



Purchase Order

Page: 1 of 2

Employment Development Dept
EMPLOYMENT DEVELOPMENT
DEPARTMENT

Open	Draft	Dispatch Via Print
Purchase Order 7100-0000007834	Date 10-01-2020	Revision
Payment Terms Net 45	Freight Terms FOB Destination-Freight PP	Ship Via Common Carrier
Buyer	Phone	Currency USD
LPA Contract ID: 5-17-70-11		

Supplier: 0000044624
WEST A THOMSON
REUTERS BUSI

Ship To: EMPLOYMENT
DEVELOPMENT
DEPARTMENT

Attention: Not Specified
Bill Code: 023336

Bill To: EMPLOYMENT
DEVELOPMENT
DEPARTMENT

Certification#:

Begin Date:

Expiration:

DVBE Begin Date:

Expiration:

Tax Exempt? Y

Tax Exempt ID: SERVICES

Line- Sch	Item/Description	Mfg ID	Quantity	UOM	PO Price	Extended Amt	Due Date
1 - 1	IT Service - Claims Batch Review Subscription Emergency COVID-19 Service - FY 20/21 Paid in Arrears		1.00	EA	663000.00	663000.00	11/03/2020
Schedule Total						663000.00	
Item Total						663000.00	
2 - 1	IT Service - 150 Passwords to CLEAR w/NPI, SEC, Real Property, Business Credit, LPR, RTIA, CDIC - FY 20/21 Paid in Arrears		9.00	MON	12000.00	108000.00	11/03/2020
Schedule Total						108000.00	
Item Total						108000.00	

DGS Purchasing Authority DGS-7760

Contract #: N59926-7100

Term: 10/01/2020-6/30/2021

The following exhibits are attached as part of this Agreement:

Exhibit A - Statement of Work

Exhibit B - Budget Detail and Payment Provisions

I HEREBY CERTIFY, on personal knowledge, that this order for purchasing the items specified above is issued in accordance with the procedure prescribed by law governing the purchase of such items for the State of California; and that all such legal requirements have been fully complied with

Unauthorized

Authorizing Signature

Purchase Order

Employment Development Dept
 EMPLOYMENT DEVELOPMENT
 DEPARTMENT

Open	Draft	Dispatch Via Print
Purchase Order 7100-0000007834	Date 10-01-2020	Revision
Payment Terms Net 45	Freight Terms FOB Destination-Freight PP	Ship Via Common Carrier
Buyer [REDACTED]	Phone [REDACTED]	Currency USD
LPA Contract ID: 5-17-70-11		

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Tax Exempt? Y

Tax Exempt ID: SERVICES

Line- Sch	Item/Description	Mfg ID	Quantity	UOM	PO Price	Extended Amt	Due Date
	Attachment B1 - Cost Table Exhibit C - Terms and Conditions* Exhibit D - Protection of Confidentiality Attachment D1 - Confidentiality Agreement Attachment D2 - Indemnity Agreement Attachment D3 - Statement of Responsibility Exhibit E - Safeguarding Contract Language Exhibit F - Safeguarding Contract Language for Technology Services Exhibit G - Special Terms and Conditions						

*This order is issued under a Department of General Services (DGS) Leveraged
 Procurement Agreement (LPA). Terms and conditions set forth in that Agreement
 (LPA number referenced above) are incorporated herein by reference as if set
 forth in full text.

Submit invoices to:
 Employment Development Department
 Information Technology Branch - TGD

or

E-mail:

Total PO Amount

771000.00

I HEREBY CERTIFY, on personal knowledge, that this order for
 purchasing the items specified above is issued in accordance with the
 procedure prescribed by law governing the purchase of such items for
 the State of California; and that all such legal requirements have been
 fully complied with

Unauthorized

Authorizing Signature

**EXHIBIT A
(STANDARD AGREEMENT)
STATEMENT OF WORK**

1. BACKGROUND AND PURPOSE

Due to COVID-19 related Pandemic, the Employment Development Department (EDD) has been overwhelmed with Unemployment Insurance (UI) / Pandemic Unemployment Assistance (PUA) claims that have created a backlog that current staffing cannot review and make a determination in a timely manner. Thomson-Reuters provides automated batch review services of claim information to determine the fraud risk level of the claim.

Thomson Reuters helps government agencies prevent, detect, and investigate fraud through identity verification, risk assessment, and locate tools. They have unique data sets where agencies can increase data hygiene and reduce loss of revenue through fraud, waste and abuse. This service and access to unique data is not available within civil service. Due to COVID-19 Pandemic EDD requires immediate access to tools and services to address backlog of UI/PUA claims.

The purpose of this Contract is to obtain CLEAR Batch Search Services.

Master Service Agreement #5-17-70-11 and its amendments are hereby incorporated by reference and made a part of this agreement.

2. PERIOD OF PERFORMANCE

Contractor agrees to begin work according to the state's emergency contracting process in accordance with Public Contract Code 1102 and the "COVID-19 State of Emergency" as defined in SOE 03/04/2020. Contractor agrees to perform work in accordance with terms and conditions outlined in MSA 5-17-70-11 including, but not limited to the state's applicable General Terms and Conditions. EDD agrees to accelerate the contract execution process for the benefit of both the Contractor and the state.

The term shall begin on October 1, 2020, or upon approval, and end on June 30, 2021 with an option to extend for additional time as needed.

3. AMOUNT OF CONTRACT

The maximum amount of this Contract is Seven hundred seventy-one thousand dollars and zero cents (\$771,000.00). Cost details are located on the Cost Table, Attachment B1. In no event shall the total amount exceed the amount on the Contract cover page.

4. DESCRIPTION OF SERVICES

Under this Contract, the Contractor shall provide Customized CLEAR Batch Records Search Services Volume Management Plan (VMP) including the following components:

1. CLEAR ID Confirm
2. Real-Time Incarceration & Arrest Records (RTIA)
3. Associate Analytics
4. CLEAR passwords

**EXHIBIT A
(STANDARD AGREEMENT)
STATEMENT OF WORK**

EDD reserves the right to increase the number of records on an as needed basis through a written contract amendment approved by the State.

5. INSURANCE REQUIREMENTS

Contractor agrees the insurance herein provided for shall be in effect at all times during the term of this Contract. In the event said insurance coverage expires at any time during the term of this Contract, Contractor agrees to provide at least 30 days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as outlined below for not less than the remainder of the term of this Contract, or for a period of not less than one year. New certificates of insurance are subject to the approval of the Department of General Services (DGS), and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event. The Contractor shall provide written notice to EDD within five (5) business days of any cancellation, non-renewal, or material change that affects required insurance coverage.

The Contractor shall display evidence of the following coverage on an ACORD certificate:

Commercial General Liability Insurance - Contractor shall furnish to EDD a certificate of insurance prior to commencement of work stating there is commercial general liability insurance in effect for the Contractor in an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage combined.

The certificate of insurance must include the following provision stating:

The State of California, its officers, agents, employees, and servants are included as additional insured, but only with respect to work performed for EDD under this Contract. *The additional insured endorsement must accompany the certificate.*

6. WORKERS' COMPENSATION INSURANCE

Workers' Compensation and Employers Liability Insurance - The Contractor shall furnish to EDD a certificate of insurance evidencing Workers' Compensation and Employers Liability Insurance presently in effect with limits not less than \$1,000,000 by an insurance carrier licensed to write Workers' Compensation insurance in California. Such certificate shall include the name of the carrier and the policy inception and expiration dates. If the Contractor is self-insured for Workers' Compensation, a certificate must be presented evidencing Contractor is a qualified self-insurer in the State of California.

**EXHIBIT A
(STANDARD AGREEMENT)
STATEMENT OF WORK**

7. CONFIDENTIALITY AND NON-DEBARMENT

In addition to the terms and conditions of the IT MSA contract, pertaining to confidentiality and non-debarment, the Contractor shall sign all confidentiality, non-debarment, privacy, security, conflict of interest, and other necessary Contracts as required by the EDD to successfully provide the services described in the Contract.

All financial, statistical, personal, technical, and other data and information provided to the Contractor by the EDD, pursuant to the terms of resulting Contract, are confidential information pursuant to Section 1094 of the California Unemployment Insurance Code. As such, the Contractor hereby agrees to maintain and protect the confidentiality of said information and shall disclose said information to its own employees or subcontractor(s) only on a "need-to-know" basis and only for the purposes of fulfilling the terms of this Contract. In no event shall said information be disclosed to any individual other than the Contractor's employees or subcontractor(s). The Contractor further agrees to retain the confidential information for three years after final payment under the Contract.

To preserve the integrity of the security and confidentiality measures implemented into EDD's automated information systems, each Contractor is required to provide a signed Employee Confidentiality Statement (Attachment D1) and Indemnity Agreement (Attachment D2) prior to starting work.

8. TERMINATION/CANCELLATION

In addition to any other provision of this Subscription Agreement, the EDD may terminate this Subscription Agreement or cancel a portion of the service(s) for any reason with thirty (30) days written notice.

9. POINTS OF CONTACT

EDD Program Manager:	Contractor: West Publishing Corporation dba West, A Thomson Reuters Business
Name: [REDACTED]	Name: [REDACTED]
Title: [REDACTED]	Title: [REDACTED]
Address [REDACTED]	Address: [REDACTED]
City, St, Zip: [REDACTED]	City, St, Zip: [REDACTED]
Phone: [REDACTED]	Phone: [REDACTED]
Email: [REDACTED]	Email: [REDACTED]

**EXHIBIT B
(STANDARD AGREEMENT)
BUDGET DETAIL AND PAYMENT PROVISION**

1. INVOICING AND PAYMENT

In consideration of services performed, EDD agrees to compensate the Contractor for services satisfactorily performed in accordance with the rates specified herein, which is attached hereto and made a part of this Contract. The maximum amount of this Contract is Seven hundred seventy-one thousand dollars and zero cents (\$771,000.00).

Invoices shall not be submitted more frequently than monthly. **Services under this Contract will be paid in arrears.** Invoices shall include the Contract Number **N59926-7100** and shall be submitted to:

Employment Development Department
Information Technology Branch, TGD



Each invoice must include the following:

- Dates of service
- Description of services provided on those dates.
- Charges for those services.
- MSA Contract Number 5-17-70-11.
- Contract # **N59926-7100**.
- Invoice total.

2. BUDGET CONTINGENCY

It is mutually understood between the parties that this Contract may have been written before ascertaining the availability of congressional and legislative appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Contract were executed after that determination was made.

This Contract is valid and enforceable only if (1) sufficient funds are made available by the State Budget Act of the appropriate State Fiscal Year(s) covered by this Agreement for the purposes of this program; and (2) sufficient funds are made available to the State by the United States Government or by the State of California for the Fiscal Year(s) covered by this Contract for the purposes of this program. In addition, this Contract is subject to any additional restrictions, limitations or conditions established by the United States Government and/or the State of California, or any statute enacted by the Congress and Legislature, which may affect the provisions, terms or funding of the Contract in any manner.

The parties mutually agree that if the Congress and/or Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

**EXHIBIT B
(STANDARD AGREEMENT)
BUDGET DETAIL AND PAYMENT PROVISION**

3. AVAILABILITY OF FUNDS

If the term of this Contract covers more than the current fiscal year, continuation of the Contract is subject to the appropriation of funds by the Legislature. If funds to continue payment are not appropriated, the Contractor agrees to terminate any service supplied to the EDD under this Contract, and relieve the EDD of any further obligation. The EDD has the option to invalidate the Contract under the 30-day cancellation clause or to amend the Contract to reflect any reduction of funds.

4. PROMPT PAYMENT CLAUSE

Payment will be made in arrears, in accordance with the provisions of the California Prompt Payment Act, Government Code section 927, et seq. Unless expressly exempted by statute, the Act requires state agencies to pay properly submitted, undisputed invoices not more than 45 days after (a) the date of acceptance of goods or performance of services; (b) receipt of an undisputed invoice – whichever is later.

**ATTACHMENT B-1
(STANDARD AGREEMENT)
COST TABLE**

The maximum amount of this Contract is seven hundred seventy-one thousand dollars and zero cents (\$771,000.00).

	Subscription Name	Quantity	Unit Cost	Extended Price
1	Option 4, Volume Management Plan includes the following: CLEAR ID Confirm 1,700,000 records, Real-Time Incarceration & Arrest Records (RTIA) 1,700,000 records, Associate Analytics 1,700,000 records	1	\$663,000.00	\$663,000.00
2	150 passwords to CLEAR w/NPI, SEC, Real Property, Business Credit, LPR, RTIA, CDIC	9	\$12,000 per mo.	\$108,000.00
TOTAL				\$771,000.00

EXHIBIT D
(STANDARD AGREEMENT)
PROTECTION OF CONFIDENTIALITY

Federal and state confidentiality laws, regulations, and administrative policies classify all the Employment Development Department (EDD) information provided under this Agreement as confidential. The federal and state laws prohibit disclosure of the EDD's confidential information to the public and mandate its protection against loss and against unauthorized access, use, disclosure, modification, or destruction.

Thomson Reuters, must therefore, agree to the following security and confidentiality requirements:

I. ADMINISTRATIVE SAFEGUARDS

- a. Adopt policies and procedures, as applicable, to ensure use of the EDD's confidential information solely for purposes specifically authorized under this Agreement that meet the requirements of Title 20, Code of Federal Regulations §603.10.
- b. Warrant 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. In the event of a breach or violation of this warranty, the EDD shall have the right to annul this Agreement without liability, in addition to other remedies provided by law.
- c. Warrant and certify that in the performance of this Agreement Thomson Reuters, will comply with all applicable statutes, rules and/or regulations, and Agreement information security requirements, including but not limited to the following:
 - **California Unemployment Insurance Code §1094** (Disclosure Prohibitions)
 - **Title 20, Code of Federal Regulations §603.9 and §603.10** (Federal Unemployment Compensation Safeguards and Security Requirements)
 - **California Civil Code §1798, et seq.** (Information Practices Act)
 - **California [Penal Code §502](#)** (Computer Fraud Act)
 - **Title 5, U.S. Code §552a** (Federal Privacy Act Disclosure Restrictions)
 - **Title 42, U.S. Code §503** (Social Security Act)
 - **Title 18, U.S. Code §1905** (Disclosure of Confidential Information)
- d. Except for state agencies, agree to indemnify the EDD against any loss, cost, damage or liability resulting from violations of these applicable statutes, rules and/or regulations, and Agreement information security requirements.
- e. Protect the EDD's information against unauthorized access, at all times, in all forms of media. Access and use the information obtained under this Agreement only to the extent necessary to assist in the valid administrative needs of the program receiving such information, and only for the purposes defined in this Agreement.
- f. Keep all the EDD's confidential information completely confidential. Make this information available to authorized personnel on a "need-to-know" basis and only for the purposes authorized under this Agreement. "Need-to-know" refers to those authorized personnel who need information to perform their official duties in connection with the use of the information authorized by this Agreement.

**EXHIBIT D
(STANDARD AGREEMENT)
PROTECTION OF CONFIDENTIALITY**

- g. Notify the EDD Help Desk at (916) 654-1010, immediately upon confirmed discovery, that there has been a breach in security which has or may have resulted in compromise to the EDD confidential information. For purposes of this section, immediately is defined within 24 hours of confirmed discovery of the breach of EDD confidential data. The notification shall be by phone and email. **It is not sufficient to simply leave a message.** The notification must include a detailed description of the incident (such as time, date, location, and circumstances) and identify responsible personnel (name, title and contact information). The verbal notification shall be followed with an email notification to [REDACTED]

II. MANAGEMENT SAFEGUARDS

- a. Acknowledge that the confidential information obtained by Thomson Reuters, under this Agreement remains the property of the EDD.
- b. Instruct all personnel assigned to work with the information provided under this Agreement regarding the following:
- Confidential nature of the EDD information.
 - Requirements of this Agreement.
 - Sanctions specified in federal and state unemployment compensation laws and any other relevant statutes against unauthorized disclosure of confidential information provided by the EDD.
- c. Require that all personnel assigned to work with the information provided by the EDD complete the EDD Confidentiality Agreement (Attachment D-1):
- d. Return the following completed documents to the EDD Contract Services Group:

The EDD Indemnity Agreement (Attachment D-2): Required to be completed by the Thomson Reuters, Chief Financial Officer or authorized Management Representative, unless Thomson Reuters, is a State Agency.

- The EDD Statement of Responsibility Information Security Certification (Attachment D-3): Required to be completed by the Information Security Officer or authorized Management Representative.
- e. Permit the EDD to make on-site inspections to ensure that the terms of this Agreement are being met. Make available to the EDD staff, on request and during on-site reviews, copies of the EDD Confidentiality Agreement (Attachment D-1) completed by personnel assigned to work with the EDD's confidential information, and hereby made a part of this Agreement.

**EXHIBIT D
(STANDARD AGREEMENT)
PROTECTION OF CONFIDENTIALITY**

- f. Maintain a system of records sufficient to allow an audit of compliance with the requirements under subsection (d) of this part. Once per 12 sequential calendar months, EDD may request Thomson Reuters in writing to complete an information security and physical security assessment questionnaire. Thomson Reuters agrees to respond to such questionnaire as soon as commercially reasonable. To the extent Thomson Reuters performs and makes available to Customers an independent third-party assessment or certification with respect to that service (e.g., SOC 2), upon EDD'S request, EDD may review an available summary of the results of such security assessment for the services containing EDD Materials.

III. USAGE, DUPLICATION, AND REDISCLOSURE SAFEGUARDS

- a. Use the EDD's confidential information only for purposes specifically authorized under this Agreement. The information is not admissible as evidence in any action or special proceeding except as provided under §1094(b) of the California Unemployment Insurance Code (CUIC). Section 1095(u) of the CUIC does not authorize the use of the EDD's confidential information by any private collection agency.
- b. Extraction or use of the EDD information for any purpose outside the purposes stated in this Agreement is strictly prohibited. The information obtained under this Agreement shall not be reproduced, published, sold, or released in original or any other form not specifically authorized under this Agreement.
- c. Disclosure of any of the EDD information to any person or entity not specifically authorized in this Agreement is strictly prohibited. Personnel assigned to work with the EDD's confidential information shall not reveal or divulge to any person or entity any of the confidential information provided under this Agreement except as authorized or required by law.

IV. PHYSICAL SAFEGUARDS

- a. Take precautions to ensure that only authorized personnel are given access to physical, electronic and on-line files. Store electronic and hard copy information in a place physically secure from access by unauthorized persons. Process and store information in electronic format, such as magnetic tapes or discs, in such a way that unauthorized persons cannot retrieve the information by means of computer, remote terminal, or other means.
- b. Secure and maintain the CLEAR system that will be used in the performance of this Agreement. This includes ensuring that all security patches, upgrades, and anti-virus updates are applied as appropriate to secure EDD data that may be used, transmitted, or stored on the CLEAR system in the performance of this Agreement.
- c. Store all the EDD's confidential documents in a physically secure manner at all times to prevent unauthorized access.

**EXHIBIT D
(STANDARD AGREEMENT)
PROTECTION OF CONFIDENTIALITY**

- d. Store the EDD's confidential electronic records in a secure central computer facility. Where in-use on a shared computer system or any shared data storage system, ensure appropriate information security protections are in place. Thomson Reuters, shall ensure that appropriate security access controls, storage protections and use restrictions are in place to keep the confidential information in the strictest confidence and shall make the information available to its own personnel on a "need-to-know" basis only.
- e. Store the EDD's confidential data in encrypted format when recorded on removable electronic storage media, or on mobile computing devices, such as a laptop computer.
- f. Maintain an audit trail and record data access of authorized users and authorization level of access granted to the EDD's data, based on job function.
- g. Direct all personnel permitted to use the EDD's data to avoid leaving the data displayed on their computer screens where unauthorized users may view it. Personnel should retrieve computer printouts as soon as they are generated so that the EDD's data is not left unattended in printers where unauthorized personnel may access them.
- h. Dispose of confidential information obtained from the EDD, and any copies thereof made by Thomson Reuters, after the purpose for which the confidential information is disclosed is served. Disposal means return of the confidential information to the EDD or destruction of the information utilizing an approved method of confidential destruction, which includes electronic deletion (following Department of Defense specifications) shredding, burning, or certified or witnessed destruction.

EMPLOYMENT DEVELOPMENT DEPARTMENT CONFIDENTIALITY AGREEMENT

Information resources maintained by the State of California Employment Development Department (EDD) and provided to your agency may be confidential or sensitive. Confidential and sensitive information are not open to the public and require special precautions to protect it from wrongful access, use, disclosure, modification, and destruction. The EDD strictly enforces information security. If you violate these provisions, you may be subject to administrative, civil, and/or criminal action.

an employee of

West, A Thomson Reuters Business

PRINT YOUR NAME

PRINT YOUR EMPLOYER'S NAME

hereby acknowledge that the confidential and/or sensitive records of the Employment Development Department are subject to strict confidentiality requirements imposed by state and federal law include the California Unemployment Insurance Code (UIC) §§1094 and 2111, the California Civil Code (CC) §1798 et seq., the California Penal Code (PC) §502, Title 5, USC §552a, Code of Federal Regulations, Title 20 part 603, and Title 18 USC §1905.

INITIAL acknowledge that my supervisor and/or the Contract's Confidentiality and Data Security Monitor reviewed with me the confidentiality and security requirements, policies, and administrative processes of my organization and of the EDD.

INITIAL acknowledge responsibility for knowing the classification of the EDD information I work with and agree to refer questions about the classification of the EDD information (public, sensitive, confidential) to the person the Contract assigns responsibility for the security and confidentiality of the EDD's data.

INITIAL acknowledge responsibility for knowing the privacy, confidentiality, and data security laws that apply to the EDD information I have been granted access to by my employer, including UIC §§1094 and 2111, California Government Code § 15619, CC § 1798.53, and PC § 502.

INITIAL acknowledge that wrongful access, use, modification, or disclosure of confidential information may be punishable as a crime and/or result in disciplinary and/or civil action taken against me—including but not limited to: reprimand, suspension without pay, salary reduction, demotion, or dismissal—and/or fines and penalties resulting from criminal prosecution or civil lawsuits, and/or termination of contract.

INITIAL acknowledge that wrongful access, inspection, use, or disclosure of confidential information for personal gain, curiosity, or any non-business related reason is a crime under state and federal laws.

INITIAL acknowledge that wrongful access, use, modification, or disclosure of confidential information is grounds for immediate termination of my organization's Contract with the EDD.

agree to protect the following types of the EDD confidential and sensitive information:

- INITIAL
- | | |
|-------------------------|---|
| • Wage Information | • Applicant Information |
| • Employer Information | • Proprietary Information |
| • Claimant Information | • Operational Information (manuals, guidelines, procedures) |
| • Tax Payer Information | |

hereby agree to protect the EDD's information on either paper or electronic form by:

- INITIAL
- Accessing or using the EDD supplied information only as specified in the Contract for the performance of the specific work I am assigned.
 - Never accessing information for curiosity or personal reasons.
 - Never showing or discussing sensitive or confidential information to or with anyone who does not have the need to know.
 - Placing sensitive or confidential information only in approved locations.
 - Never removing sensitive or confidential information from the work site without authorization.
 - Following encryption requirements for all personal, sensitive, or confidential information in any portable device or media.

"I certify that I have read and initialed the confidentiality statements printed above and will abide by them."

Print Full Name (last, first, MI)

Signature

Print Name of Requesting Agency

Date Signed

Check the appropriate box:

- | | |
|--|------------------------------------|
| <input type="checkbox"/> Employee | <input type="checkbox"/> Student |
| <input type="checkbox"/> Subcontractor | <input type="checkbox"/> Volunteer |
| <input type="checkbox"/> Other | |

Explain

EMPLOYMENT DEVELOPMENT DEPARTMENT INDEMNITY AGREEMENT

In consideration of access to the EDD information which is personal, sensitive, or confidential,

West, A Thomson Reuters Business

(Enter Requesting Agency/Entity Name)

agrees to indemnify the EDD against any and all liability costs, damages, attorney fees, and other expenses the EDD may incur by reason of or as a result of any unauthorized use of the personal, sensitive, or confidential information or any violation of the "Confidentiality Agreement" by any and all employees of:

West, A Thomson Reuters Business

(Enter Requesting Agency/Entity Name)

This obligation shall be continuous and may not be changed or modified unless agreed to in writing.

In addition, I understand that the following penalties may be incurred for any such misuse of the EDD Information:

1. Any individual who has access to returns, reports, or documents maintained by the EDD who fails to protect the confidential information from being published or open to the public may be punished by imprisonment in the county jail for up to one year or a fine of \$20,000.00 or both. (California Unemployment Insurance Code §§ 2111 and 2122).
2. Any person who intentionally discloses information, not otherwise public, which they knew or should have known was obtained from personal information maintained by a state agency, shall be subject to civil action for invasion of privacy by the individual to whom the information pertains. (California Civil Code §1798.53).
3. Any unauthorized access to the EDD computer data, computer systems, or unauthorized use of the EDD data is punishable by a fine or imprisonment in the county jail or both. (California Penal Code §502).

I certify that I have read, understand, and agree with the above terms.

SIGNED BY REQUESTING ENTITY REPRESENTATIVE

Print Full Name

Signature

As

Print Title

Date Signed

West, A Thomson Reuters Business

Print Name of Requesting Entity

Enter Name Governmental Sponsor/Entity

EMPLOYMENT DEVELOPMENT DEPARTMENT STATEMENT OF RESPONSIBILITY

INFORMATION SECURITY CERTIFICATION

We, the Information Security Officer and <Enter title of authorized official: Agency Chief Information Officer, Confidentiality Officer, Disclosure Officer, or other individual with delegated signature authority> hereby certify that <TYPE: Name or the requesting entity/agency> has in place the safeguards and security requirements stated in this Agreement. We therefore accept responsibility for ensuring compliance with these requirements, as set forth in Exhibit "D" of the EDD Contract No. N59926-7100

INFORMATION SECURITY OFFICER SIGNATURE

PROGRAM DIRECTOR OR CHIEF INFORMATION OFFICER SIGNATURE

PRINT NAME OF INFORMATION SECURITY OFFICER

PRINT NAME

Information Security Officer

PRINT TITLE

PRINT TITLE

TELEPHONE NUMBER

TELEPHONE NUMBER

E-MAIL ADDRESS

E-MAIL ADDRESS

DATE SIGNED

DATE SIGNED

NOTE: Return this Information Security Certification to the EDD Contract Manager with the signed copies of the Contract.

FOR THE EDD USE ONLY

1. Information Security Certification received by:

EDD CONTRACT MANAGER NAME

DATE RECEIVED

2. The EDD information asset access approved by:

CONTRACT MANAGER OR DISCLOSURE COORDINATOR

DATE APPROVED (AFF, EMAIL, ETC.)

NOTE: The EDD must have a signed "Information Security Certification" in its possession prior to disclosure of any personal, confidential, or sensitive information to West, A Thomson Reuters Business.

EXHIBIT E
(STANDARD AGREEMENT)
SAFEGUARDING CONTRACT LANGUAGE

The following administrative requirements must be completed before services are performed in accordance with the Contract. The Contractor is responsible for any costs or expenses related to time for completing these items. The Employment Development Department (EDD) may terminate the Contract and be relieved of any payments should the Contractor fail to perform the requirements of the Background Investigation at the time and in the manner described below:

a. Background Investigation

Pursuant to Government Code section 1044, the EDD shall conduct a background investigation of the Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors who will have access to Federal Tax Information (FTI) as part of their duties under this Agreement; and reserves the right to disapprove any individual from performing services under the scope of this Agreement. The Background Investigation will include fingerprinting and an inquiry to the California Department of Justice (DOJ) and the Federal Bureau of Investigations (FBI) to disclose Criminal Offender Record Information (CORI). Investigations are conducted to ascertain whether a Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors have any state or federal convictions, or are currently released from custody on bail or on their own recognizance pending trial.

Each Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors who are to perform services under this Agreement must voluntarily consent to a Background Investigation. Fingerprint rolling fees and Background Investigation costs will be borne by the EDD if the preferred fingerprint rolling vendor is utilized. If the Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors choose to go to a non-preferred Live Scan fingerprint vendor, the costs will be borne by the Contractor, payable at the time of fingerprinting and will not be reimbursed by the EDD. Previous clearances and/or investigations conducted by other agencies will not be accepted as an alternative to the EDD's Background Investigation.

Once this Contract is awarded, it is the responsibility of the Contractor to provide a list of names of individuals who will be working on site at an EDD location or working remotely with access to EDD information (data) and/or information assets (servers, workstations, routers, switches, printers, etc.) to the Contract Monitor. The Contractor will be provided BCIA 8016 forms for its employees, contractors, agents, volunteers, vendors, or subcontractors to utilize for their fingerprint rolling at an EDD preferred fingerprint rolling vendor. The EDD will receive the CORI reports from DOJ and evaluate the information provided against the EDD's established criteria. The Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors must successfully pass a background investigation pursuant to the EDD's criteria prior to the EDD issuing a badge or access to the EDD's data.

EXHIBIT E
(STANDARD AGREEMENT)
SAFEGUARDING CONTRACT LANGUAGE

Within 5 business days, the Contractor shall notify the EDD Contract Monitor when its employee, contractor, agent, volunteer, vendor, or subcontractor, working under this Agreement is terminated, not hired, or reassigned to other work. Within 5 business days, the Contractor shall notify the EDD Contract Monitor when its new employee, contractor, agent, volunteer, vendor, or subcontractor is assigned to work under this Agreement in order for the EDD to commence conducting a background investigation of its new employee, contractor, agent, volunteer, vendor, or subcontractor.

b. Annual Information Security Awareness and Privacy Training

California state policy requires that the EDD must provide for the proper use and protection of its information assets and arrange for basic security and privacy awareness training (SAM sections 5305.1, 5320.1, 5320.2, 5320.3, SIMM 5330-B) for new users and annually thereafter. Therefore, the Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors who access state resources must complete the designated EDD online annual Information Security Awareness and Privacy Training prior to accessing EDD information assets and/or beginning work on a contract. The EDD University will set up a training account. While the training course is provided by the EDD, any expenses, including Contractor time, related to new and/or annual Information Security Awareness and Privacy Training will be the responsibility of the Contractor.

**EXHIBIT F
(STANDARD AGREEMENT)
SAFEGUARDING CONTRACT LANGUAGE FOR TECHNOLOGY SERVICES**

I. PERFORMANCE

In performance of this Contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the Contractor or the Contractor's employees.
- (2) The Contractor and the Contractor's employees, Contractors, agents, volunteers, vendors, or subcontractors must meet the background check requirements provided in Exhibit F of this Contract.
- (3) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Disclosure to anyone other than an officer or employee of the Contractor will be prohibited.
- (4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (5) The Contractor certifies that the data processed during the performance of this Contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any Internal Revenue Service (IRS) data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (7) All computer systems receiving, processing, storing or transmitting federal tax information (FTI) must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to FTI.
- (8) No work involving FTI furnished under this Contract will be subcontracted without prior written approval of the IRS.

EXHIBIT F
(STANDARD AGREEMENT)
SAFEGUARDING CONTRACT LANGUAGE FOR TECHNOLOGY SERVICES

- (9) The Contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office. (See Section 10.0, Reporting Improper Inspections or Disclosures of the [IRS Publication 1075](#).) The agency will have the right to void the Contract if the Contractor fails to provide the safeguards described above.

II. CRIMINAL/CIVIL SANCTIONS

- (1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth in 26 C.F.R. § 301.6103(n)-1.
- (2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the Contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC 7213A and 7431 and set forth in 26 C.F.R. § 301.6103(n)-1.

EXHIBIT F
(STANDARD AGREEMENT)
SAFEGUARDING CONTRACT LANGUAGE FOR TECHNOLOGY SERVICES

- (3) Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. § 552(a). Specifically, 5 U.S.C. § 552(a)(i)(1), which is made applicable to Contractors by 5 U.S.C. § 552(a)(m)(1), provides that any officer or employee of a Contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- (4) Granting a Contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, Contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A. (See Exhibit 4, Sanctions for Unauthorized Disclosure, and Exhibit 5, Civil Damages for Unauthorized Disclosure of the [IRS Publication 1075](#)). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10.0, Reporting Improper Inspections or Disclosures of the [IRS Publication 1075](#).) For both the initial certification and the annual certification, the Contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION

The IRS and the agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the Contractor to inspect facilities and operations performing any work with FTI under this Contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the Contractor is found to be noncompliant with Contract safeguards.

* Language used throughout Exhibit F is derived from [IRS Publication 1075](#)

**EXHIBIT G
(STANDARD AGREEMENT)
SPECIAL TERMS AND CONDITIONS**

1. CONTRACT APPROVAL

The Contract is not effective until it has been approved by the State. The Contractor may not commence performance under this Contract until it has been approved by the State.

Should the Contractor begin work prior to receiving a copy of the approved Contract, any work performed prior to execution of the contract shall be considered as having been done at the Contractor's own risk and as a volunteer.

2. LOBBYING RESTRICTIONS

The Contractor must certify lobbying activities and disclose lobbying activities by completing the Certification Regarding Lobbying and Disclosure of Lobbying Activities and submit it with the Offer. The forms shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. Section 1352.

3. CERTIFICATION REGARDING DEBARMENT

Debarment, suspension, ineligibility and voluntary exclusion of lower tier covered transaction certification is required for this procurement by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (Pages 19160-19211).

4. WORKFORCE INNOVATION AND OPPORTUNITY ACT

Contractor agrees to conform to the nondiscrimination provisions of the Workforce Innovation and Opportunity Act (WIOA) and other federal nondiscrimination requirements as referenced in 29 CFR, Part 37 and 38.

5. PUBLIC CONTRACT CODE

The Contractor is advised that he/she has certain duties, obligations, and rights under the Public Contract Code §§ 10335 – 10381 and 10410 - 10412, with which the Contractor should be familiar. These Public Contract Code sections can be viewed at:

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PCC§ionNum=10335

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PCC§ionNum=10381

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PCC§ionNum=10410

**EXHIBIT G
(STANDARD AGREEMENT)
SPECIAL TERMS AND CONDITIONS**

6. NOTICES

All notices relating to this Contract shall be in writing and shall be sent to the respective Contract Managers set forth in this Contract. All such notices shall be deemed delivered if deposited, postage prepaid, in the United States mail and sent to the parties' last known address.

7. AVOIDANCE OF CONFLICTS OF INTEREST BY CONTRACTOR

- A. Consultants are advised that that Political Reform Act prohibits public officials, which include consultants, from making, participating in making, or in any way attempting to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest. (Government Code § 87100; see Government Code § 81000 and Government Code § 1090 et seq.). For purposes of this contract, consultants are defined as any individual performing work under this contract.
- B. The Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, agents, employees, consultants or members of its governing body.
- C. The Contractor shall prevent its officers, agents, employees, consultants or members of its governing body from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others such as those with whom they have family, business, or other ties.
- D. During the performance of this contract, should the Contractor become aware of a financial conflict of interest that may foreseeably allow an individual or organization involved in this Contract to materially benefit from the State's adoption of an action(s) recommended as a result of this contract, the Contractor must inform the State in writing within 10 working days.
- E. Failure to disclose a relevant financial interest on the part of the consultant will be deemed grounds for termination of the Contract with all associated costs to be borne by the Contractor and, in addition, the Contractor may be excluded from participating in the State's bid processes for a period of up to 360 calendar days in accordance with the Public Contract Code section 12102(j).
- F. The EDD may request additional information regarding a consultant's economic interests. If the additional information is not provided to the satisfaction of the EDD, then the Contractor must provide a substitute consultant with similar credentials to resolve the potential conflict as provided in paragraph D.
- G. Consultants are advised that the Fair Political Practices Commission has jurisdiction to enforce the Political Reform Act and may seek civil and criminal prosecution for violations of the act, including failure to disclose financial interests. Other penalties for violating the Political Reform Act could include fines, conviction of a misdemeanor, disqualification from serving in public office or as a lobbyist, and being responsible for the costs of the litigation, including attorney's fees.

**EXHIBIT G
(STANDARD AGREEMENT)
SPECIAL TERMS AND CONDITIONS**

H. All consultants providing work under this Contract shall include a completed Statement of Economic Interests, Form 700 <http://www.fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/Form%20700/2019-2020/Form%20700%202019.2020%20IA.pdf> at the time of award. In addition, consultants shall file a Form 700 annually by April 1, thereafter during the life of the contract. Each new and/or substitute consultant shall file a Form 700 prior to performing any work on the contract.

I. Consultants are advised that they may amend their Form 700 at any time and that amending an incorrect or incomplete report may be considered evidence of good faith by the Fair Political Practices Commission.

8. DISPUTES

Any dispute concerning a question of fact arising under the term of this Contract which is not disposed of within a reasonable period of time (ten days) by the Contractor and State employees normally responsible for the administration of this contract shall be brought to the attention of the Chief Executive Officer (or designated representative) of each organization for joint resolution.

9. SUBCONTRACTOR LANGUAGE

Nothing contained in this Contract shall create any contractual relationship between the State and any subcontractor, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor is fully responsible to the State for the act and omissions of its subcontractor and of persons either directly or indirectly employed by any of them.

The Contractor's obligation to pay its subcontractors is independent from the State's obligation to make payment 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.

10. BACKGROUND INVESTIGATION

The EDD shall conduct a background investigation of the Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors, unless the EDD determines such individuals are not subject to a background investigation. Individuals must voluntarily consent to a background check and the EDD reserves the right to disapprove any individual from performing services under the scope of the Contract.

Investigations will be conducted to ascertain whether a Contractor, its employees, contractors, agents, volunteers, vendors, or subcontractors have any state or federal convictions, or are currently released from custody on bail or on their own recognizance pending trial. The background investigation will include fingerprinting and an inquiry to the California Department of Justice (DOJ) and the Federal Bureau of Investigations (FBI) to disclose Criminal Offender Record Information (CORI). The EDD will absorb the cost of the fingerprinting services.

**EXHIBIT G
(STANDARD AGREEMENT)
SPECIAL TERMS AND CONDITIONS**

11. EVALUATION OF CONTRACT/CONTRACTOR

For IT Services over \$500,000, within sixty (60) days after the completion of the Contract, the Program Manager shall complete a written evaluation of Contractor's performance under the Contract. A copy of the STD 971 must be emailed to the State Department of Technology at form971@state.ca.gov and shall remain in the contract file for 36 months. If the Contractor did not satisfactorily perform the work, a copy of the evaluation form will be sent to the Contractor within fifteen (15) working days of the completion of the evaluation. (PCC 12102.3). You may view the form here: <https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std971.pdf>

12. CONTRACTOR STAFF CHANGES

The Contractor reserves the sole right to determine the assignment of its employees. The Contractor agrees to notify EDD in writing of all changes in personnel assigned to this Contract as soon as is practicable.

The Contractor agrees that if EDD determines that Contractor personnel are failing to adequately perform services, the Contractor shall provide substitute personnel that meet or exceed all minimum qualifications as stated in this Contract.

The Contractor agrees that if Contractor personnel assigned to the project are unable to perform their duties due to illness, resignation, or other factors beyond the Contractor's control, the Contractor shall provide substitute personnel that meet or exceed all minimum qualifications as stated in this Contract.

13. OWNERSHIP RIGHTS

All data, documents, software and other artifacts produced under the contract become the sole property of EDD with an exception for preexisting materials to remain owned by the Contractor.

14. TERMINATION

This Agreement may be terminated by EDD by giving written notice to the Contractor 30 days prior to the effective date of such termination.