**

DVBE INCENTIVE. The State will apply a DVBE incentive for responsive bids or proposals (herein "bid" or "bids") from responsible bidders that propose DVBE participation. The DVBE incentive will vary in relation to the percentage of confirmed DVBE participation. The following percentages shall apply.

Confirmed DVBE Participation	DVBE Incentive
5% and above	5%
4% to 4.99% inclusive	4%
3% to 3.99% inclusive	3%
2% to 2.99% inclusive	2%
1% to 1.99% inclusive	1%

As applicable: (1) Awards based on low price – The DVBE incentive is applied by reducing the bid price by the amount of DVBE incentive as computed from the lowest responsive bid price submitted by a responsible bidder. The DVBE incentive is for evaluation purposes only. Application of the DVBE incentive shall not displace an award to a small business with a non-small business.

(2) Awards based on high score – The DVBE incentive is a percentage of the total possible available points, not including points for socioeconomic incentives or preferences. The DVBE incentive points are included in the sum of non-cost points. The DVBE incentive points cannot be used to achieve any applicable minimum point requirements.

Bidders who have been certified by California as a DVBE (or who are bidding rental equipment and have obtained the participation of subcontractors certified by California as a DVBE) must also submit a completed form **DGS PD 843 (Disabled Veteran Business Enterprise Declaration)**. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). Should the form not be included with the solicitation, contact the State contracting official or obtain a copy at the following website: https://www.documents.dgs.ca.gov/dgs/fmc/gs/pd/pd_843.pdf The completed form should be included with the bid response.

At the State's option prior to award, bidders may be required to submit additional written clarifying information. Failure to submit the requested written information as specified may be grounds for rejection.

RESOURCES AND INFORMATION*

U.S. Small Business Administration: Central Contractor Registration on-line database www.ccr.gov	**FOR**: Service-Disabled Veteran-Owned Businesses in California
Local Organizations: DVBE local contacts https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/OSDS/OSDS?search=OSDS	**FOR:** List of Potential DVBE Subcontractors
Department of General Services, Procurement Division (DGS-PD) eProcurement: Website: www.eprocure.dgs.ca.gov Phone: (916) 375-2000 Email: eprocure@dgs.ca.gov	**FOR:** • SB/DVBE Search • CSCR Advertisements • Training Modules
DGS-PD Office of Small Business and DVBE Services (OSDS): 707 Third Street, Room 1-400, West Sacramento, CA 95605 Website: Office of Small Business and Disabled Veteran Business Enterprise Services (ca.gov) https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/OSDS/OSDS?search=OSDS OSDS Receptionist: (916) 375-4940 PD Receptionist: (800) 559-5529 Fax: (916) 375-4950 Email: osdshelp@dgs.ca.gov	**FOR:** • Directory of OSDS Certified DVBEs • Certification Applications • Certification Information • Certification Status, Concerns • General DVBE Program Information • DVBE Business Utilization Plan • SB/DVBE Advocates • Lists of Trade and Focus Publications

Commercially Useful Function Definition
Military and Veterans Code section 999(b)
California Code of Regulations, title 2, section 1896.62(*l*)

*Contact information and available resources may be subject to change by the respective administration, department, division, or office. DVBEs must be certified by OSDS.

SCO ID:

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER	PURCHASING AUTHORITY NUMBER (If Applicable)
SAMPLE	

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

California School Finance Authority

CONTRACTOR NAME

TBD

2. The term of this Agreement is:

START DATE

August 1, 2026 (or upon approval by the State of California, whichever is later)

THROUGH END DATE

July 31, 2028

3. The maximum amount of this Agreement is:

$30,000.00 (thirty thousand dollars and zero cents)

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	1
Exhibit A, Attachment 1	Resumes of Key Personnel	1
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit B, Attachment 1	Cost Proposal	1
Exhibit C	General Terms and Conditions (GTC 02/2025)	1
Exhibit D	Special Terms and Conditions	8
Exhibit E	Additional Provisions	1
Attachment A	Senate Bill (SB 99)	6

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

TBD

CONTRACTOR BUSINESS ADDRESS	CITY	STATE	ZIP

PRINTED NAME OF PERSON SIGNING	TITLE

CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED

SCO ID:

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT STD 213 (Rev. 04/2020)	AGREEMENT NUMBER SAMPLE	PURCHASING AUTHORITY NUMBER (If Applicable)

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME			
California School Finance Authority			
CONTRACTING AGENCY ADDRESS 300 S. Spring Street, Suite 8500	CITY Los Angeles	STATE CA	ZIP 90013
PRINTED NAME OF PERSON SIGNING Katrina Johantgen	TITLE Executive Director		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable) SCM Vol. 1, Chapter 4.04.A.2		

Exhibit A
(Standard Agreement)

SCOPE OF WORK

Upon the request of the Contract Manager, or CSFA/State Treasurer’s Office (STO) Staff identified by the Contract Manager as being authorized to request services under this Agreement, Contractor will perform the following:

i. Assist CSFA/STO staff in (1) the transition of the fund financial statements from the Budgetary Legal Basis to the Governmental Fund Basis in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) requirements. Services will include the preparation of a detailed reconciliation workbook that:
   - Reconciles governmental fund balances, as reported in FI$Cal, to the corresponding balances under GAAP/GASB
   - Identifies, supports, and documents all necessary adjusting journal entries required to effect the conversion
   - Presents final adjusted governmental fund balances in compliance with GAAP/GASB standards

   In addition, the firm will prepare a comprehensive listing of all journal entries required for the transition, including sufficient supporting detail to facilitate internal review and audit procedures. All deliverables will be structured to support CSFA/STO’s financial statement preparation process and external audit requirements, ensuring transparency, accuracy, and full traceability of adjustments.

ii. Prepare conversion entries as required for Financial Reporting under GASB 34/103.

iii. Assist in review of the Management Discussion and Analysis letter in preparation for CSFA annual financial statements using the Governmental Accounting Standards Board (GASB) 34/103 reporting model.

iv. Provide general accounting advice, if necessary.

iii. Provide accounting guidance and advice on routine and complex governmental accounting transactions and journal entries, year-end adjusting entries and accruals. Answer technical questions on accounting transactions dealing with financial statement components such as revenues, expenses, receivables, payables, and loans.

iv. Provide official literature and interpretations on relevant accounting standards including GASB and Financial Accounting Standards Board (FASB) as well as guidance during the editing of notes to financial statements for the year-end financial audit. Answer technical questions regarding GASB and FASB as well as providing the latest pronouncements and notifications.

v. Provide advice and assist CSFA/STO staff in the implementation of all current and new GASB standards or other pronouncements that affect the methodology or procedures of the accounting operation or accounting records.

Exhibit A
(Standard Agreement)

All work performed under this Agreement is under the direction and approval of the Contract Manager.

Term of Agreement

The term of the agreement will be a two-year period beginning August 1, 2026 through July 31, 2028. The Agreement may be extended for one additional year at the option of the State. All rates will remain the same for the entire term of the agreement, including all optional extensions.

Project Representatives

The Project representative during the term of this Agreement will be:

State Agency: California School Finance Authority	Contractor:
Attn: Katrina Johantgen, Executive Director	Attn:
Address: 300 S. Spring Street, Suite 8500 Los Angeles, CA 90013	Address:
Phone: (213) 620-2305	Phone:
Email: Katrina.Johantgen@treasurer.ca.gov	Email:

Exhibit A, Attachment 1
(Standard Agreement)

RESUMES OF KEY PERSONNEL

Exhibit B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

For services satisfactorily rendered, and upon receipt and approval of invoices, the Authority agrees to compensate the contractor for actual expenditures incurred in accordance with the rate specified in Attachment 1 to Exhibit B and made part of this agreement.

Travel, transportation and per diem expenses shall not exceed the rates payable to State employees. Authorized actual expenses incurred will be limited to $50.00 per transaction, including but not limited to, postage, mailing, courier, printing/reproduction costs, etc. unless written prior approval from the Authority is obtained. Please provide basis of estimate for these costs. The Authority will not reimburse the printing of or the copying of electronically received/delivered documents for the contractor's in-house use.

Invoices shall include Agreement Number CSFA02-26 and shall be submitted not more frequently than monthly in arrears to:

Katrina Johantgen
California School Finance Authority
300 S. Spring Street, Suite 8500
Los Angeles, CA 90013

Invoices must include the following detailed information:

- The time period covered by the invoice
- A detailed description of each of the services completed for the period; and
- Itemized expenses with receipts attached.

2. Budget Contingency Clause

a) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

b) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

Exhibit B
(Standard Agreement)

SAMPLE BILLING
(Contractor Firm's Letterhead)

The California Schools Finance Authority (The Authority)
ATTN: Katrina Johantgen, Executive Director
300 S. Spring Street, Suite 8500
Los Angeles, CA 90013

Agreement No: **CSFA02-26**

Project No. and Description
Fees and expenses for audit

[Month Day, 20xx] through [Month Day, 20xx]

Job Title or Classification	Task	Hours	Rate Per Hour	Extended Total	Name of Employe

Subtotal $_______________

Other Costs, Travel, (if allowed) etc. +_______________

Total Costs $_______________

Exhibit B, Attachment 1
(Standard Agreement)

<u>COST PROPOSAL</u>

Exhibit C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS

Exhibit C to this Agreement, the General Terms and Conditions (GTC 02/2025), is hereby incorporated by reference and made part of this Agreement as if attached hereto. The General Terms and Conditions may be viewed and downloaded at https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language.

Exhibit D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. Excise Tax

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. Settlement of Disputes

In the event of a dispute, Contractor shall file a "Notice of Dispute" with a Deputy Treasurer of the State Treasurer's Office within ten (10) days of discovery of the problem. Within ten (10) days, the Deputy Treasurer shall meet with the representatives of Contractor and the Authority identified in Exhibit A for purposes of resolving the dispute. The decision of the Deputy Treasurer shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of any bid proposal.

3. Evaluation of Contractor

Pursuant to Public Contract Code sections 10367 and 10369 within sixty (60) days after the completion of this Agreement, the State shall complete a written evaluation of Contractor's performance under this Agreement. If this Agreement is a contract for consultant services and if Contractor did not satisfactorily perform the work, a copy of the evaluation will be sent to the Department of General Services (DGS), Office of Legal Services, and to the Contractor within fifteen (15) working days of the completion of the evaluation in accordance with Public Contract Code section 10371.

4. No Agency Liability

The Contractor warrants by execution of this Agreement that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

5. Potential Subcontractors

Nothing contained in this Agreement or otherwise, shall create any contractual relationship between the State and any subcontractors, and no subcontract shall relieve the Contractor of

Exhibit D
(Standard Agreement)

his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of the State to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

6. Force Majeure

Neither party to this Agreement shall be liable for damages resulting from delayed or defective performance when such delays arise out of causes beyond the control and without the fault or negligence of the offending party. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the State in its sovereign capacity, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes.

7. Waivers

No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

8. Incorporation of Amendments to Applicable Laws

Any references to sections of federal or state statutes or regulations shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

9. Confidentiality

All financial, statistical, personal, technical and other data and information relating to the operations of the State which are designated confidential by the State and become available to Contractor shall be protected by Contractor from unauthorized use and disclosure.

10. Titles/Section Headings

Titles and headings are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

11. Choice of Law

Notwithstanding Paragraph 14 of Exhibit C (General Terms and Conditions), this Agreement shall be administered, construed, and enforced according to the laws of the State of California (without regard to any conflict of laws provisions) to the extent such laws have not

Exhibit D
(Standard Agreement)

been preempted by applicable federal law. Any suit brought hereunder, including any action to compel arbitration or to enforce any award or judgment rendered thereby, shall be brought in state court sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in person and jurisdiction over it and consents to service of process in any manner authorized by California law.

12. Notices

The parties agree that to avoid unreasonable delay in the progress of the services performed hereunder, Contractor and the Authority have designated in Exhibit A specific staff representatives for the purpose of communication between the parties. Any notice or other written communication required or which may be given hereunder shall be deemed given when delivered personally, or by mail three (3) days after the date of mailing, unless by express mail then upon the date of confirmed receipt, to the representatives named in Exhibit A.

Either party hereto may, from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to which all such notices or demands thereafter are to be addressed.

13. Permits and Licenses

Contractor shall carry out its duties and responsibilities herein in accordance with, be limited in the exercise of its rights by, and observe and comply with, all federal, state, city and county laws, rules or regulations affecting services under this Agreement. Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the work contemplated in this Agreement.

14. Books and Records

Contractor shall keep accurate books and records connected with the performance of this Agreement for a period of at least three (3) years. Contractor shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location and shall be available for inspection and copying by the State and its representatives at any time.

15. Key Personnel

a. A resume for each member of Contractor's staff who will exercise a significant administrative, policy, or consulting role under this Agreement is attached to this Agreement as Exhibit A, Attachment 1. These members of Contractor's staff shall be hereafter referred to (both individually and collectively) as "Key Personnel."

b. Contractor shall not substitute, replace or reassign Key Personnel without the prior approval of the State and an amendment to this Agreement.

Exhibit D
(Standard Agreement)

c. This Agreement may be terminated immediately, in the sole discretion of the State and upon written notice from the State to Contractor, because of any change in or departure of any of the Key Personnel.

16. Changes in Control, Organization or Key Personnel

Contractor shall promptly, and in any case within five (5) days, notify the State in writing:
(i) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; (ii) of any change in Contractor's staff who exercises a significant administrative, policy, or consulting role under this Agreement, including without limitation any Key Personnel; (iii) of any change in the majority ownership, control, or business structure of Contractor; or (iv) of any other material change in Contractor's business, partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit the State to evaluate the changes within Contractor's staff or organization under the same criteria as was used by the State in its award of this Agreement to Contractor.

17. Insurance Requirements

Contractor warrants that it carries adequate liability, worker's compensation and other necessary insurance and shall maintain such insurance at levels acceptable to the State in full force and effect during the term of this Agreement. Contractor agrees to furnish satisfactory evidence of this insurance coverage to the State upon request.

18. Subcontractors

a. Contractor shall perform the work contemplated by this Agreement with resources available within its own organization except for subcontracted work identified in this Agreement or other attachment incorporated hereto. No other portion of the work pertinent to this Agreement shall be subcontracted without written authorization by the State. The subcontractor must be mutually agreed upon in advance by both parties.

b. Contractor shall require that any subcontractor agree to be bound by all provisions of this Agreement, as applicable.

19. Notice of Proceedings

Contractor shall promptly notify the State in writing of any investigation, examination or other proceeding involving Contractor, including any Key Personnel, commenced by any regulatory agency, which proceeding is not conducted in the ordinary course of Contractor's business.

20. Cumulative Remedies

The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

Exhibit D
(Standard Agreement)

21. Binding Effect

This Agreement, any instrument or agreement executed pursuant to this Agreement, and the rights, covenants, conditions and obligations of Contractor and the State contained therein, shall be binding upon the parties and their successors, assigns and legal representatives.

22. Publicity

No publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by the State.

23. Services or Procurement Resulting from Agreement

Neither Contractor, nor any of its subsidiaries, officers or directors, may submit a bid or be awarded a contract for the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed to be an outgrowth of the advice or recommendations that Contractor provides under this Agreement.

24. Agreement Does Not Violate Law

Contractor represents and warrants that neither the execution of this Agreement nor the acts contemplated hereby nor compliance by Contractor with any provisions hereof will:

a. Violate any provision of the charter documents of Contractor;

b. Violate any statute or law or ordinance or any judgment, decree, order, regulation or rule of any court or governmental the Authority applicable to Contractor; or

c. Violate, or be in conflict with, or constitute a default under, or permit the termination of, or require the consent of any person under, any agreement to which Contractor may be bound, the violation of which in the aggregate would have a material adverse effect on the properties, business, prospects, earnings, assets, liabilities or condition (financial or otherwise) of Contractor

25. Power and the Authority

Contractor represents and warrants that it has the power and the Authority to enter into this Agreement and to carry out its obligations hereunder. The execution of this Agreement has been duly authorized by Contractor and no other proceeding on the part of Contractor is necessary to authorize this Agreement. Contractor has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental the Authority for its acts contemplated by this Agreement.

26. Signature Authorization

Exhibit D
(Standard Agreement)

The person signing this Agreement warrants that he/she is an agent of Contractor and is duly authorized to enter into this Agreement on behalf of Contractor.

27. Entire Agreement; Order of Precedence

a. This Agreement, including documents that have been incorporated in this Agreement by reference, contains all representations and the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement.

b. In the event there are any inconsistencies or ambiguities among the terms of this Agreement and incorporated documents, the following order of precedence shall be used: (i) applicable laws; (ii) the terms and conditions of this Agreement, including exhibits and attachments; (iii) the Request for Proposal (RFP) if any; (iv) Contractor's response to the RFP if any; and (v) any other provisions, terms, or materials incorporated herein.

28. Termination at Option of the State

In addition to the provisions of Paragraph 7 of Exhibit C (General Terms and Conditions), this Agreement may be terminated in whole or in part at any time upon 60 days' written notice by the Authority, for any reason. Upon receipt of a termination notice, Contractor shall promptly discontinue all services affected unless the notice specifies otherwise. In the event the State terminates all or a portion of this Agreement for any reason, it is understood that the State will provide payment to Contractor for satisfactory services rendered prior to the termination, but not in excess of the maximum amount of this Agreement.

29. Termination for Insolvency

Contractor shall notify the State immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudged bankrupt, or a receiver is appointed and qualifies. In the event of any of the foregoing events, or if the State determines, based on reliable information, that there is a substantial probability that Contractor will be financially unable to continue performance under this Agreement, the State may terminate this Agreement and all further rights and obligations immediately.

30. Completion

In the event of termination for default, the State reserves the right to take over and complete the work by contract or other means. In such case, Contractor will be liable to the State for any additional cost incurred by the State to complete the work whether reimbursed or not.

31. Effect of Termination

All duties and obligations of the State and Contractor shall cease upon termination of this Agreement, except that:

Exhibit D
(Standard Agreement)

a. Each party shall remain liable for any rights, obligations, or liabilities arising from activities carried on by it under this Agreement prior to the effective date of termination; and

b. Contractor shall provide for the return of all records of the State to the State or its designee and shall cooperate fully to effect an orderly transfer of services.

32. Termination for Expatriation

Contractor shall notify the State immediately in writing in the event that Contractor or its parent files any notice with the Securities and Exchange Commission that Contractor intends to reincorporate offshore. In the event of such notice, the State may terminate this Agreement and all further rights and obligations immediately by giving five (5) days' notice in writing in the manner specified herein.

33. Compliance with Political Reform Act

Contractor acknowledges that the State is subject to the provisions of the Political Reform Act (Government Code section 81000 et seq. and all regulations adopted thereunder, including, but not limited to, California Code of Regulations, title 2, section 18700 et. seq.) and Contractor shall comply promptly with any requirement thereunder. If required by law, Contractor shall require its personnel, including without limitation, its Key Personnel all later substitutions therefore, to file Statements of Economic Interests in compliance with the Conflict of Interest Code for the Office of the State Treasurer and the various boards, authorities, commissions, and committees chaired by the State Treasurer (California Code of Regulations, title 2, section 1897). All such reports shall be filed simultaneously with the State.

34. Darfur Contracting Act

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code section 10475 et seq.) The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan of which the Darfur region is a part, for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a).)

Therefore, Public Contract Code section 10478(a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a "scrutinized" company when it submits a bid or proposal to a State agency. A scrutinized company may still, however, submit a bid or

Exhibit D
(Standard Agreement)

proposal for a contract with a State agency for goods or services if the company first obtains permission from DGS according to the criteria set forth in Public Contract Code section 10477(b).

35. Labor Neutrality Policy

The Authority recognizes the value of labor organizing and encourages the entities with which it contracts to demonstrate that they also value this principle by encouraging management neutrality in labor organizing activities.

To remain "neutral" means not to take any action or make any statement that will directly or indirectly state or imply any support for or opposition to the selection by the Contractor's employees of a collective bargaining agent, or preference or opposition to any particular union as a bargaining agent. Nothing in this section obligates or prohibits the Contractor from entering into private neutrality, labor peace or other lawful agreements with a labor organization seeking to represent or who currently represents the Contractor's employees.

36. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. By submitting a bid or proposal, Contractor represents that it is not a target of Economic Sanctions. Should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for rejection of the Contractor's bid/proposal any time prior to contract execution, or, if determined after contract execution, shall be grounds for termination by the State

Exhibit E
(Standard Agreement)

ADDITIONAL PROVISIONS

CONFLICT OF INTEREST; NO PROFIT

A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.

B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

Attachment A
(Standard Agreement)

SENATE BILL (SB 99)

Chapter 557

An act to amend Section 6547 of, to add Sections 6503.6, 6548.5, 6592.1, and 53895.7 to, and to add Chapter 10.7 (commencing with Section 5870) to Division 6 of Title 1 of, the Government Code, relating to joint exercise of powers.

[Approved by Governor October 11, 2009. Filed with Secretary of State October 11, 2009.]

LEGISLATIVE COUNSEL'S DIGEST

SB 99, Committee on Local Government. Joint exercise of powers: reporting and disclosures.

Under the Marks-Roos Local Bond Pooling Act of 1985, a joint exercise of powers the Authority may issue or purchase bonds to assist local agencies in financing public capital improvements, working capital, liability, or other insurance needs, or projects whenever there are significant public benefits for taking that action. Under the Ralph M. Brown Act, all meetings of the legislative body of a local agency must, subject to designated exceptions, be open and public. That act requires the legislative body to hold regular meetings, and permits the legislative body to hold special and emergency meetings, requiring certain notices and agendas.

This bill would require additional reporting and public disclosures by specified public entities that issue certain revenue bonds, including conduit revenue bonds, as defined. This bill would require entities formed under the Joint Exercise of Powers Act, and related officers, that fail or refuse to make required reports to forfeit specified amounts to the state, and would authorize, under certain conditions, the Attorney General to prosecute an action for these forfeitures. This bill would require that a resolution issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985 relating to bonds, as specified, be adopted by the local agency during a regular meeting.

DIGEST KEY

Vote: MAJORITY Appropriation: NO Fiscal Committee: YES Local Program: NO

BILL TEXT

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS: SECTION 1. Chapter 10.7 (commencing with Section 5870) is added to Division 6 of Title 1 of the Government Code, to read:

CHAPTER 10.7. Conduit Financing Transparency and Accountability 5870. As used in this chapter, the following definitions apply:

(a) “Conduit financing” means the issuance of conduit revenue bonds.

(b) "Conduit financing provider" means any county, city, city and county, public district, public the Authority, public corporation, nonprofit corporation, joint powers the Authority, or other statutorily constituted public entity that issues one or more conduit revenue bonds.

(c) "Conduit revenue bond" means any municipal security the proceeds of which are loaned to any nongovernmental borrower, including, but not limited to, persons, for-profit corporations, nonprofit corporations pursuant to Section 501(c)(3) of the Internal Revenue Code, partnerships, and other legal entities for purposes that are permitted for qualified private activity bonds under applicable federal law.

5871. A conduit financing provider shall make the following information available on its Internet Web site, to the extent that it maintains an Internet Web site:

(a) Agendas for regular meetings posted by a conduit financing provider pursuant to Section 54954.2.

(b) Notices of special meetings posted by a conduit financing provider pursuant to Section 54956.

(c) Notices of meetings of a conduit financing provider provided pursuant to Section 11125.

(d) Staff reports on the items included on the agendas listed in subdivisions (a), (b), and (c).

(e) Minutes of the meetings for which the agendas listed in subdivisions (a), (b), and (c) were produced.

(f) Audits of the conduit financing provider's accounts and records.

(g) Copies of reports of the conduit financing provider's annual financial transactions required pursuant to Section 12460 or 12463.

(h) Annual lists of applications approved for financing by the governing body of the conduit financing provider for any fiscal year in which at least one application is approved.

5872. (a) When an audit of a conduit financing provider's accounts and records is required by law, in addition to any other requirements, the audit shall include all of the following:

(1) A disclosure of fees imposed on borrowers by, or on behalf of, the conduit financing provider.

(2) A disclosure of expenditures related to those fees made by or on behalf of the conduit financing provider.

(3) The dollar amount and nature of these fees and expenses.

(4) A disclosure of the amount of bonds authorized but unsold at the end of the time period covered by the audit.

(5) A disclosure of the amount of debt the conduit financing provider has issued during the period

covered by the audit and the amount of debt still outstanding at the end of the time period covered by the audit.

(b) An audit of a conduit financing provider's accounts and records shall be made publicly available pursuant to the California Public Records Act (Article 1 (commencing with Section 6250) of Chapter 3.5 of Division 7).

(c) Notwithstanding any other reporting periods permitted pursuant to subdivision (f) of Section 6505, Section 26909, or any other provision of law, a conduit financing provider shall annually conduct an audit of its accounts and records and report the results of that audit to the Controller. The minimum requirements of the annual audit and report shall be prescribed by the Controller and conform to generally accepted auditing standards.

SEC. 2. Section 6503.6 is added to the Government Code, to read:

6503.6. Whenever an agency or entity files a notice of agreement or amendment with the office of the Secretary of State pursuant to Section 6503.5, the agency or entity shall file a copy of the full text of the original joint powers agreement, and any amendments to the agreement, with the Controller.

SEC. 3. Section 6547 of the Government Code is amended to read:

6547. The power of the entity to issue revenue bonds is additional to the powers common to the parties to the joint powers agreement, but shall not be exercised until authorized by the parties to that agreement. However, in the case of the issuance of revenue bonds by a fair and exhibition the Authority this authorization shall not be required. In the case of the issuance of revenue bonds by an entity created pursuant to this chapter to construct bridges and major thoroughfares, as referred to in Section 66484.3, the power of the entity to issue revenue bonds shall be exercised by a resolution adopted by a majority vote of the governing body of the entity during a regular meeting held pursuant to Section 54954.

However, no member of the entity may vote on the question of bond issuance unless the member has been authorized to vote on that particular question by previous resolution of the public agency the member represents. In the case of the issuance of revenue bonds by an entity created pursuant to this chapter to carry out a consolidated transportation corridor project, as referred to in Section 6546.13, the power of the entity to issue revenue bonds shall be exercised by a resolution adopted by a majority vote of the governing body of the entity. In the case of a project for the generation or transmission of electric energy or a project for the disposal, treatment, or conversion to energy and reusable materials of solid waste, or a project for an intermodal container transfer facility, or a project for the construction of bridges and major thoroughfares pursuant to Section 66484.3, this power shall include the power to issue notes for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of a project, and for the purpose of providing temporary financing of costs of construction or acquisition of a project. These notes may be issued at public or private sale, and may be renewed from time to time, and the principal and interest with respect thereto may be made payable from the revenues of the entity unless paid from the proceeds of revenue bonds.

Every local agency shall make any authorization, as permitted under the first sentence of this section, by ordinance, unless otherwise prescribed in this section. Except as provided in this section, the ordinance shall describe in general terms the project, or projects, to be funded by the revenue bonds, the maximum amount of the bonds proposed to be issued, and the anticipated sources of revenue to redeem the bonds. In the case of a project for the generation or transmission of electric energy or a project for the disposal, treatment, or conversion to energy and reusable materials of solid waste, or a project for an intermodal container transfer facility, or a project for the construction of bridges and major thoroughfares pursuant to Section 66484.3, the ordinance shall describe in general terms the project or the studies or other preliminary costs therefor to be funded by the revenue bonds or notes, the estimate of the maximum amount of bonds to be issued for the project or the studies or other preliminary costs, and the anticipated sources of revenue or other funds to pay the principal of and interest on the bonds or notes. In the case of a project for a consolidated transportation corridor pursuant to Section 6546.13, the authorizing resolution shall describe in general terms, the project or projects to be funded by the revenue bonds, the maximum amount of bonds proposed to be issued for the project or projects, and the anticipated sources of revenue or other funds to pay the principal of and interest on the bonds. However, the statement of the estimated maximum amount of the bonds or notes shall not be deemed to prevent the authorization by the ordinance of the issuance of bonds or notes by the entity in amounts that may exceed the estimate without further authorization under the ordinance if and to the extent the additional bonds or notes shall be required to complete the financing of the project or the studies or other preliminary costs. Each ordinance shall state that it is subject to the provisions for referendum prescribed by Section 9142 of the Elections Code.

A separate authorization shall be required for each separate bond issue proposed by the entity, except that, in the case of a project for the generation or transmission of electric energy or a project for the disposal, treatment, or conversion to energy and reusable materials of solid waste, or a project for an intermodal container transfer facility, or a project for the construction of bridges and major thoroughfares pursuant to Section 66484.3, a single authorization shall be sufficient for bonds that may be issued in installments from time to time for a project or the costs of studies or other preliminary costs therefor that shall be identified in the authorization.

The requirement of an ordinance and the right to referendum thereon shall not apply to the issuance of revenue bonds if, prior to March 4, 1971, one or more local or public agencies shall have taken formal action to implement any one or more projects to be acquired or constructed pursuant to a joint powers agreement. Formal action to implement any one or more projects shall include, but not be limited to, any of the following:

(a) The incurring of liability for a substantial portion of an architectural or engineering contract or other contract relating to a project.

(b) The acquisition of land or improvements for the project.

(c) The making of a substantial contribution toward the project.

Notwithstanding the requirement that parties to a joint powers agreement authorize the issuance of revenue bonds, in the case of a project that consists of the generation or transmission of electric energy financed in whole or in part by the issuance of revenue bonds, only those local agencies that contract to make payments to be applied to the payment of the revenue bonds shall be required to authorize the issuance of the revenue bonds. Any authorizations required by this section for the issuance of revenue bonds to construct bridges and major thoroughfares projects pursuant to Section 50029 or 66484.3 may be by ordinance or resolution.

SEC. 4. Section 6548.5 is added to the Government Code, to read:

6548.5. The level of fees or charges imposed by, or on behalf of, an agency or entity for the issuance of bonds pursuant to this article shall be disclosed in a report of final sale submitted to the California Debt and Investment Advisory Commission pursuant to Chapter 11.5 (commencing with Section 8855) of Division 1 of Title 2.

SEC. 5. Section 6592.1 is added to the Government Code, to read:

6592.1. A resolution authorizing bonds or any issuance of bonds or accepting the benefit of any bonds or the proceeds of bonds shall be adopted by an the Authority only during a regular meeting held pursuant to Section 54954.

SEC. 6. Section 53895.7 is added to the Government Code, to read:

53895.7. (a) For the purpose of this section, “agency” means any agency or entity formed pursuant to the Joint Exercise of Powers Act (Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1) that issues conduit revenue bonds.

(b) An officer of an agency who fails or refuses to make and file his or her report pursuant to this article within 20 days after receipt of a written notice of the failure from the Controller shall forfeit to the state:

(1) One thousand dollars ($1,000) in the case of an agency with total revenue, in the prior year, of less than one hundred thousand dollars ($100,000), as reported in the Controller’s annual financial reports.

(2) Two thousand five hundred dollars ($2,500) in the case of an agency with total revenue, in the prior year, of at least one hundred thousand dollars ($100,000), but less than two hundred fifty thousand dollars ($250,000), as reported in the Controller’s annual financial reports.

(3) Five thousand dollars ($5,000) in the case of an agency with total revenue, in the prior year, of at least two hundred fifty thousand dollars ($250,000), as reported in the Controller’s annual financial reports.

(c) An officer of an agency who fails or refuses to make and file his or her report within 20 days after receipt of a written notice of the failure from the Controller in the second or more consecutive year shall forfeit to the state:

(1) Two thousand dollars ($2,000) in the case of an agency with total revenue, in the prior year, of less than one hundred thousand dollars ($100,000), as reported in the Controller’s annual financial reports.

(2) Five thousand dollars ($5,000) in the case of an agency with total revenue, in the prior year, of at least one hundred thousand dollars ($100,000), but less than two hundred fifty thousand dollars ($250,000), as reported in the Controller’s annual financial reports.

(3) Ten thousand dollars ($10,000) in the case of an agency with total revenue, in the prior year, of at least two hundred fifty thousand dollars ($250,000), as reported in the Controller's annual financial reports.

(d) In the case of an agency that fails or refuses to make and file its report within 20 days after receipt of a written notice of the failure from the Controller in the third or more consecutive year, the Controller shall conduct, or cause to be conducted, an independent financial audit report consistent with the requirements of Section 6505. The agency shall reimburse the Controller for the cost of complying with this subdivision.

(e) (1) Upon the request of the Controller, the Attorney General shall prosecute an action for the forfeiture in the name of the people of the State of California.

(2) Upon a satisfactory showing of good cause, the Controller may waive the penalties for late filing provided in this section.

(f) An agency that makes a forfeiture or payment pursuant to this section shall still file the report required pursuant to Section 53891.

SEC. 7. The Legislature finds and declares all of the following:

(a) Conduit financing providers annually provide billions of dollars of tax-exempt financing to the private sector, at a cost to the state caused by a lack of tax revenues on the interest earned on these investments, for projects that are intended to fulfill a public benefit purpose, including, but not limited to, educational facilities, pollution control facilities, health care facilities, industrial development, and affordable housing.

(b) Testimony and information provided to the Senate Committee on Local Government at its February 6, 2008, informational hearing on "Conduit Financing: Transparency and Accountability" demonstrated the need to provide for greater public awareness of, and participation in, the activities of conduit financing providers.

(c) Statutory ambiguities and discrepancies make it difficult to determine whether all conduit financing providers are complying with audit, annual financial reporting, and other public accountability requirements.

(1) It is the intent of the Legislature in enacting this act to ensure that all conduit financing providers make their activities sufficiently transparent and accountable to the public by extending sufficient opportunities for participation in public meetings and providing useful information about their financial activities.