



Request for Proposals:
Property Tax Incentives Impact Study
and
Strategic Assessment of Incentives

Proposal due date: April 15, 2020, at 3:00 p.m. Pacific Time, public opening will occur immediately thereafter.

Single point of contact:

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Business Oregon
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Salem OR 97301- 1280
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1.0 SOLICITATION INFORMATION AND REQUIREMENTS

1.1 GENERAL INFORMATION

Business Oregon (“Oregon Business Development Department”, or “Department”) is seeking Proposals from consultants and economists (“Proposers”) with experience performing sophisticated data analysis and economic/fiscal impact modeling, as well as expertise with respect to state and local taxation, business development incentives, and how such incentives are currently deployed by jurisdictions comparable to Oregon and its localities.

This RFP consists of two projects. Though potentially complementary, they are not directly related. Proposers may submit for one or both projects. A Proposer may address advantages of its undertaking both projects together, but Proposers are prohibited from making one project proposal contingent on also being awarded the other project contract.

Applicants should review the matrix accompanying this RFP that tabulates Oregon’s current business development incentives, including state and local functions, benefits to businesses, geographical restrictions, employment requirements, sources and types of available data, and web links to additional information. The Department has formed a Steering Committee with technical expertise from inside and outside the Department to guide these projects.

The Department may award one combined or two separate contracts for the following two projects:

(1) Property Tax Incentives Impact Study, to measure the return to Oregon’s economy and public finances, primarily from the employment directly associated with business investments under the following three programs, which exempt certain new property from local taxes for a period of years:

- (1) Enterprise Zones (EZ) (Standard Program) (3 to 5 years);
- (2) Long-Term Rural Enterprise Zones (LTREZ) (7 to 15 years); and
- (3) Strategic Investment Program (SIP) (15 years)

The purpose of the investigation is not to prove the efficacy of these incentives, but rather to better inform state and local policymakers regarding their payback relative to other issues. Current law sunsets Oregon’s enterprise zone system in 2025. The anticipated amount to be spent on the study is \$100,000, but this budget may be adjusted during contract negotiations, based on quality or extent of the proposed deliverables. Final deliverables will be due not more than nine months after contract execution.

(2) Strategic Assessment of Incentives, to analyze how certain incentives (see matrix accompanying this RFP for the Oregon incentives) may advance each of the five priorities outlined in *Business Oregon Strategic Plan, 2018-2022* | [Business Oregon](#).¹ The investigation will require benchmarking Oregon’s incentives compared to other states, positing best practices, and systematically evaluating options, including new incentive programs, as well as modification of existing incentives. Even as the context of other economic development efforts is certainly relevant, an incentive for purposes of this assessment is more narrowly defined to mean a direct cash award (grant/forgivable loan) or a tax preference that benefits a private, for-profit business, subject to specific conditions, with the primary intent of inducing an action (e.g., new hiring). The anticipated amount to be spent on the study is \$40,000, but this budget may be adjusted during contract negotiations, based on the quality or extent of proposed deliverables. Final deliverables will be due not more than six months after contract execution.

¹ [Business Oregon Strategic Plan, 2018-2022](#) | Business Oregon available at the following website address: <https://www.oregon4biz.com/assets/reports/StrategicPlan2018s.pdf>

1.2 DESCRIPTION OF SERVICES NEEDED \ PROPOSED STATEMENT OF WORK

The proposed statement of work for each project includes a negotiated level of research, analysis, and report writing to provide intelligence for the development of public policy in conjunction with subsequent sessions of the Oregon Legislature. The scope of work requires the Applicants to possess the skill and knowledge of well-informed members of the industry, trade or profession and for Applicants to apply that skill and knowledge with care and diligence to perform the services in a professional manner and in accordance with the highest standards prevalent in the Applicant's industry, trade or profession.

In addition to negotiations over the tasks proposed in this RFP, the Department reserves the right to amend the resulting contract(s) to include other activities reasonably related to the subject matter of each project or its preparation and presentation.

1.2.1 Property Tax Incentives Impact Study

In terms of incentives to induce further business development and employment—as a motivator for businesses and as a competitive factor, especially in certain areas—Oregon (principally, the Department and its local partners statewide) depend predominantly on multi-year abatements of local property taxes that would otherwise be levied on new investments in a business' real property, real property machinery and equipment and personal property.

Cost-effectiveness is periodically evaluated with respect to the three programs listed in section 1.1.1., but sophisticated examination is lacking in terms of quantifying the programs' effects. This study will include at least the following main elements:

- A) **Conduct and summarize a background review** of the laws, history, materials, and data sources of the programs, as well as potentially interviewing 10-20 stakeholders around the state. This element serves not only to inform the investigators' work, but it is also intended to be the basis of independent narrative in the final report, with respect to articulating the policy purposes of the three programs and their role & relationship with economic development in general; outlining the benefit–cost universe, and identifying key questions and assumptions. Matters to explore may include but are not limited to: the use of local (often negotiated) requirements for payments or fees to local governments or community–public benefit performed by companies that are a condition of tax abatement, as well as perceptions and potential ways to identify undesirable outcomes, to capture immediate investment impacts, and estimated implications for longer-term tax base growth.
- B) **Compilation of payroll data** by obtaining and organizing confidential payroll data from the Oregon Employment Department (OED) that are as specifically applicable as possible to each business's period and location of involvement with the programs. The payroll data involves at least 350 establishments over the past several years that have used one or more of the 3 programs. This element includes:
 - (1) Roughly substantiating adherence to statutory hiring criteria by companies receiving incentives (in terms of aggregated statistics of growth in their employment); and
 - (2) Assembling uniform and reconciled employment datasets suitable for estimating impacts as described in element C, below.

Existing job data for the programs are self-reported by businesses through (mostly) official forms and processes, and are gathered by or indirectly transmitted to the Department (see matrix). Though generally accurate and informative, these program datasets would not constitute suitable input for high-quality modeling.

- C) **Estimating economic impacts** using data and any inputs from sub-subsections A) and B) above, and applying one or more models (e.g., REMI, IMPLAN) in order to compare the affected property

tax quantities to economic and fiscal/revenue impacts from employment, and potentially other factors, in order to determine terms of years needed to break even (or other metrics).

- D) **Provide conclusions and recommend further avenues of investigation**, which may consist of case studies, statistical sampling, and qualitative treatment, sufficient to analyze:
- (1) Other potentially offsetting factors, costs or benefits that should be integrated into the economic impact estimation in sub-subsection C) above. For example, construction spending, other public revenue streams, special local funds, or program users' contributions to charities or the community, as well as job quality, labor market dynamics, but-for/crowding-out effects and other leakages or issues.
 - (2) Non-property tax incentives, including the Business Expansion Program (BEP) (which provides cash-based incentives and forgivable loans) and Oregon Investment Advantage (OIA) (which provides an income tax incentives).
 - (3) Other ways of capturing payback or return from incentives, for example as mentioned in:
 - [Enterprise Zones Study | LRO \(2009\)](#), and
 - [Ham, et al., Government programs can improve local labor markets: Evidence from State Enterprise Zones, ...- ScienceDirect, Journal of Public Economics 95: 7-8 \(August 2011\)](#).(Hard copies are available from the Department.)

Department Obligations and Available Program Data

Department will supply background materials and detailed spreadsheets of recent program activity to the selected Proposer(s) and ensure that staff are available, as necessary, for questions, meetings and feedback, and to assist in arranging interviews with external parties. In addition, the Department expects to facilitate interaction with OED and to help significantly in assigning NAICS codes and business (employer) identification numbers (BINs), which are not presently captured in the Department's datasets, for purposes of section 1.2.1 B) above.

Department spreadsheets, which differ in format among the EZ, LTREZ, and SIP programs, contain increasingly better quality data since 2011 (see matrix) for:

- Exempt property value/abated property taxes by year of abatement (basic cost side of equation), although county assessors vary in how non-exempt property is to be computed under Oregon law;
- Reported numbers of businesses' employees (mostly a count of persons working full-time, year-round) by location or inside an enterprise zone, both prior to a business's initial application and during the course of tax abatement period;
- Business contact information;
- Specific dates for stages of the program process (initial application, etc.), which would be readily convertible into text strings or other coding of data file parameters;
- Street address/location of exempt property for each business; and
- Total business investment costs in the case of SIP projects and for the last two years of standard EZ exemptions, but undifferentiated as to spending on construction versus purchase of real property machinery & equipment.

(Note: SIP projects and LTREZ facilities are relatively few in number but rather large in size, and even among the more than 300 standard EZ investments, 10% of them could account for approximately 90% or more of the total property value in the program.)

Information about amounts or fees paid by businesses to local governments are not systematically collected, except in the case of the SIP program. Nevertheless, significant payments or community-public benefit actions by enterprise zone businesses are not widespread and occur mainly with particular

situations and a limited number of local zone sponsors. Department data also does not directly identify the various types of operations undertaken by standard EZ businesses.

1.2.2 Strategic Assessment of Incentives

Oregon (both state and local governments) employ a variety of programs and resources to achieve business, economic and community development. One method to achieve this goal has been the use of business incentives, which are not necessarily as extensive or intensive as those in a number of other states. Nevertheless, the property tax abatements discussed above can deliver substantial savings to a business relative to the size of its capital investment.

The enactment and evolution of these incentive programs (see matrix) has taken place over many years, or even decades. The Department would like to examine the best information available to answer the question: What could or should be done differently regarding economic incentives, if anything, to accomplish priorities in the Department's current Strategic Plan, as well as general economic development goals effectively and efficiently? To that end, the Department seeks Proposals that will provide an assessment that formulates research, and develops options, solutions and recommendations related to:

- Effectiveness and efficiency for general economic development, stewardship of public resources (elementary benefits–cost calculus), direct versus indirect incentives, and furthering priorities 1–4 of the *Strategic Plan*.
- State and local government political climate in Oregon, including but not limited to the experience and enduring reaction to former income tax credits for private investments affecting energy and environmental policies, as well as interagency and intergovernmental matters.
- Legal provisions that effectively restrict certain types of benefits to private businesses or of the criteria imposed on their performance.
- Realities of staffing, administration, operations and capacity with respect to:
 - processing and testing for performance standards to be met by businesses;
 - transparency/public reporting of incentive use; or
 - data collection, analysis and management (including privacy concerns) for future program evaluation or results measurement.
- Additional factors (as applicable), including Oregon tax laws and systems and how they compare to other states with local property taxes and state-level income or gross receipts taxes; fiscal expense or challenges for non-tax options, and other closely associated public policies.

Department Obligations and Contract Negotiations

Department will ensure staff are available as needed for meetings to answer questions, offer feedback and provide direction.

The selected Proposer will engage with Department staff and the Steering Committee to create a detailed work plan, which would then be incorporated into the contract along with a schedule for draft–interim work products and other deliverables. The work plan will specify:

- Roles and responsibilities of contractor team members and other parties;
- Expectations for content of interim steps and for feedback;
- Internal and external materials for review and persons to interview;
- Comparable states and other parameters for benchmarking research, such as competitiveness;
- Data sources and metrics;
- Objectives and considerations in development of best practices;
- Methodology and systems for analysis; and
- Preliminary outline of the final report.

1.3 QUESTIONS AND CLARIFICATIONS

All inquiries, whether relating to the RFP process, administration, deadline or award, or to the intent or technical aspects of the services must be submitted in writing (email preferred; mail or fax are acceptable) to:

Devon Thorson, Contracts Officer
Business Oregon
775 Summer Street NE, Suite 200
Salem OR 97301-1280
Telephone: (503) 986-0032
Email: devon.t.thorson@oregon.gov

All questions must be received **not later than (7) calendar days prior** to the Proposal due date specified on the title page of this RFP.

Substantive questions and answers will be issued as official addenda to this RFP. Changes or modifications to this RFP shall be binding on Department only if in the form of written addenda issued by Department.

1.4 PUBLIC NOTICE

This RFP Request and attachments are published in the Oregon Procurement Information Network (“ORPIN”) at orpin.oregon.gov and on Department’s [RFP & Contract Opportunities](#) webpage. Request documents will not be mailed to you. The Department may modify this Request by publishing a written Addenda only on the State of Oregon Procurement Information Network ([ORPIN](#)) and on Department’s internet address: Anyone who has received a copy of this RFP from a source other than Department is responsible for checking with designated procurement staff, ORPIN or the Department’s internet address for the existence of any addenda. Proposers are responsible for checking these sources to determine whether or not an addendum has been issued, and then must either download or request an electronic copy. Aside from requested copies, Department is not responsible for sending addenda to any potential Proposers. All published Addenda are hereby incorporated into this Request by reference.

Department may require any clarification it needs to understand a Proposal.

1.5 PROTESTS

1.5.1 RFP PROTEST REQUIREMENTS

Proposers who believe RFP specifications are unnecessarily restrictive or limit competition, or who wish to suggest revised scoring criteria more likely to assist Department in selecting the best Proposer, are encouraged to submit a solicitation “protest”. All protests concerning the RFP, including requests for change of particular provisions, specifications, or Personal Services Contract terms and conditions, must be submitted in writing to the procurement staff person identified in section 1.3 **not later than (7) calendar days prior to** the Proposal due date specified on the cover page of this RFP. A protest must clearly, specifically and in detail explain the reason(s) for the protest and specify any proposed changes to the RFP specifications. The Department will respond to protests in writing. The Department will not consider any solicitation protest submitted after the deadline established in this subsection.

1.5.2 AWARD PROTEST REQUIREMENTS

Every Proposer that submits a Proposal will be notified of its selection status. Any Proposer who claims to have been adversely affected by the selection of a competing Proposer must deliver a written protest

to the procurement staff person identified in section 1.3 within **(7) calendar days after receiving notification of its selection status**. A protest must meet all applicable requirements in OAR 137-047-0740. The Department will review protests and respond in writing in a timely manner. The Department will not consider any protest submitted after the protest submission deadline established in this subsection.

1.6 DUE DATE

Proposals must be received by **April 15, 2020, on or before 3:00 p.m. Pacific Time**. Absolutely no Proposals will be accepted after this date and time. Department relies on the State of Oregon email system clock to determine the correct time and is not responsible for any delays or difficulties experienced in the transmission of any Proposal. **Please do not wait until the last minute to email your Proposal; it will be too late to correct any problems.**

1.7 ELECTRONIC RESPONSES BY EMAIL ONLY

Only electronic Proposals sent by email are acceptable. Proposals sent by fax, regular mail, and physical deliveries are not acceptable. **The email subject or reference line for all submittals must include the RFP title and RFP number. A separate Proposal must be submitted for each project.**

Proposals will be received only at the following email address: devon.t.thorson@oregon.gov

The Department will accept Proposals in electronic files compatible with Microsoft Office applications. The signed cover sheet required by section 1.9 must be submitted as a .PDF file. Files in excess of 15 megabytes must be submitted incrementally. Proposals must not be submitted as .zip, .exe or .com files. Alternatively, the Department will also accept links to web pages where proposal documents can be downloaded. A Proposer must deliver an email by the due date and time.

1.8 NO LATE OR MISDIRECTED SUBMISSION OF PROPOSALS

The Department relies on the State of Oregon email clock. Submittals that are late or misdirected will be considered non-responsive, without exception. The Department is not responsible for errors of any kind with electronic submission, nor for notifying a Proposer about complete or incomplete receipt of any Proposal or other submission.

1.9 FORMAT FOR PROPOSALS

A Proposal must be organized in accordance with the list of scored criteria in the respective subsection of section 2.2 for each project for which the Proposer is submitting.

One (1) page is defined as: one side of a single 8-1/2" x 11" page, with 12-point minimum font size for the substantive text. Proposers may use their discretion for the font size of other materials (e.g., graphics, charts). Any page or partial page with substantive text, graphics, charts, resumes, etc, will be counted as one (1) page.

1.10 COVER SHEET

A Proposal must include a completed Cover Sheet (substantially in the form of RFP Attachment A), signed by a duly authorized representative of the Proposer empowered to bind the Proposer.

1.11 PUBLIC RECORDS

This RFP, and one copy of every Proposal accepted in response to it, will be kept by Department and made a part of its records. All accepted Proposals will become part of the public file without obligation

to Department. If a Proposal contains any information that may be exempt from disclosure under the Oregon Public Records Law, ORS 192.311 to 192.478, the Proposer must clearly designate that portion of its Proposal it deems to be exempt, along with a justification and citation to the authority relied upon. Application of the Uniform Trade Secrets Act (UTSA), ORS 646.461 to 646.475, and the Oregon Public Records Law will determine whether any information is actually exempt from disclosure. Identifying an entire Proposal as exempt from disclosure is not acceptable and will not be effective to exempt the Proposal or any part of it from disclosure. Failure to identify the portion of the Proposal claimed as exempt from disclosure, and to specify a justification and the authority relied upon, will be deemed a waiver of any future claim based on disclosure of that information.

Department will keep a list of all Proposers and will disclose the list when requested. Department will not disclose Proposals until it has issued the Notice of Intent to Award.

1.12 TERMS AND CONDITIONS

Unless modified by protest, by submitting its Proposal, the selected Proposer agrees to enter into a Contract with the Department that is substantially in the form of the Sample Contract included in this Request.

In the event that the parties have not reached mutually agreeable terms within 30 calendar days, the Department may terminate negotiations and commence negotiations with the next highest ranking Proposer.

Any Proposal that is conditioned on Department’s acceptance of any other terms and conditions or rights to negotiate will be rejected as non-responsive.

PROPOSAL SUBMISSION CHECKLIST FOR USE BY PROPOSERS - INFORMATION ONLY	
<input type="checkbox"/>	Due Date Met
<input type="checkbox"/>	Proposal Addressed Correctly
<input type="checkbox"/>	Proposal in Acceptable Electronic File Type(s)
<input type="checkbox"/>	Proposal Format and Page Limit Requirements Met
<input type="checkbox"/>	Signed Cover Sheet (Attachment A) Included
<input type="checkbox"/>	List of References (Attachment B) Included
<input type="checkbox"/>	Proposal Does Not Include Conditional Language About Terms and Conditions
<input type="checkbox"/>	Public Records Disclosure Exemption Statement Included (If Applicable)

2.0 INFORMATION REQUESTED FROM PROPOSERS; SCORED CRITERIA

2.1 REFERENCES (no score)

All Proposers must fill out and submit RFP Attachment B, listing applicable references separately for each project for which the Proposer makes a submission.

2.2 SCORED INFORMATION

2.2.1 Property Tax Incentives Impact Study If you propose to perform this project, provide the following.

A) Approach and Implementation Plan (10-page limit). 30 Points maximum

The response to this criterion must not exceed 10 pages. Department will consider the pages only up to that allowable number and discard all pages in excess of the allowable number. Explain how the Proposer will undertake the project including:

- (1) Your approach to successfully complete the work within about 240 calendar days, with a proposed schedule of intermediate deliverables and key milestones.
- (2) The information to be gathered and tasks the Proposer might also need to perform for section 1.2.1 A) and D).
- (3) Methods for extraction of payroll data from OED systems, as described in section 1.2.1 B), including ways to expedite or streamline downloading, such as date-specific coding, and for follow-up to ensure relevant and complete employment figures for the applicable businesses.
- (4) Modeling alternatives and their respective tradeoffs, including your recommended methodology, for section 1.2.1 C).
- (5) A critique of the Description of Services Needed/ Proposed Statement of Work, calling out key success factors, potential risks and recommended changes, such as other tasks to include, if applicable.

B) Firm and Team Qualifications (No page limit) 45 Points maximum

- (1) Provide brief biographical sketches of key members who will be working on this project and their associated roles, responsibilities and committed percentage availability. You may use existing, commonly accessible internet links to external resources if desired (such as LinkedIn profiles, awards, or bios). Please ensure that information demonstrates the team's knowledge and experience related to the scope of the study.
- (2) Briefly describe projects performed within the last ten years most comparable to the requested services (including a description of their size and duration) using IMPLAN or REMI and advanced assemblage of confidential labor market information. The projects described need to document each of the following:
 - a. Having worked with OED or a comparable organization to effectively extract and properly manage extensive, confidential data from business payroll tax reports or returns, such as for unemployment insurance.
 - b. Actual experience with Quarterly Census of Employment and Wages (QCEW) data and wage record data from OED (or an equivalent data provider in another state).
 - c. Analyzing and reconciling the data of firms with multiple establishments and reporting unit numbers (RUNs), multiple BINs, and complex predecessor and successor BIN or RUN relationships.
- (3) From the projects described above, include a copy of the work product(s) for the one project most comparable to Business Oregon's needs with this study. It may be attached to your Proposal as a .PDF file, or you may provide a web link for viewing or downloading.

C) Price and Value (5-page limit)

25 Points maximum

- (1) Proposer must show how much can be accomplished within the currently identified budget (\$100,000)–formatted as deliverables-based. Please discuss level of detail and comprehensiveness that can be delivered for this budget. In other words, how efficiently will our dollars be stretched to accomplish as much as possible?
- (2) Please provide estimated cost break down for the elements of the study in the table below:

Elements	Cost (\$)
A. Background review	
B. Compilation of payroll data	
C. Estimating economic impacts	
D. Conclusions and further avenues of investigation	
TOTAL	

D) Budget Enhancements (optional, no page limit, not scored)

Describe possible budget enhancements that the Proposer would have the Department consider for improved quality or comprehensiveness of results from the study.

2.2.2 Strategic Assessment of Incentives If you propose to perform this project, provide the following.

A) Approach and Implementation Plan (10 page limit).

40 Points maximum

The response to this criterion must not exceed 10 pages. Department will consider the pages only up to that allowable number and discard all pages in excess of the allowable number. Describe how the Proposer will undertake this assessment, including:

- (1) Your approach in addressing every key issue and successfully completing the work within about 180 calendar days. Specify the techniques to be employed in collecting, analyzing and synthesizing information about business incentives in relation to the Department’s strategic priorities, with a proposed schedule of intermediate deliverables and key milestones. Please also discuss how you plan to:
 - select other states with comparable tax structures or other compelling similarities, or that offer insight on competitiveness; and
 - consistently evaluate a connection between action (as induced by the incentive) and outcome (economic benefit).
- (2) Qualitative and quantitative data to be gathered, including data sources to be used, techniques and procedures to validate data accuracy, and proposed methodology of analysis.
- (3) A critique of the proposed Description of Services Needed/Statement of Work, calling out key success factors, potential risks and recommended changes, such as other tasks to include, if applicable.

B) Firm and Team Qualifications (No page limit)

40 Points maximum

- (1) Provide brief biographical sketches of key members who will be working on this project and their associated roles, responsibilities and committed percentage availability. You may use existing, commonly accessible internet links to external resources if desired (such as LinkedIn profiles, awards, or bios). Please ensure that information demonstrates the team’s knowledge and experience related to the scope of the study.

- (2) Briefly describe projects performed within the last six years most comparable to the requested services (including a description of their size and duration).
- (3) From the projects described above, include a copy of the work product(s) for the one project most comparable to Business Oregon's needs with this assessment. It may be attached to your Proposal as a .PDF file, or you may provide a web link for viewing or downloading.

C) Price and Value (5-page limit)

20 Points maximum

Proposer must show what can be accomplished within the currently identified budget (\$40,000)– formatted as deliverables-based. Please discuss level of detail and comprehensiveness that can be delivered for this budget. In other words, how efficiently will our dollars be stretched to accomplish as much as possible?

D) Budget Enhancements (optional no page limit, not scored)

Describe possible budget enhancements that the Proposer would have the Department consider for improved quality or comprehensiveness of results from the study.

3.0 EVALUATION PROCESS

The selection process will be administered in accordance with the authority and procedures in ORS 279B.060, and OAR Chapter 123, Division 6 and OAR 137-047-0270. Proposals received on time will be reviewed against any Pass/Fail criteria. Proposals meeting those criteria will be forwarded to an evaluation committee that will independently score each Proposal according to the scored criteria set forth in section 2.2.

Without limiting the possibilities allowed under OAR 137-047-0270, the Department may, at any time in its sole discretion, (a) provide notice to a Proposer of selection for Contract negotiation and possible award; (b) gather more information for evaluation, (c) provide notice to a Proposer(s) of non-selection; (d) provide notification to Proposer(s) that the RFP is cancelled (and either that the RFP may be resolicited or that Department intends to take no further action with respect to the RFP); (e) provide notice to Proposer(s) that the RFP is delayed or suspended; or (f) provide notice to Proposer(s) that any or all proposals have been rejected in accordance with ORS 279B.100. The Department is not liable for any costs a Proposer incurs while preparing or presenting its Proposal or during further evaluation stages.

The Department reserves the right to employ any of the procedures allowed by Oregon Administrative Rule 137-047-0270, such as additional competitive steps or Proposals, modified or additional selection criteria, interviews, competitive simultaneous discussions or negotiations, etc. Information or issues revealed by a Proposer's questions or Proposal, may, in the Department's sole discretion, trigger such modifications or further steps. If there are further steps beyond the initial Proposal and scoring, the scoring results from the first step and any subsequent step will be added together.

4.0 NEGOTIATIONS

The Department, in its sole discretion, reserves the right to negotiate all terms and conditions in the standard State of Oregon contract to the extent allowed by law.

If negotiations with the top ranked Proposer are not successful, Department may terminate negotiations and begin negotiating with the next highest ranked Proposer.

RFP ATTACHMENT A - COVER SHEET & CERTIFICATIONS
STATEMENT OF PROPOSAL to Oregon Business Development Department

_____ (Legal Name of Proposer) accepts all the terms and conditions contained in the [Property Tax Incentives Impact Study/Strategic Assessment of Incentives] RFP, and a standard State of Oregon contract (as they may have been modified or reserved for negotiation). The certification requirements on this Cover Sheet are conditions of receiving the award of a Contract under this RFP.

<input type="checkbox"/> Corporation <input type="checkbox"/> Professional Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Ltd. Liability Company <input type="checkbox"/> Ltd. Liability Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other _____ Mailing Address _____ _____

Type name of contact/authorized representative _____ Email address _____ Telephone _____ Other _____ Type name of person(s) authorized to sign Contract _____
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Affirmative Action, Nondiscrimination: Department is an equal-employment-opportunity employer and values diversity in its workforce. It also requires Proposers to have an operating policy as an equal employment opportunity employer, and to follow good faith diversity efforts when subcontracting.

We certify that we have a formal statement of nondiscrimination in employment policy and have an affirmative action program if over 50 employees. (Firms of 50 people or less do not need a formal program, but must have a policy). Does your firm have 50 or more employees? Yes No

We also certify that we have not and will not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a minority, women or emerging small business enterprise certified under ORS 200.055, and will follow good faith efforts in ORS 200.045 during any subcontracting.

Responsibility Certifications

Has your company ever been declared in breach of any contract to provide services for unperformed or defective work?

Yes No

If "yes," explain. _____

Has any employee or agent of your company been convicted under state or federal law of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or business honesty?

Yes No

If "yes," explain. _____

Has your company or any employee or agent of your company been indicted under state or federal false claims or antitrust laws, or charged with any other criminal offense arising out of obtaining, attempting to obtain, or performing a public or private contract or subcontract? Yes No

If "yes," explain. _____

During the last ten years, has your firm changed majority ownership or been the debtor in a bankruptcy case? Yes No

If "yes," explain. _____

Does your firm have any outstanding judgments pending against it? Yes No

If "yes," explain. _____

During the last ten years, has your firm been a party to litigation, arbitration or mediation where the amount in dispute exceeded \$10,000? Yes No

If "yes," explain. (Include court, and party names.) _____

Conflicts of Interest: Please select (only) one of the following three options:

Our firm has no current, known actual, potential, or reasonably perceived, financial or other interest in the outcome of the services described in this RFP.

Our firm has a potential or reasonably perceived financial or other interest in the outcome of the services described in this RFP as described here: _____. Our firm proposes to mitigate the potential or perceived conflict according to the following plan: _____.

Our firm has an actual financial or other interest in the outcome of the services described in this RFP as described here: _____.

What does "financial interest" mean?

If your firm, or employee of your firm working on the project (or a member of the employee's household), will/may or may be perceived to receive or lose private income depending on government business choices based on your firm's services, findings or recommendations, this must be listed as a financial interest. An example would be ownership in physical assets affected by government business choices related to these services. The possibility of contracting for further consulting services is not included in this definition and is not prohibited.

What does "other interest" mean?

If your firm, or employee of your firm working on the project (or a member of the employee's household), will/may or may be perceived to have political, legal or any other interests that will affect what goes into your firm's services, findings or recommendations, or will be/may be, or may be perceived to be, affected by government business choices related to these services, this must be listed as an other interest.

Tax Information and Tax Compliance: The undersigned certifies and swears under penalty of perjury that: I am authorized to act on behalf of Contractor, I have authority and knowledge regarding Contractor's payment of taxes, the taxpayer identification number and other information provided on Contractor's IRS W-9 form is correct, Contractor is not subject to tax withholding, and Contractor is not in violation of any Oregon tax laws, including but not limited to a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250 and ORS chapters 118, 314, 316, 317, 318, 321 and 323 and the elderly rental assistance program under ORS 310.630 to 310.706 and local taxes administered by the Department of Revenue under ORS 305.620. Contractor shall continue to comply with the tax laws of this state or a political subdivision of this state during the term of the public contract.

Signature of Authorized Representative certifying the truth of all statements:

[signature]
[Type name] _____ Date _____

RFP ATTACHMENT B - LIST OF REFERENCES

Department may check to determine whether these references support Proposer's ability to comply with the requirements of this RFP. Department may use references to obtain additional information, or verify any information needed. Department may contact any reference (submitted or not) to verify Proposer's qualifications.

Proposer must provide **at least three** references from current or former client for similar projects performed within the last four years. References must be able to verify the quality of that related work.

(1) Reference Entity Name: _____

Reference Contact Name: _____

Contact Telephone Number: _____

Contact Email Address: _____

(2) Reference Entity Name: _____

Reference Contact Name: _____

Contact Telephone Number: _____

Contact Email Address: _____

(3) Reference Entity Name: _____

Reference Contact Name: _____

Contact Telephone Number: _____

Contact Email Address: _____

Sample STATE OF OREGON PERSONAL/PROFESSIONAL SERVICES CONTRACT

Number _____

Title: _____

This Contract is between the State of Oregon, acting by and through its Oregon Business Development Department (“Department”), and _____ (“Contractor”).

1. Effective Date and Duration. This Contract is effective once fully executed, and approved as required by applicable law. Unless terminated or extended, this Contract expires when Department accepts Contractor’s performance or on _____, _____ whichever date occurs first. Expiration or termination does not extinguish or prejudice Department’s right to enforce this Contract with respect to any breach of a Contractor warranty or any default or defect in Contractor performance that has not been cured.

2. Statement of Work. The Statement of Work (the “Services”), including the delivery schedule for such Services, is contained in Exhibit A, attached.

3. Compensation

a. The [maximum, not-to-exceed compensation] payable to Contractor under this Contract, which includes any allowable expenses, is \$ _____ and is more particularly described in Exhibit A – Compensation.

b. Any progress payments to Contractor will be made only in accordance with the schedule and requirements in Exhibit A – Compensation.

4. Contract Documents. This Contract consists of the following documents, incorporated by reference, which are listed in descending order of precedence: this Contract less all exhibits, attached Exhibits A and B.

5. Independent Contractor; Responsibility for Taxes and Withholding

a. Contractor will perform all required Services as an independent contractor. Although Department reserves the right (i) to determine the delivery schedule for the Services to be performed and (ii) to evaluate the quality of the completed performance, Department will not control, and Contractor is responsible for determining, the means and manner of Contractor’s performance.

b. If Contractor is currently performing services for the State of Oregon or the federal government, Contractor by signature to this Contract declares and certifies that: Contractor’s Services to be performed under this Contract create no potential or actual conflict of interest as defined by ORS 244, and no rules or regulations of Contractor’s employing agency (state or federal) prohibit Contractor’s Services under this Contract. Contractor is not an “officer,” “employee,” or “agent” of Department, as those terms are used in ORS 30.265.

c. Contractor is responsible for all federal or state taxes applicable to compensation or payments paid to Contractor under this Contract, and unless Department is aware that Contractor is subject to backup withholding, Department will not withhold from such compensation or payments any amount(s) to cover Contractor’s federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers’ compensation benefits from compensation or payments paid to Contractor under this Contract, except as a self-employed individual.

6. Subcontracts and Assignment; Successors and Assigns

a. Except as described in Exhibit A, Contractor cannot enter into any subcontracts for any of the Services required by this Contract, or assign or transfer any of its interest in this Contract, without Department’s prior written consent. In addition to any other provisions Department may require,

Contractor will include in any permitted subcontract under this Contract a requirement that the subcontractor be bound by Sections 5, 6, 10, 11, 14, 15, and 18 of this Contract as if the subcontractor were the Contractor. Department's consent to any subcontract does not relieve Contractor of any of its duties or obligations under this Contract.

b. The provisions of this Contract are binding upon and will inure to the benefit of the parties hereto, and their respective successors and permitted assigns, if any.

7. No Third Party Beneficiaries. Department and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, or is to be construed to give any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name and expressly described as intended beneficiaries of the terms of this Contract.

8. Funds Available and Authorized; Payments

a. No other agency or department of the State of Oregon will compensate Contractor for Services performed under this Contract. Department has sufficient funds currently available and authorized for expenditure to finance the costs of this Contract within Department's biennial appropriation or limitation. Contractor understands and agrees that Department's payment of amounts under this Contract attributable to Services performed after the last day of the current biennium is contingent on Department receiving from the Oregon Legislative Assembly appropriations, limitations, or other expenditure authority sufficient to allow Department, in the exercise of its reasonable administrative discretion, to continue to make payments under this Contract.

b. Department will only pay for completed Services that are accepted by Department.

9. Representations and Warranties

a. Contractor's Representations and Warranties. Contractor represents and warrants to Department that (1) Contractor has the power and authority to enter into and perform this Contract, (2) this Contract is a valid and binding obligation of Contractor enforceable in accordance with its terms, (3) the Services under this Contract will be performed in accordance with the highest standards prevalent in the industry, and (4) Contractor will, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Services.

b. Contractor certifies that it has a policy and practice of preventing sexual harassment, sexual assault and discrimination against employees who are members of a protected class that meets the requirements described in ORS 279A.112, and warrants that it will maintain the policy and practice in force during the entire term of this Contract.

c. Warranties cumulative. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

10. Ownership of Work Product

a. Definitions. As used in this Section 10, and elsewhere in this Contract, the following terms have the meanings set forth below:

(i) "Contractor Intellectual Property" means any intellectual property owned by Contractor and developed independently from the Services.

(ii) "Third Party Intellectual Property" means any intellectual property owned by parties other than Department or Contractor.

(iii) “Work Product” means every invention, discovery, work of authorship, trade secret or other tangible or intangible item and all Services that Contractor delivers or is required to deliver to Department pursuant to this Contract.

b. Ownership and License. All intellectual property rights in the Work Product created by Contractor pursuant to this Contract, including derivative works and compilations, are the exclusive property of Department. All Work Product authored by Contractor under this Contract is deemed “work made for hire” to the extent permitted by the United States Copyright Act. To the extent the Department is not the owner of the intellectual property rights in such Work Product, Contractor hereby irrevocably assigns to Department any and all of its rights, title, and interest in such Work Product. Upon Department’s reasonable request, Contractor will execute such further documents and instruments reasonably necessary to fully vest such rights in Department. Contractor forever waives any and all rights relating to original Work Product created pursuant to this Contract, including without limitation, any and all rights arising under 17 USC §106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

In the event that intellectual property rights in the Work Product are Contractor Intellectual Property, Contractor hereby grants to Department an irrevocable, non-exclusive, perpetual, royalty-free license to use, make, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Contractor Intellectual Property, and to authorize others to do the same on Department’s behalf.

To the extent Contractor has the authority, Contractor will sublicense or pass through to the Department all Third Party Intellectual Property. Contractor represents and warrants that it has provided written disclosure to the Department of all Third Party Intellectual Property that must be independently licensed by the Department to fully enjoy the benefits of the Work Product. If Contractor failed to provide such written disclosure, Contractor will secure on Department’s behalf and in the name of Department an irrevocable, non-exclusive, perpetual, royalty-free license to use, make, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Third Party Intellectual Property employed in the Work Product, and to authorize others to do the same on Department’s behalf.

11. Indemnity

a. Claims for Other than Professional Liability. Contractor will defend (subject to ORS chapter 180), save and hold harmless the State of Oregon, the Oregon Business Development Commission and its members, the Oregon Business Development Department, their officers, agents and employees from all claims, suits or actions of whatsoever nature, including intentional acts resulting from or arising out of the activities of Contractor or its subcontractors, agents or employees under this agreement.

b. Claims for Professional Liability. Contractor will defend (subject to ORS chapter 180), save and hold harmless the State of Oregon, the Oregon Business Development Commission and its members, the Oregon Business Development Department, their officers, agents and employees, from all claims, suits or actions arising out of the professional negligent acts, errors or omissions of Contractor or its subcontractors and subcontractors, agents or employees in performance of professional services under this agreement.

c. Control of Defense and Settlement. Contractor will have control of the defense and settlement of any claim that is subject to sections 11.a or 11.b; however, neither Contractor nor any attorney engaged by Contractor will defend the claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without first receiving authority to act as legal counsel for the State of Oregon from the Oregon Attorney

General, in a form and manner determined appropriate by the Attorney General, nor will Contractor settle any claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement.

12. Insurance. Contractor will provide insurance as indicated on Exhibit B.

13. Termination

a. Parties' Right to Terminate For Convenience. This Contract may be terminated at any time by mutual written consent of the parties.

b. Department's Right To Terminate For Convenience. Department may, at its sole discretion, terminate this Contract, in whole or in part, upon 30 days notice to Contractor.

c. Department's Right to Terminate For Cause. Department may terminate this Contract, in whole or in part, immediately upon notice to Contractor, or at such later date as Department may establish in such notice, upon the occurrence of any of the following events:

(i) Department fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for Contractor's Services;

(ii) Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the Services under this Contract is prohibited or Department is prohibited from paying for such Services from the planned funding source;

(iii) Contractor no longer holds any license or certificate that is required to perform the Services; or

(iv) Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, or fails to perform the Services under this Contract, or so fails to pursue the Services as to endanger Contractor's performance under this Contract, within the time specified in an applicable notice or any extension thereof.

(v) Contractor has not complied or does not comply with Oregon tax laws as stated in the Contractor Data and Tax Law Certification section below.

d. Contractor's Right to Terminate for Cause. Contractor may terminate this Contract upon 30 days' notice to Department if Department fails to pay Contractor pursuant to the terms of this Contract and Department fails to cure within 30 business days after receipt of Contractor's notice, or such longer period of cure as Contractor may specify in such notice.

e. Remedies

(i) In the event of termination pursuant to Sections 13a, 13b, 13c(i), 13c(ii) or 13d, Contractor's sole remedy is a claim for the sum designated for accomplishing the Services multiplied by the percentage of Services completed and accepted by Department, less previous amounts paid and any claim(s) which State has against Contractor. If previous amounts paid to Contractor exceed the amount due to Contractor under this subsection, Contractor will promptly pay any excess to Department.

(ii) In the event of termination pursuant to Section 13c(iii) - 13c(v), Department has any remedy available to it in law or equity. If it is determined for any reason that Contractor was not in default under Section 13c(iii) - 13c(v), the rights and obligations of the parties will be the same as if the Contract was terminated pursuant to Section 13b.

f. Contractor's Tender Upon Termination. Upon receiving a notice of termination of this Contract, Contractor will immediately cease all activities under this Contract, unless Department expressly directs otherwise in such notice. Upon termination of this Contract, Contractor will deliver to Department all documents, information, works-in-progress and other property that are or would be

deliverables had the Contract been completed. Upon Department's request, Contractor will surrender to anyone Department designates, all documents, research or objects or other tangible things needed to complete the Services.

14. Records Maintenance; Access. Contractor will maintain all fiscal records relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor will maintain any other records pertinent to this Contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that Department and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives have access to such fiscal records and other books, documents, papers, plans and writings of Contractor that are pertinent to this Contract to perform examinations and audits and make excerpts and transcripts. Contractor will retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of six (6) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.

15. Compliance with Applicable Law. Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Services under this Contract. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with: (i) Title VI of Civil Rights Act of 1964; (ii) Section V of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. As applicable, Contractor shall comply with the provisions of ORS 279B.220, 279B.230, 279B.235, and 279B.270, which are incorporated by this reference. Contractor shall continue to comply with the tax laws of this state or a political sub-division of this state during the term of the public contract. Contractor shall comply with the prohibition set forth in ORS 652.220, and failure to comply is a breach that entitles Department to terminate the contract for cause. Vendors shall use recyclable products to the maximum extent economically feasible in the performance of the contract work set forth in this document.

16. Business Registration. Contractor has provided to the Oregon Department of Revenue and the Secretary of State Corporation Division all information required by those agencies to do business in the State of Oregon relative to this Contract.

17. Force Majeure. Neither Department nor Contractor will be held responsible for delay or default caused by fire, riot, acts of God, terrorist acts, or other acts of political sabotage, or war where such cause was beyond the reasonable control of Department or Contractor, respectively. Contractor will, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and will, upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.

18. Survival. All rights and obligations cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Sections 1, 8, 9, 10, 11, 13, 14, 15, 21, 25, and 26.

19. Time is of the Essence. Contractor agrees that time is of the essence under this Contract.

20. Notice. Except as otherwise expressly provided in this Contract, any notices will be given in writing by personal delivery, or mailing, postage prepaid, to:

Department: **Assistant Director for Economic Development**
Business Oregon
775 Summer Street, Suite 200
Salem, OR 97301-1280

Contractor: According to the Contractor Data and Certification below

or to such other addresses or numbers as either party may later designate pursuant to this Section 20. Any notice so addressed and mailed is deemed to be given five (5) days after mailing. Any notice by personal delivery is deemed to be given when actually delivered.

21. Severability. The parties agree that if any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions are not affected, and the rights and obligations of the parties are to be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

22. Counterparts. This Contract may be executed in several counterparts, all of which when taken together constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of the Contract so executed constitutes an original.

23. Oregon False Claims Act. Contractor acknowledges that the Oregon False Claims Act, ORS 180.750 to 180.785, applies to this Contract. Contractor certifies the truthfulness, completeness, and accuracy of any statement or claim it has made, it makes, it may make, or causes to be made that pertains to this Contract.

24. Disclosure of Social Security Number. Contractor must provide Contractor's Social Security number unless Contractor provides a federal tax ID number. This number is requested pursuant to ORS 305.385. Social Security numbers provided pursuant to this authority will be used for the administration of state, federal and local tax laws.

25. Choice of Law; Designation of Forum; Federal Forum

a. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Contract, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

b. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

c. Notwithstanding the preceding paragraph, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This Section applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This Section is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

26. Merger Clause; Waiver. This Contract and attached exhibits constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Contract. No waiver, consent, modification or change of terms of this Contract binds either party unless in writing and signed by both parties, and all necessary State approvals have been obtained. Such waiver, consent, modification or change, if made, is effective only in the specific instance and for the specific purpose given. The failure of Department to enforce any provision of this Contract does not constitute a waiver by Department of that or any other provision.

27. Amendments. Department may amend this Contract to the extent provided in the solicitation document, if any, from which this Contract arose, and to the extent permitted by applicable statutes and

administrative rules. No amendment to this Contract is effective unless it is in writing signed by the parties, and all approvals required by applicable law have been obtained.

28. Attorney Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Contract is entitled to recover from the other its reasonable attorney fees, costs and expenses at trial and on appeal. Reasonable attorney fees cannot exceed the rate charged to the State by its attorneys. The Contractor will, on demand, pay to the State reasonable expenses incurred by the State in the collection of such payments.

29. Confidential Information.

a. In the course of performing Services under this Contract, Contractor acknowledges that it and its employees or agents may be exposed to or acquire information that is confidential to Department or Department's clients. Any and all information of any form obtained by Contractor or its employees or agents in the performance of this Contract shall be deemed to be confidential information of Department ("Confidential Information"). Any reports or other documents or items which result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information. Confidential Information shall be deemed not to include information that (i) is or becomes (other than by disclosure by Contractor) publicly known or is contained in a publicly available document; (ii) is furnished by Department to others without restrictions similar to those imposed by this Contract; (iii) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Contract; or (iv) is independently developed by employees or agents of Contractor who can be shown to have had no access to the Confidential Information.

b. Standard of Care. Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than the provision of Services to Department hereunder, and to advise each of its employees and agents of their obligations to keep Confidential Information confidential.

c. Cooperation. Contractor agrees to comply with all reasonable requests by Department to ensure the confidentiality and nondisclosure of the Confidential Information, including without limitation (i) obtaining nondisclosure agreements, in a form approved by Department, from each of Contractor's employees and agents who are performing Services, and providing copies of such agreements to Department, and (ii) performing criminal background checks on each of Contractor's employees and agents who are performing Services, and providing a copy of the results to Department.

CONTRACTOR DATA AND CERTIFICATION

Name (tax filing): _____

Address: _____

Email: _____

Telephone: _____ **Facsimile:** _____

Citizenship, if applicable: Non-resident alien Yes No

Business Designation (check one):

- | | |
|--|--|
| <input type="checkbox"/> Private for-profit, or non-profit Corporation | <input type="checkbox"/> Professional Corporation |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other: |

Above payment information must be provided prior to Contract approval. This information may be reported to the Internal Revenue Service (IRS) under the name and taxpayer identification submitted. (See IRS 1099 for additional instructions regarding taxpayer ID numbers.) Information not matching IRS records could subject Contractor to 31 percent backup withholding.

ORS 200.090 requires all public agencies to "aggressively pursue a policy of providing opportunities for disadvantaged business enterprises, minority-owned businesses, woman-owned businesses, businesses that service-disabled veterans owned and emerging small businesses...." OBDD encourages Recipient, in its contracting activities, to follow good faith efforts described in ORS 200.045, available at https://www.oregonlegislature.gov/bills_laws/ors/ors200.html. The Governor's Policy Advisor for Economic and Business Equity provides additional resources and the Certification Office for Business Inclusion and Diversity at the Oregon Business Development Department maintains a list of certified firms and can answer questions. Search for certified firms on the web at: <https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp>.

CONTRACTOR DATA AND TAX LAW CERTIFICATION

The undersigned certifies and swears under penalty of perjury that: I am authorized to act on behalf of Contractor, I have authority and knowledge regarding Contractor's payment of taxes, the taxpayer identification number and other information provided on Contractor's IRS W-9 form [or for an international vendor: [W-8 series form](#)] is correct, Contractor is not subject to tax withholding, and Contractor is not in violation of any Oregon tax laws, including but not limited to a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250 and ORS chapters 118, 314, 316, 317, 318, 321 and 323 and the and local taxes administered by the Department of Revenue under ORS 305.620. Contractor shall continue to comply with the tax laws of this state or a political subdivision of this state during the term of the public contract.

Contractor, by the signature below of its authorized representative, acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

CONTRACTOR: NO SERVICES MAY OCCUR PRIOR TO NECESSARY STATE APPROVALS

CONTRACTOR

Approval Signature Title Date

STATE

Approved as to Legal Sufficiency (All Contracts over \$150,000, unless exempted) Date

DEPARTMENT

Approval Signature Title Date

EXHIBIT A – STATEMENT OF WORK AND COMPENSATION

[The suggested default format is:

Task #1 Description
Deliverable(s) Description
Deliverable Due Date(s)
Cost for Deliverable(s)

Task #2 Description
Deliverable(s) Description
Deliverable Due Date(s)
Cost for Deliverable(s)

Other times, the tasks may all be in one section, a list of deliverables in another section, and schedule and budget on separate charts.

Other parameters for change:

- “Milestones” are often used to manage either the schedule, or the budget, or both. We must specify that deliverable due dates and estimated amounts may be adjusted within milestones, but the milestone dates and/or amounts cannot be exceeded without an amendment. Describe this in the SOW, and on the Summary of Estimate if there is one.
- Phases. When a project will proceed in phases, we describe that. The primary purpose is to make it clear to anyone that examines the contract file that a conscious plan for amending was in place. We sometimes also describe contingencies (Department options) about whether to continue work on a project after completion of the contracted phase.
 - a. **INTRODUCTION:** [Insert a description of the purpose of this Contract and the extent of services, and any needed background information.]
 - b. **STATEMENT OF WORK (including deliverables and schedule):** Contractor will...

Be specific and complete. Please include roles and responsibilities of all parties. Please include a statement of assumptions and expectations. Merely stating an assumption or expectation does not bind contractor or Department unless it is drafted in language that clearly places an obligation on contractor or Department. The Statement of Work must be drafted in affirmative, obligatory, concise language that clearly states who is required to do what and when performance is due. Describe deliverable products as completely as possible, and their due date. Specify the standards for acceptance of each deliverable, or adequacy of services.

The parties may mutually agree in writing to any adjustments only to the delivery schedule for Contractor’s obligations under this Contract. Department approval must be given by a person with authority to contractually bind Department. In no event can the adjusted delivery schedule exceed the expiration date of the Contract.

If Department determines that any deliverables are not acceptable and that any deficiencies are the responsibility of the Contractor, Department will prepare a detailed written description of any deficiencies and an associated time frame for correction, and deliver such notice to Contractor in a timely manner. Contractor will correct any deficiencies within the time specified in the notice and at no cost to Department. If the corrective work will cause any further delays in Contractor’s Services, the

Contractor will submit a plan for regaining the delivery schedule for remaining Services under this Contract, unless otherwise allowed by Department.

[Note about Compensation section: The two most common options for method of compensation are included below. Pick one and delete the other. Other methods and combinations of methods are also possible.]

EXHIBIT A – COMPENSATION

Time & Materials/Labor-Hour

A. **Payment Methodology.** Department will pay for the actual Services performed under this Contract according to hourly billing rates based on actual pay rates plus the negotiated indirect costs rates (overhead) plus the negotiated profit. Department will also pay for reasonable and necessary actual direct non-labor costs itemized separately from the hourly billing rates.

Contractor agrees to invoice all Services at no greater than the hourly billing rates and direct non-labor rates specified in this Contract, and as those rates may be amended. Department will not pay Contractor for direct or indirect costs that are unallowable under the provisions of 48 CFR Part 31 (Federal Acquisition Regulations). All travel reimbursement is subject to section H.

B. **Basis for Payment. (Choose one option and delete the others.)**

OPTION 1 – Full completion: Department will pay Contractor all amounts due under each Contract in one payment, upon Department’s approval of Contractor’s invoice submitted to Department in accordance with the terms of the Contract, but only after Department has determined that Contractor has completed, and Department has accepted, all required Services, including deliverables. If Contractor fails to present invoices in proper form within 90 calendar days after the end of the month when Department accepts the deliverables, or also within 30 days after the end of the state fiscal biennium, Contractor waives any rights to present such invoice and receive payment.

OPTION 2 - Milestone progress payments only for completed Services & deliverables: Department will pay Contractor all amounts due at the milestones indicated in the Contract upon Department’s approval of Contractor’s invoice submitted to Department in accordance with the terms of the Contract, but only after Department has determined that Contractor has completed, and Department has accepted, all required Services, including deliverables, for the milestone at which payment is sought. If Contractor fails to present invoices in proper form within 90 calendar days after the end of the month when Department accepts any deliverables for a milestone, or also within 30 days after the end of the state fiscal biennium, Contractor waives any rights to present such invoice and receive payment.

OPTION 3 [Most Often Used] - Monthly progress payments only for completed deliverables: Department will pay Contractor monthly progress payments upon Department’s approval of Contractor’s invoice submitted to Department in accordance with the terms of the Contract for completed Services and deliverables, but only after Department has determined that Contractor has completed, and Department has accepted the invoiced deliverables. If Contractor fails to present invoices in proper form within 90 calendar days after the end of the month when Department accepts any deliverables, or also within 30 days after the end of the state fiscal biennium, Contractor waives any rights to present such invoice and receive payment.

OPTION 4 [Discouraged] - Monthly progress payments for effort expended: Department will pay Contractor monthly progress payments upon Department’s approval of Contractor’s invoice submitted to Department in accordance with the terms of the Contract, for all Services that are included in the invoice, whether the required deliverables are complete and accepted or not. If Contractor fails to present invoices in proper form within 90 calendar days after the end of the month when any Services are performed, or also within 30 days after the end of the state fiscal biennium, Contractor waives any rights to present such invoice and receive payment.

C. **Invoices and Payments.** Invoices must include the Department contract number. Contractor will submit invoices requesting payment to Department's Contract Administrator for approval. Department Contract Administrator is:

[name, title]
Business Oregon
775 Summer Street NE, Suite 200
Salem, Oregon 97301-1280
[telephone; fax; Email]

or as may be otherwise designated through written notice. Contractor cannot submit invoices any more frequently than once per month. Department reserves the right to request, in writing, full itemization and receipts for any or all labor and direct costs billed by the Contractor and such other items of costs as the Department requests. Contractor will provide receipts to Department within five (5) business days of Department's request. Department will not make payment to Contractor under the applicable invoice until Department has received all requested receipts from the Contractor. Any overdue payments by Department for an approved invoice are subject to ORS 293.462.

D. **Corrective Work.** Contractor is responsible to complete all Services, including deliverables, as defined in the Statement of Work to the satisfaction of Department. If Department, in its sole discretion, determines that the Services are unacceptable, Contractor is responsible to correct any deficiencies in the Services to Department's satisfaction without further compensation. Department may withhold other payments until any deficiencies have been corrected to Department's satisfaction.

E. **Retainage.** Department reserves the right to withhold payment equal to [up to ten] percent (___%) [Option 1: of the amount of each invoice submitted to Department under the Contract,] [Option 2: of the total Contract amount, to be deducted from the [first][last] amounts payable,] as retainage prior to final payment. Final payment of any balance due Contractor will be made promptly upon verification of completion and acceptance of the Services by Department.

F. **Increases. (Choose one option and delete the others.)**

OPTION 1 (in Department's favor) - Fixed rates throughout the term: The hourly billing rates and non-labor rates established in this Exhibit will remain fixed for the duration of this Contract. Department may, by amendment to this Contract, agree to appropriate increases in the maximum compensation payable under the Contract, should any Department-approved increase occur in the scope, character, schedule or complexity of Services as outlined in the Statement of Work. Contractor will not commence any Services authorized under an amendment until that amendment has received all necessary state approvals.

OPTION 2 - Limited rate increases, when justified: The hourly billing rates and non-labor rates established in this Exhibit may be amended upon Contractor's presentation of suitable justification, and approved at Department's sole discretion. If allowed by Department, the increase will be the difference in the Portland – Salem, OR-WA Consumer Price Index –W during the period from the date of the most recent prior billing rate increase or Contract effective date if there is no prior billing rate increase, or five percent, whichever is less. Department may, by amendment to the Contract, agree to appropriate increases in the maximum consideration payable under the Contract, should any Department-approved increase occur in the scope, character, schedule or complexity of Services as outlined in the Statement of Work. Contractor will not commence any Services authorized under an amendment until that amendment has received all necessary state approvals.

OPTION 3 (in contractor's favor) - Automatic rate increases. The hourly billing rates (or any component thereof) or non-labor rates established in this Exhibit will automatically be amended according to the rate schedule included in this Exhibit. Department may, by amendment to the Contract,

agree to appropriate increases in the maximum consideration payable under the Contract, should any Department-approved increase occur in the scope, character, schedule or complexity of Services as outlined in the Statement of Work. Contractor will not commence any Services authorized under an amendment until that amendment has received all necessary state approvals.

G. Payment Reduction. Department, or its duly authorized agents, may audit Contractor's fiscal records, including certified payroll and overhead records, at any time. If Department finds previously undisclosed inaccurate or improper costs have been invoiced and paid, Department, in its sole discretion, may reduce the payment for Services by withholding the inaccurate or improper amounts from any future payment to Contractor, withhold the inaccurate or improper amounts from final payment, or use any other means to seek recovery of already paid amounts.

H. Travel. [OPTION 1: Department will not reimburse Contractor for travel expenses incurred under this Contract.] [OPTION 2: For all reasonable and necessary travel expenses, Department will reimburse Contractor [OPTION 2A – automatic increases: according to the rates set forth by the State Controller at <https://www.oregon.gov/das/Financial/Acctng/Documents/40.10.00.pdf> that are in effect on the date when the travel occurs, or the actual expenses, whichever are less.] [OPTION 2B – fixed rates throughout the term: according to the rates set forth by the State Controller at <https://www.oregon.gov/das/Financial/Acctng/Documents/40.10.00.pdf> that are in effect as of the effective date of this Contract (and will not automatically change as those state rates may change), or the actual expenses, whichever are less.]

COMPENSATION

Fixed Price

A. Payment Methodology and Basis for Payment. (*Choose one option and delete the others.*)

OPTION 1 – Full completion: Department will pay Contractor a fixed price for all Services, including deliverables, required under the Contract, upon Department's approval of Contractor's invoice submitted to Department in accordance with the terms of the Contract, but only after Department has determined that Contractor has completed, and Department has accepted, all required Services, including deliverables to date.

OPTION 2 – Milestone progress payments only for completed Services & deliverables: Department will pay Contractor all amounts agreed upon for the milestones indicated in the Contract, upon Department's approval of Contractor's invoice submitted to Department in accordance with the terms of the Contract, but only after Department has determined that Contractor has completed, and Department has accepted, all required Services, including deliverables, for the milestone at which payment is sought. If Contractor fails to present invoices in proper form within 90 calendar days after the end of the month when Department accepts any deliverables for the milestone, or also within 30 days after the end of the state fiscal biennium, Contractor waives any rights to present such invoice and receive payment.

OPTION 3 – Monthly progress payments only for completed Services & deliverables: Department will pay Contractor monthly progress payments based on a monthly proration of the total agreed fixed price, upon Department's approval of Contractor's invoice submitted to Department in accordance with the terms of the Contract for completed Services and deliverables, but only after Department has determined that Contractor has completed, and Department has accepted the invoiced Services, including deliverables required to be delivered before the end of that month. If Contractor fails to present invoices in proper form within 90 calendar days after the end of the month when Department accepts any deliverables, or also within 30 days after the end of the state fiscal biennium, Contractor waives any rights to present such invoice and receive payment.

OPTION 4 – Payments per “unit:” Department will pay Contractor fixed prices per _____ [name the “units” of repetitively delivered services; for example, an identical training class that is delivered many times] as defined in the Statement of Work for the Contract, but only after Department has determined that Contractor has completed, and Department has accepted the invoiced Services, including deliverables. If Contractor fails to present invoices in proper form within 30 days after the end of the month in which the [defined unit] is accepted by Department, or also within 30 days after the end of the state fiscal biennium, Contractor waives any rights to present such invoice and receive payment.

B. Invoices and Payments. Invoices must include the Department contract number. Contractor will submit invoices requesting payment to Department’s Contract Administrator for approval. Department Contract Administrator is:

[name, title]
Business Oregon
775 Summer Street NE, Suite 200
Salem, Oregon 97301-1280
[telephone; fax; Email]

or as may be otherwise designated through written notice. If progress payments are provided, Contractor cannot submit invoices to Department’s Contract Administrator any more frequently than once per month. Any overdue payments by Department for an approved invoice are subject to ORS 293.462.

Department will not pay Contractor for, and fixed prices cannot include direct or indirect costs that are unallowable under the provisions of 48 CFR Part 31 (Federal Acquisition Regulations). All travel reimbursement is subject to section E.

C. Corrective Work. Contractor is responsible to complete all Services, including deliverables, as defined in the Statement of Work to the satisfaction of Department. If Department, in its sole discretion, determines that the Services are unacceptable, Contractor is responsible to correct any deficiencies in the Services to Department’s satisfaction without further compensation. Department may withhold other payments until any deficiencies have been corrected to Department’s satisfaction.

D. Retainage. If milestone or progress payments are provided, Department reserves the right to withhold, as retainage, payment equal to [up to ten] ___percent (__%) [Option 1: of the amount of each invoice submitted to Department under the Contract] [Option 2: of the total Contract amount, to be deducted from the [first][last] amounts payable,] prior to final payment. Final payment of any balance due Contractor will be made promptly upon verification of completion and acceptance of the Services by Department.

E. Travel. [OPTION 1: The fixed price includes any travel expenses, therefore Department will not separately reimburse Contractor for travel expenses incurred under this Contract.] [OPTION 2: For all reasonable and necessary travel expenses, Department will also reimburse Contractor [OPTION 2A – automatic increases: according to the rates set forth by the State Controller at <https://www.oregon.gov/das/Financial/Acctng/Documents/40.10.00.pdf> that are in effect on the date when the travel occurs, or the actual expenses, whichever are less.] [OPTION 2B – fixed rates throughout the term: according to the rates set forth by the State Controller at <https://www.oregon.gov/das/Financial/Acctng/Documents/40.10.00.pdf> that are in effect as of the effective date of this Contract (and will not automatically change as those state rates may change), or the actual expenses, whichever are less.]

EXHIBIT B – INSURANCE

During the term of this Contract, Contractor will maintain in force at its own expense, each insurance noted below:

(Department must check boxes for #2, #3, & #4 as to whether insurance is required or not.)

1. **Required by Department of contractors with one or more workers, as defined by ORS 656.027.**

All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, will comply with ORS 656.017 and will provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor will require and ensure that each of its subcontractors complies with these requirements.

2. **Required by Department** **Not required by Department**

Professional Liability insurance with a combined single limit, or the equivalent, of not less than \$200,000, \$500,000, \$1,000,000, or \$2,000,000 each claim, incident or occurrence This is to cover damages caused by error, omission or negligent acts related to the professional services to be provided under this Contract.

3. **Required by Department** **Not required by Department**

General Liability insurance with a combined single limit, or the equivalent, of not less than \$200,000, \$500,000, \$1,000,000, or \$2,000,000 each occurrence for Bodily Injury and Property Damage. It will include contractual liability coverage for the indemnity provided under this Contract. The policy will be endorsed to name State of Oregon, the Oregon Business Development Department, its officers and employees as Additional Insureds but only with respect to the Contractor's commercial services to be provided under this Contract.

4. **Required by Department** **Not required by Department**

Automobile Liability Contractor will obtain, at Contractor's expense, and keep in effect during the term of this Contract, Commercial Business Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits). Combined single limit per occurrence cannot be less than Oregon Financial Responsibility Law (ORS 806.060), \$200,000, \$500,000, or \$1,000,000, each accident for Bodily Injury and Property Damage, including coverage for owned, hired or non-owned vehicles, as applicable. The policy will be endorsed to name the State of Oregon, the Oregon Business Development Department, its officers and employees as Additional Insureds but only with respect to the Contractor's commercial services to be provided under this Contract.

5. **Notice of cancellation or change.** There will be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days prior written notice from the Contractor or its insurer(s) to Department.
6. **Certificates of insurance.** As evidence of the insurance coverages required by this Contract, the Contractor will furnish acceptable insurance certificates to Department prior to commencing the Services. The certificate will specify "**The State of Oregon, the Oregon Business Development Department, its officers and employees**" as Additional Insureds for Automobile and General Liability. It need not reference a specific Contract name or number. Insuring companies or entities are subject to Department acceptance. If requested, complete copies of insurance policies, trust agreements, etc. will be provided to Department. The Contractor is financially responsible for all pertinent deductibles, self-insured retentions and/or self-insurance.