



**FULLY EXECUTED - CHANGE 2**

Contract Number: 4400022786

Original Contract Effective Date: 04/10/2020

Valid From: 07/01/2020 To: 06/30/2025

All using Agencies of the Commonwealth, Participating Political Subdivision, Authorities, Private Colleges and Universities

**Purchasing Agent**

Name: Kelley-Snyder Tamm

Phone: 717-783-8676

Fax: 717-214-9505

Your SAP Vendor Number with us: 528247

**Supplier Name/Address:**

PFM FINANCIAL ADVISORS LLC

1735 MARKET ST FL 43

PHILADELPHIA PA 19103-7502 US

**Please Deliver To:**

To be determined at the time of the Purchase Order unless specified below.

Supplier Phone Number: 215-567-6100

Supplier Fax Number: 215-557-1453

**Contract Name:**

Financial Advisory Services

**Payment Terms**

NET 30

Solicitation No.:

Issuance Date:

Supplier Bid or Proposal No. (if applicable):

Solicitation Submission Date:

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

| Item | Material/Service Desc      | Qty   | UOM  | Price  | Per Unit | Total |
|------|----------------------------|-------|------|--------|----------|-------|
| 1    | Managing Director          | 0.000 | Hour | 325.00 | 1        | 0.00  |
| 2    | Director                   | 0.000 | Hour | 295.00 | 1        | 0.00  |
| 3    | Senior Managing Consultant | 0.000 | Hour | 270.00 | 1        | 0.00  |
| 4    | Senior Analyst             | 0.000 | Hour | 260.00 | 1        | 0.00  |
| 5    | Analyst                    | 0.000 | Hour | 245.00 | 1        | 0.00  |
| 6    | Managing Associate         | 0.000 | Hour | 180.00 | 1        | 0.00  |

**Information:**

Supplier's Signature \_\_\_\_\_

Title \_\_\_\_\_

Printed Name \_\_\_\_\_

Date \_\_\_\_\_



**FULLY EXECUTED - CHANGE 2**  
Contract Number: 4400022786  
Original Contract Effective Date: 04/10/2020  
Valid From: 07/01/2020 To: 06/30/2025

**Supplier Name:**  
PFM FINANCIAL ADVISORS LLC

| Item  | Material/Service Desc | Qty   | UOM  | Price  | Per Unit | Total |
|-------|-----------------------|-------|------|--------|----------|-------|
| 7     | Associate             | 0.000 | Hour | 140.00 | 1        | 0.00  |
| <hr/> |                       |       |      |        |          |       |
| 8     | Research Associate    | 0.000 | Hour | 75.00  | 1        | 0.00  |
| <hr/> |                       |       |      |        |          |       |

**General Requirements for all Items:**

**Header Text**

Agencies using this contract must get approval from the Office of the Budget and enter into a Statement of Work with PFM and Office of the Budget before a purchase order can be issued.

No further information for this Contract

**Information:**



**FULLY EXECUTED - CHANGE 1**

Contract Number: 4400022786

Original Contract Effective Date: 04/10/2020

Valid From: 07/01/2020 To: 06/30/2025

All using Agencies of the Commonwealth, Participating Political Subdivision, Authorities, Private Colleges and Universities

**Purchasing Agent**

Name: Danner Shawn

Phone: 717-787-8085

Fax:

Your SAP Vendor Number with us: 528247

**Supplier Name/Address:**

PFM FINANCIAL ADVISORS LLC

1735 MARKET ST FL 43

PHILADELPHIA PA 19103-7502 US

**Please Deliver To:**

To be determined at the time of the Purchase Order unless specified below.

Supplier Phone Number: 215-567-6100

Supplier Fax Number: 215-557-1453

**Contract Name:**

Financial Advisory Services

**Payment Terms**

NET 30

Solicitation No.:

Issuance Date:

Supplier Bid or Proposal No. (if applicable):

Solicitation Submission Date:

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

| Item | Material/Service Desc | Qty | UOM | Price | Per Unit | Total |
|------|-----------------------|-----|-----|-------|----------|-------|
|------|-----------------------|-----|-----|-------|----------|-------|

**General Requirements for all Items:**

**Header Text**

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No further information for this Contract

**Information:**

Supplier's Signature \_\_\_\_\_

Title \_\_\_\_\_

Printed Name \_\_\_\_\_

Date \_\_\_\_\_



**FULLY EXECUTED**  
Contract Number: 4400022786  
Original Contract Effective Date: 04/10/2020  
Valid From: 07/01/2020 To: 06/30/2023

All using Agencies of the Commonwealth, Participating Political  
Subdivision, Authorities, Private Colleges and Universities

Your SAP Vendor Number with us: 528247

**Purchasing Agent**

Name: Walters Corinna  
Phone: 717-346-7097  
Fax: 717-346-3820

**Supplier Name/Address:**  
PFM FINANCIAL ADVISORS LLC  
1735 MARKET ST FL 43  
PHILADELPHIA PA 19103-7502 US

**Please Deliver To:**

To be determined at  
the time of the Purchase Order  
unless specified below.

Supplier Phone Number: 215-567-6100  
Supplier Fax Number: 215-557-1453

**Contract Name:**  
Financial Advisory Services

**Payment Terms**  
NET 30

Solicitation No.: \_\_\_\_\_ Issuance Date: \_\_\_\_\_  
Supplier Bid or Proposal No. (if applicable): \_\_\_\_\_ Solicitation Submission Date: \_\_\_\_\_

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

| Item | Material/Service Desc      | Qty   | UOM  | Price  | Per Unit | Total |
|------|----------------------------|-------|------|--------|----------|-------|
| 1    | Managing Director          | 0.000 | Hour | 325.00 | 1        | 0.00  |
| 2    | Director                   | 0.000 | Hour | 295.00 | 1        | 0.00  |
| 3    | Senior Managing Consultant | 0.000 | Hour | 270.00 | 1        | 0.00  |
| 4    | Senior Analyst             | 0.000 | Hour | 260.00 | 1        | 0.00  |
| 5    | Analyst                    | 0.000 | Hour | 245.00 | 1        | 0.00  |
| 6    | Managing Associate         | 0.000 | Hour | 180.00 | 1        | 0.00  |

**Information:**

Supplier's Signature \_\_\_\_\_  
Printed Name \_\_\_\_\_

Title \_\_\_\_\_  
Date \_\_\_\_\_



**FULLY EXECUTED**  
Contract Number: 4400022786  
Original Contract Effective Date: 04/10/2020  
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**Supplier Name:**  
PFM FINANCIAL ADVISORS LLC

| Item  | Material/Service Desc | Qty   | UOM  | Price  | Per Unit | Total |
|-------|-----------------------|-------|------|--------|----------|-------|
| 7     | Associate             | 0.000 | Hour | 140.00 | 1        | 0.00  |
| <hr/> |                       |       |      |        |          |       |
| 8     | Research Associate    | 0.000 | Hour | 75.00  | 1        | 0.00  |
| <hr/> |                       |       |      |        |          |       |

**General Requirements for all Items:**

**Header Text**

Agencies using this contract must get approval from the Office of the Budget and enter into a Statement of Work with PFM and Office of the Budget before a purchase order can be issued.

No further information for this Contract

**Information:**

# CONTRACT FOR ADVISORY SERVICES

This Contract for Advisory Services (hereinafter “Contract”) is entered into as of July 1<sup>st</sup>, 2020 or the Effective Date as defined below, whichever is later by and between **PFM Financial Advisors LLC** (hereinafter “CONSULTANT”) and the Commonwealth of Pennsylvania, acting by and through the Office of the Budget (hereinafter “OB” or “Commonwealth”).

*WHEREAS*, OB has a need for professional and specialized services to assist OB in matters described in Appendix A; and

*WHEREAS*, CONSULTANT has extensive knowledge of such professional and specialized services described in Appendix A; and,

*WHEREAS*, OB desires to contract with CONSULTANT to procure CONSULTANT’s knowledge and experience for financial, management, policy and debt consulting and advising services.

*NOW, THEREFORE*, OB and CONSULTANT, with the intention of being legally bound, hereby agree as follows:

- 1. Services and Statements of Work.** CONSULTANT shall generally make itself available to perform the type of services described in Appendix A of this Agreement and is incorporated by reference. No services shall be performed until a Statement of Work is prepared for such services, executed by OB and other Commonwealth agency, if applicable, and CONSULTANT, and attached to this Agreement. OB or other Commonwealth agency may request CONSULTANT to perform specific services within the scope of the type of services described in Appendix A. Upon receipt of such request, CONSULTANT shall, within a reasonable time period, notify OB and the other Commonwealth agency, if applicable, as to whether CONSULTANT is able to perform such services. If CONSULTANT is able to perform such services, CONSULTANT shall promptly provide OB and the other Commonwealth agency, if applicable, with a proposal containing, at a minimum, (1) the time frame for delivery or performance of such services, (2) a description of the scope of such services, (3) the estimated total cost of the

services, (4) the fees to be charged OB or other Commonwealth agency for such services, as specified in Appendix B, (5) an estimate of OB or other Commonwealth agency resources to be made available to CONSULTANT that are necessary for CONSULTANT to develop, implement and provide such services, and (6) a listing of CONSULTANT's Key Personnel to be used to perform such services. In the event OB elects to have CONSULTANT perform such services as contained in its proposal, OB, the other Commonwealth agency, if applicable, and CONSULTANT shall execute a Statement of Work including the necessary elements of the proposal for such services. CONSULTANT shall not begin performing any such services until a Statement of Work has been executed by OB and other Commonwealth agency, if applicable, and CONSULTANT and a Purchase Order or Notice to Proceed has been issued for such work. A template of the Statement of Work shall be provided to the CONSULTANT.

Upon request of the Commonwealth, CONSULTANT or an affiliate of CONSULTANT may agree to additional services to be provided by CONSULTANT or an affiliate of CONSULTANT, by a separate writing, including separate scope and compensation, between the Commonwealth and CONSULTANT or its respective affiliate. For the sake of clarity, any separate agreement between the Commonwealth and an affiliate of CONSULTANT shall not in any way be deemed an amendment or modification of this Agreement.

2. No Statement of Work shall be effective until a Purchase Order or Notice to Proceed is issued in connection therewith by the Commonwealth. **No Purchase Order or Notice to Proceed shall be issued by the Commonwealth unless it is accompanied by a Statement of Work signed by OB.** Upon receipt of a signed Statement of Work, OB or the agency responsible for payment shall issue a Purchase Order or Notice to Proceed for the services described in the Statement of Work. The applicable Statement of Work and this Contract shall be attached to the Purchase Order or Notice to Proceed.
3. **Compensation.** CONSULTANT shall be compensated by OB or the Commonwealth agency requesting services for the services contracted for in accordance with the provisions established in Appendix B of this Contract and also in Exhibit C which is attached hereto and incorporated by reference to this Contract and, if applicable, as set forth on the particular Statement of Work.

- 4. Term of Contract.** The term of this Contract shall commence on July 1<sup>st</sup>, 2020 or the Effective Date (as defined below), whichever is later and shall end on June 30, 2023, unless it is extended or terminated earlier pursuant to the terms of this Contract.
- a. The term of this Contract may be extended by and at the sole option of OB for two (2) additional periods of one (1) year each, provided there has been no prior termination under the terms of this Contract. Notice of election by OB to exercise each extension hereunder shall be given to CONSULTANT in writing at least ninety (90) days prior to the expiration of the then current term, provided, however, that OB's right to exercise any such extension hereunder shall not expire unless and until CONSULTANT has given OB written notice of OB's failure to timely exercise its extension option and provided OB fifteen (15) days opportunity from OB's receipt of the notice to cure the failure. No further instrument shall be required to extend the term of this Contract. CONSULTANT agrees that the extension of this Contract shall be on the same terms and conditions as the original Contract except as otherwise agreed to in writing by the parties, provided, however that the notice of extension may add additional funds to the maximum amount of the contract without the need for further documentation.
  - b. The fully executed Contract and/or Purchase Order(s) may not contain "ink" signatures by the Commonwealth. The CONSULTANT understands and agrees that the receipt of an electronically-printed Contract or Purchase Order with the printed name of the Commonwealth purchasing agent constitutes a valid, binding contract with the Commonwealth. The printed name of the purchasing agent on the Contract or Purchase Order represents the signature of that individual who is authorized to bind the Commonwealth to the obligations contained in the Contract. The printed name also represents that all approvals required by Commonwealth contracting procedures have been obtained.
  - c. The CONSULTANT shall not start performance until all of the following have occurred: (i) the Effective Date has arrived; (ii) the CONSULTANT has received a copy of the fully-executed Contract; and (iii) the Contractor has received a Purchase Order or Notice to Proceed. The Commonwealth shall not be liable to pay the CONSULTANT for any supply furnished or work performed or



expenses incurred before the Effective Date or before the CONSULTANT receives a copy of the fully-executed Contract or before the CONSULTANT has received a Purchase Order or Notice to Proceed. Except as otherwise provided in this Paragraph 4, no Commonwealth employee has the authority to verbally direct the commencement of any work or delivery of any supply under this Contract prior to the Effective Date.

- d. The **Effective Date** shall be: a) the date the Contract has been fully executed by CONSULTANT and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained or b) the date referenced in the Contract, whichever is later. The Contract shall not be a legally binding contract until after the fully-executed Contract has been sent to CONSULTANT.

5. **Purchase Orders.** The Commonwealth may issue Purchase Orders against the Contract. These orders constitute the Consultant's authority to make delivery. All Purchase Orders received by the Consultant up to and including the expiration date of the Contract are acceptable and must be performed in accordance with the Contract. Consultant is not permitted to accept Purchase Orders which require performance extended more than ninety (90) days beyond the expiration date specified in the Contract. Each Purchase Order will be deemed to incorporate the terms and conditions set forth in the Contract.

Purchase Orders will not include an "ink" signature by the Commonwealth. The electronically-printed name of the purchaser represents the signature of the individual who has the authority, on behalf of the Commonwealth, to authorize the Consultant to proceed.

Purchase Orders may be issued electronically or through facsimile equipment. The electronic transmission of a purchase order shall require acknowledgement of receipt of the transmission by the Consultant. Receipt of the electronic or facsimile transmission of the Purchase Order shall constitute receipt of an order. Orders received by the Consultant after 4:00 p.m. will be considered received the following business day.

The Commonwealth and the Consultant specifically agree as follows:

- a. No handwritten signature shall be required in order for the Contract or Purchase Order to be legally enforceable.
- b. Upon receipt of a Purchase Order, the Consultant shall promptly and properly transmit an acknowledgement in return. Any order which is issued electronically shall not give rise to any obligation to deliver on the part of the Consultant, or any obligation to receive and pay for delivered products on the part of the Commonwealth, unless and until the Commonwealth transmitting the order has properly received an acknowledgement.
- c. The parties agree that no writing shall be required in order to make the order legally binding, notwithstanding contrary requirements in any law. The parties hereby agree not to contest the validity or enforceability of a genuine Purchase Order or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any genuine Purchase Order or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of genuine Purchase Orders or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the order or acknowledgement were not in writing or signed by the parties. A Purchase Order or acknowledgement shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such document.
- d. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.

Purchase Orders under five thousand dollars (\$5,000) in total amount may also be made in person or by telephone using a Commonwealth Procurement VISA Card. When an order is placed by telephone, the Commonwealth

agency shall provide the agency name, employee name, credit card number, and expiration date of the card. Consultants agree to accept payment through the use of the Commonwealth Procurement VISA Card.

**6. Billing.** CONSULTANT shall submit invoices to OB or other Commonwealth agency, if applicable for services performed in accordance with the terms and conditions of Appendix B and each particular Statement of Work.

a. The amount shown on invoices for fees for services provided pursuant to a Statement of Work shall be in accordance with the rates established in the applicable Statement of Work. If compensation is based upon hourly rates, each invoice shall be itemized listing the services performed by staff classifications (in accordance with Appendix B), by date, by hours worked, and by rate.

b. Each invoice shall include the Purchase Order number and shall be itemized listing the services performed by CONSULTANT by date and by hours worked on each date, which invoices shall conform to the format appearing in Appendix C of this Contract.

d. OB or other Commonwealth agency, if applicable will pay CONSULTANT in the normal course of its business and agrees to use its best effort to make payments to CONSULTANT within 45 days of receipt of invoices.

e. All such invoices shall contain a statement that reads substantially as follows:

“CONSULTANT hereby certifies that the services supplied and expenses incurred as stated in the attached invoice have met all of the required standards set forth in the Contract for Advisory Services.”

f. All such invoices or accompanying letters of transmittal shall be signed by CONSULTANT and shall set out CONSULTANT’s federal employer identification number.

**7. Consultation.** CONSULTANT shall consult with and keep OB fully informed as to the progress of all matters covered by this Contract. CONSULTANT shall consult and cooperate with, and shall be responsible

directly to, the Secretary of the Budget and other administrative officials as designated by him. The duty of CONSULTANT shall be to advise, counsel, and recommend actions to OB through the Secretary and the other officials designated by him and to perform the services set forth in the applicable Statement of Work.

8. **Assignment, Subcontracting, and Delegation Prohibited.** CONSULTANT is specifically and expressly prohibited from (a) assigning any of its rights under this Contract, (b) subcontracting any of CONSULTANT's obligations or responsibilities under the Contract, and (c) delegating any of its duties under this Contract, to any other person or entity without having first received prior written approval from OB for such assignment, subcontracting, or delegation before any such assignment, subcontracting, or delegation occurs.

If CONSULTANT attempts to assign any of its rights, subcontract any of its obligations or responsibilities, or delegate any of its duties under this Contract without having first received OB'S prior written approval, this Contract and all of its terms and conditions shall be fully, completely, and irrevocably terminated and extinguished as of the moment that CONSULTANT makes any attempt to assign any of its rights, subcontract any of its obligations or responsibilities, or delegate any of its duties without having first received such written approval from OB.

In the event that OB approves an assignment, subcontracting, or delegation by CONSULTANT, CONSULTANT shall inform its assignee, subConsultant, or delegee of the existence of this Contract and shall bind such assignee, subconsultant, or delegee in writing to comply with all of the terms and conditions of this Contract and any extensions or amendments of this Contract.

Notwithstanding any other provision of this Contract, the CONSULTANT may engage, at its sole expense, such experts and other entities or individuals that that CONSULTANT believes are necessary to assist the CONSULTANT in performing its duties or obligations under this Contract (*i.e.* legal, tax, accounting, regulatory, technical, political, or other advisors); *provided*, however, that any such experts engaged at the specific direction of the Commonwealth, and with the Commonwealth's prior agreement to pay the fees and expenses of such experts, shall be at the expense of the Commonwealth.

Notwithstanding any other provision in this Contract, nothing in this Contract shall prohibit, restrict, or otherwise hinder or impede in any way the right and ability of the Commonwealth, or OB, or both, to assign any of their rights, to subcontract any of their obligations or responsibilities, or to delegate any of their duties under this Contract.

**9. Ownership Rights.** The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Contract.

**10. Changes.**

a. The Commonwealth reserves the right to make changes at any time during the term of the Contract or any renewals or extensions thereof: 1) to increase or decrease the quantities resulting from variations between any estimated quantities in the Contract and actual quantities; 2) to make changes to the services within the scope of the Contract; 3) to notify the CONSULTANT that the Commonwealth is exercising any Contract renewal or extension options; 4) to modify the time of performance that does not alter the scope of the Contract to extend the completion date beyond the Expiration Date of the Contract or any renewals or extensions thereof. Any such change shall be made by OB by notifying the CONSULTANT in writing. The change shall be effective as of the date of the change, unless the notification of change specifies a later effective date. Such increases, decreases, changes, or modifications will not invalidate the Contracts, nor, if performance security is being furnished in conjunction with the Contract, release the security obligation. The CONSULTANT agrees to provide the service in accordance with the change order. Any dispute by the CONSULTANT in regard to the performance required by any notification of change shall be handled through Paragraph 26, "Contracts Controversies."

b. Any modification or change to this Contract (other than those which may be made under Section 10.a of this Contract) shall be incorporated in a written amendment to this Contract, signed by both parties and executed in the same manner as this original Contract and in accordance with applicable law. Any modification or change to a

Purchase Order or Notice to Proceed issued under this Contract (other than those which may be made under Section 10.a of this Contract) shall be incorporated in a written amendment to the Statement of Work for that Purchase Order, signed by both parties and executed in the same manner as the original Statement of Work with either a new or an amended Purchase Order or Notice to Proceed issued by OB or other Commonwealth agency, if applicable. The effective date of any modification or change under this subsection of this Contract shall be effective either on the date that the last required signatory has affixed his or her signature to the writing (if a specific effective date is not specified in the writing), or on the effective date specified in the writing.

11. **Conflict of Interest.** CONSULTANT, by signing this Contract, covenants that it has no undisclosed public or private interest, direct or indirect, and shall not acquire directly or indirectly any such interest which does or may conflict in any manner with the performance of the services or the obligations under this Contract. Any such conflicts shall be promptly disclosed to OB and OB shall determine whether such conflict is cause for termination of this Contract.
12. **Independent Consultant.** In performing its obligations under the Contract, CONSULTANT will act as an independent consultant and not as an employee or agent of the Commonwealth. The CONSULTANT will be responsible for all services in this Contract whether or not the CONSULTANT provides them directly. Further, the CONSULTANT is the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from the Contract.
13. **Default.**
  - a. The Commonwealth may, subject to the Force Majeure provisions of this Contract, and in addition to its other rights under the Contract, declare CONSULTANT in default by written notice thereof to the CONSULTANT, and terminate (as provided in the Termination Provisions of this Contract) the whole or any part of this Contract or any Purchase Order for any of the following reasons:
    - 1) Failure to begin work within the time specified in the Contract or Purchase Order or Notice to Proceed or as otherwise specified;

- 2) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Contract or Purchase Order terms;
- 3) Unsatisfactory performance of the work;
- 4) Failure to deliver the awarded item(s) within the time specified in the Contract or Purchase Order or as otherwise specified;
- 5) Improper delivery;
- 6) Failure to provide an item(s) which is in conformance with the specifications referenced in the Contract or Purchase Order;
- 7) Delivery of a defective item;
- 8) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
- 9) Discontinuance of work without approval;
- 10) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
- 11) Insolvency or bankruptcy;
- 12) Assignment made for the benefit of creditors;
- 13) Failure or refusal within 10 days after written notice by OB, to make payment or show cause why payment should not be made, or any amounts due for material furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
- 14) Failure to protect, to repair, or to make good any damage or injury to property;
- 15) Breach of any provision of the Contract; or
- 16) Failure to comply with applicable industry standards, customs, and practice.

- b. In the event that the Commonwealth terminates this Contract or any Purchase Order or Notice to Proceed in whole or in part as provided in Subparagraph a. above, the Commonwealth may procure, upon such terms and in such manner as it determines, items similar or identical to those so terminated, and CONSULTANT shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical items included within the terminated part of the Contract or Purchase Order or Notice to Proceed.
- c. If the Contract or a Purchase Order or Notice to Proceed is terminated as provided in Subparagraph a. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require CONSULTANT to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Secretary of the Budget or his designee, such partially completed work, including, where applicable, reports, working papers and other documentation, as CONSULTANT has specifically produced or specifically acquired for the performance of such part of the Contract or Purchase Order as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Contract price. Except as provided below, payment for partially completed work including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by CONSULTANT and OB. The Commonwealth may withhold from amounts otherwise due CONSULTANT for such completed or partially completed works, such sum as OB determines to be necessary to protect the Commonwealth against loss.
- d. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- e. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.
- f. Following exhaustion of the Consultant's administrative remedies as set forth in the Contract Controversies Provision of the Contract, the



Consultant's exclusive remedy shall be to seek damages in the Board of Claims.

- 14. Force Majeure.** Neither party to this Contract will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but are not limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

CONSULTANT shall notify OB orally within five (5) days and in writing within ten (10) days of the date on which CONSULTANT becomes aware, or should have reasonably become aware, that such cause would prevent or delay CONSULTANT's performance. Such notification shall (i) describe fully such cause(s) and CONSULTANT's effect on performance, (ii) state whether performance under the contract is prevented or delayed, and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. CONSULTANT shall have the burden of proving that such cause(s) delayed or prevented its performance despite his diligent efforts to perform and shall produce such supporting documentation as OB may reasonably request. After receipt of such notification, OB may elect to cancel the Contract, cancel the Purchase Order or Notice to Proceed, or to extend the time for performance as reasonably necessary to compensate for CONSULTANT's delay.

In the event of a declared emergency by competent governmental authorities, OB by notice to CONSULTANT, may suspend all or a portion of the Contract or Purchase Order or Notice to Proceed.

- 15. Termination Provisions.** The Commonwealth has the right to terminate this Contract or any Purchase Order or Notice to Proceed for any of the following reasons. Termination shall be effective upon written notice to CONSULTANT.

- a. Termination for Convenience. The Commonwealth shall have the right to terminate the Contract or a Purchase Order or Notice to Proceed for its convenience if the Commonwealth determines termination to be in its best interest. CONSULTANT shall be

paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall CONSULTANT be entitled to recover loss of profits.

- b. Non-appropriation. The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Contract or a Purchase Order or a Notice to Proceed. CONSULTANT shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid from any appropriations available for that purpose.
- c. Termination for Cause. The Commonwealth shall have the right to terminate the Contract or a Purchase Order or a Notice to Proceed for CONSULTANT default under Default Clause upon written notice to CONSULTANT. The Commonwealth shall also have the right, upon written notice to CONSULTANT, to terminate the Contract or Purchase Order or Notice to Proceed for other cause as specified in the Contract or by law. If it is later determined that the Commonwealth erred in terminating the Contract or Purchase Order or Notice to Proceed for cause, then, at the Commonwealth's discretion, the Contract or Purchase Order or Notice to Proceed shall be deemed to have been terminated for convenience under the Subparagraph a.

- 16. Integration Clause.** This Contract, including all appendices and referenced documents, and any Purchase Order or Notice to Proceed, constitutes the entire agreement between the parties. No agent, representative, employee, or officer of the Commonwealth, or of OB, or of CONSULTANT has authority to make, or has made, any statement, agreement, or representation, oral or written, in connection with the Contract, which in any way can be deemed to modify, add to, or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage,

shall be permitted to modify or contradict any of the terms and conditions of the Contract. No modifications, alterations, changes, or waiver to the Contract or any of its terms shall be valid or binding unless accomplished by a written amendment executed by the parties pursuant to paragraph 10 (Changes) of this Contract.

17. **Nondiscrimination/Sexual Harassment.** CONSULTANT shall comply with all applicable provisions of state and federal constitutions, laws, regulations, and judicial orders pertaining to nondiscrimination, sexual harassment, and equal employment opportunity, including the provisions of the Nondiscrimination/Sexual Harassment Clause, which is attached hereto as Appendix D and incorporated by reference.
18. **Integrity Provisions.** CONSULTANT agrees to comply with the Integrity Provisions, which are attached hereto as Appendix E and incorporated by reference.
19. **Responsibility Provisions.** CONSULTANT agrees to comply with the Responsibility Provisions, which are attached hereto as Appendix F and incorporated by reference.
20. **The Americans With Disabilities Act.** CONSULTANT agrees to comply with The Americans With Disabilities Act provisions, which are attached hereto as Appendix G and incorporated by reference.
21. **Enhanced Minimum Wage Provisions.** Consultant agrees to comply with the *Enhanced Minimum Wage* Provisions, which are attached hereto as Appendix H and incorporated by reference.
22. **Audit Provisions.** The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of CONSULTANT to the extent that the books, documents and records relate to costs or pricing data for the Contract. CONSULTANT agrees to maintain records which will support the prices charged and costs incurred for the Contract. CONSULTANT shall preserve books, documents, and records that relate to costs or pricing data for the Contract for a period of three (3) years from date of final payment. CONSULTANT shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

- 23. Offset Provision.** CONSULTANT agrees that the Commonwealth may set off the amount of any state tax liability or other obligation that CONSULTANT owes to the Commonwealth against any payments due CONSULTANT under any contract with the Commonwealth.
- 24. Hold Harmless Provision.**
- a. The CONSULTANT shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all third party claims, demands and actions based upon or arising out of any activities negligently performed by the CONSULTANT and its employees and agents under this Contract, provided the Commonwealth gives CONSULTANT prompt notice of any such claim of which it learns. Pursuant to the Commonwealth Attorneys Act (71 P.S. Section 732-101, et seq.), the Office of Attorney General (OAG) has the sole authority to represent the Commonwealth in actions brought against the Commonwealth. The OAG may, however, in its sole discretion and under such terms as it deems appropriate, delegate its right of defense. If OAG delegates the defense to the CONSULTANT, the Commonwealth will cooperate with all reasonable requests of CONSULTANT made in the defense of such suits.
  - b. Notwithstanding the above, neither party shall enter into any settlement without the other party's written consent, which shall not be unreasonably withheld. The Commonwealth may, in its sole discretion, allow the CONSULTANT to control the defense and any related settlement negotiations.
- 25. Notice.** Any written notice to any party under this Contract shall be deemed sufficient if delivered personally, or by facsimile, telecopy, electronic or digital transmission (provided such delivery is confirmed), or by a recognized overnight courier service (e.g., DHL, Federal Express, etc.) with confirmed receipt, or by certified or registered United States mail, postage prepaid, return receipt requested, and sent to following:

a. If to the Commonwealth:

Executive Deputy Secretary of the Budget  
Office of the Budget  
333 Market Street  
19th Floor  
Harrisburg, PA 17101-2210

*with a copy to:*

Chief Counsel  
Office of the Budget Legal Office  
333 Market Street  
18<sup>th</sup> Floor  
Harrisburg, PA 17101-2210

b. If to CONSULTANT:

PFM Financial Advisors LLC  
213 Market Street  
Harrisburg, PA 17101  
Attention: Mr. Glen M. Williard

**26. Contract Controversies.**

- a. In the event of a controversy or claim arising from the Contract, the CONSULTANT must, within six months after the cause of action accrues, file a written claim with the contracting officer for a determination. The claim shall state all grounds upon which the CONSULTANT asserts a controversy exists. If the CONSULTANT fails to file a claim or files an untimely claim, the CONSULTANT is deemed to have waived its right to assert a claim in any forum. At the time the claim is filed, or within sixty (60) days thereafter, either party may request mediation through the Commonwealth Office of General Counsel Dispute Resolution Program.
- b. If the CONSULTANT or the contracting officer requests mediation and the other party agrees, the contracting officer shall promptly make arrangements for mediation. Mediation shall be scheduled so as to not delay the issuance of the final determination beyond the required 120

days after receipt of the claim if mediation is unsuccessful. If mediation is not agreed to or if resolution is not reached through mediation, the contracting officer shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of the contracting officer and the CONSULTANT. The contracting officer shall send his/her written determination to the CONSULTANT. If the contracting officer fails to issue a final determination within the 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The contracting officer's determination shall be the final order of the purchasing agency.

- c. Within fifteen (15) days of the mailing date of the determination denying a claim or within 135 days of filing a claim if, no extension is agreed to by the parties, whichever occurs first, the CONSULTANT may file a statement of claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the CONSULTANT shall proceed diligently with the performance of the Contract in a manner consistent with the determination of the contracting officer and the Commonwealth shall compensate the CONSULTANT pursuant to the terms of the Contract.

27. **Applicable Law.** This Contract shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. CONSULTANT consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal court in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. CONSULTANT agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania or federal law.
28. **Compliance with Law.** CONSULTANT shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of this Contract.
29. **Key Personnel.** Key personnel shall include those persons described in each Statement of Work. Such key personnel shall be assigned to the services to be provided hereunder as described in the Statement of Work in the absence of death, retirement, resignation or termination from CONSULTANT or other

unavoidable circumstance. CONSULTANT agrees that key personnel, once designated as assigned to the services covered by this Contract, must perform as designated in the absence of termination from the firm or other unavoidable circumstance. Replacement personnel must have comparable levels of responsibility and substantially equivalent experience and skills. All replacements and additions made by CONSULTANT of key personnel assigned to the project shall be subject to the prior written approval of OB, which approval will not be unreasonably withheld. In the event designated and approved key personnel are not available to perform the services hereunder, the Commonwealth shall have the right to terminate this Contract or a particular Statement of Work pursuant to the provisions of Paragraph 15(a) hereof.

**30. Communications with the Media.** CONSULTANT shall have no communication with any form of public media – newspaper, television, radio, or other form – concerning this Contract or its performance hereunder without the prior written consent of OB

**31. Contract Provisions - Right to Know Law**

- a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, (“RTKL”) applies to this Contract. For the purpose of these provisions, the term “the Commonwealth” shall refer to the contracting Commonwealth agency.
- b. If the Commonwealth needs CONSULTANT’s assistance in any matter arising out of the RTKL related to this Contract, it shall notify CONSULTANT using the legal contact information provided in this Contract. CONSULTANT, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.
- c. Upon written notification from the Commonwealth that it requires CONSULTANT’s assistance in responding to a request under the RTKL for information related to this Contract that may be in CONSULTANT’s possession, constituting, or alleged to constitute, a public record in accordance with the RTKL (“Requested Information”), CONSULTANT shall:

1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in CONSULTANT's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and
  2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.
- d. If CONSULTANT considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that CONSULTANT considers exempt from production under the RTKL, CONSULTANT must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of CONSULTANT explaining why the requested material is exempt from public disclosure under the RTKL.
  - e. The Commonwealth will rely upon the written statement from CONSULTANT in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, CONSULTANT shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.
  - f. If CONSULTANT fails to provide the Requested Information within the time period required by these provisions, CONSULTANT shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of CONSULTANT's failure, including any statutory damages assessed against the Commonwealth.
  - g. The Commonwealth will reimburse CONSULTANT for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open



Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

- h. CONSULTANT may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, CONSULTANT shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of CONSULTANT's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, CONSULTANT agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.
- i. CONSULTANT's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as CONSULTANT has Requested Information in its possession.

**32. Controlling Terms and Conditions.** The terms and conditions of this Contract shall be the exclusive terms of agreement between the CONSULTANT and the Commonwealth. All quotations requested and received from the CONSULTANT are for obtaining firm pricing only. Other terms and conditions or additional terms and conditions included or referenced in the CONSULTANT's quotations, invoices, business forms, or other documentation shall not become part of the parties' agreement and shall be disregarded by the parties, unenforceable by the CONSULTANT and not binding on the Commonwealth.

**33. Headings.** The headings preceding the paragraphs of this Contract have been inserted only for convenience and shall not modify, restrict, or be used to interpret, and shall not have any effect on the understanding, interpretation, or application of, any provision in this Contract.

**34. Small Diverse Business (SDB).**

- a. CONSULTANT agrees to meet an SDB participation commitment of 7% by the end of the initial three years contract term and a 7% goal for each extension year if exercised.
- b. For purposes of monitoring compliance with the CONSULTANT's SDB participation commitment, the contract cost is the total amount paid to the CONSULTANT throughout the initial contract term and all renewal option terms.
- c. CONSULTANT cannot alter its SDB commitment without written approval from OB and Bureau of Diversity, Inclusion, and Small Business Opportunity (BDISBO).
- d. The SDB commitment must be maintained in the event the contract is assigned to another prime CONSULTANT.
- e. Subcontract requirements.
  - 1. CONSULTANT and each SDB used by CONSULTANT to meet the SDB commitment must enter into a final, definitive subcontract agreement signed by the CONSULTANT and the SDB within 30 calendar days of the work to be completed by the SDB has commenced.
  - 2. In addition to any requirements in the CONSULTANT contract documents, the subcontract must contain:
    - a. The specific work, supplies or services the SDB will perform; location for work performed; how the work, supplies or services relate to the contract; and the specific timeframe during the initial term and any extensions, options and renewals of the prime contract when the work, supplies or services will be provided or performed;
    - b. The fixed percentage commitment and/or associated estimated dollar value that each SDB will receive based on the final negotiated cost for the initial term of the prime contract and any renewal option terms;

- c. Payment terms indicating that the SDB will be paid for work satisfactorily completed within 14 calendar days of the CONSULTANT's receipt of payment from the Commonwealth for such work. Subcontractors are encouraged to utilize electronic payment methods;
  - d. Commercially reasonable terms for the applicable business/industry that are no less favorable than the terms of the CONSULTANT's contract with the Commonwealth and that do not place disproportionate risk on the SDB relative to the nature and level of the SDB's participation in the contract; and
  - e. The requirement that the SDB submit utilization reports to BDISBO.
- 3. If the CONSULTANT and an SDB cannot agree upon a definitive subcontract within 30 calendar days of the work to be completed by the SDB has commenced, the CONSULTANT must provide written notification to OB and BDISBO.
- 4. The CONSULTANT must provide a copy of any required subcontract with an SDB to BDISBO or OB within ten (10) business days of receiving such a request.
- f. Utilization Reports.
  - 1. The CONSULTANT must submit a Monthly Utilization Report to BDISBO and OB in the format required by BDISBO and within ten (10) business days at the end of each month of the contract term and any subsequent options or renewals. The Monthly Utilization Report must list payments made to each SDB subcontractor and any unpaid invoices over 30 calendar days old received from an SDB subcontractor, and the reason payment has not been made. This information will be used to track and confirm the actual dollar amount paid to SDB subcontractors and suppliers and will serve as a record of fulfillment of the contractual commitment. If there was no activity, the form must be completed by stating "No activity". A

late fee of \$100.00 per day may be assessed against the prime contractor if the Utilization Report is not submitted in accordance with the schedule above.

2. To receive credit toward meeting the SDB participation goal, the SDB subcontractor must be a DGS-verified SDB as of the date the work to be completed by the SDB has commenced. A self-certified SDB subcontractor that does not have its SDB verification as of the date the work to be completed by the subcontractor has commenced cannot be used to satisfy the SDB participation goal.
  3. The CONSULTANT must include in its agreements with its SDB subcontractors a requirement that the SDB subcontractors submit to BDISBO a monthly report identifying the prime contract, and listing:
    - a. Payments received from the CONSULTANT within the time frame covered by the report, and
    - b. Invoices for which the subcontractor has not been paid.
- g. Noncompliance with SDB commitments.
1. Upon BDISBO notifying OB that CONSULTANT did not comply with the SDB commitments, OB shall notify the CONSULTANT in writing of its findings and shall specify what corrective actions are required. The CONSULTANT is required to initiate the corrective actions within 10 business days and complete them within the time specified by OB.
  2. If OB determines that material noncompliance with SDB contract provisions exists and that the CONSULTANT refuses or fails to take the corrective action required by OB, OB, in consultation with BDISBO, may impose any and all sanctions and remedies available under the contract as it deems appropriate. Such sanctions or remedies include, but are not limited to, termination of the contract; revocation of the CONSULTANT's SB or SDB status; and/or any actions under the Commonwealth's Contractor Responsibility Program, up to


and including suspension or debarment from future contracting opportunities with the Commonwealth.


**[SIGNATURE PAGE FOLLOWS]**

**IN WITNESS WHEREOF**, in consideration of the mutual agreements made herein, and intending to be legally bound hereby, the authorized officer for the Commonwealth of Pennsylvania and CONSULTANT have executed this Contract.

**CONSULTANT:**

**OFFICE OF THE BUDGET:**

BY:   
Glen Willard  
Title: Managing Director  
Date: 3-13-20

BY:   
Jen Swails  
Secretary of the Budget  
Date: 03/16/2020

Federal Employer ID 

**APPROVED AS TO FORM AND LEGALITY:**

 03/16/2020  
Chief Counsel Date  
Office of the Budget

To be obtained electronically  
Deputy General Counsel Date  
Office of General Counsel

To be obtained electronically  
Office of Chief Counsel Date  
Department of General Services

To be obtained electronically  
Deputy Attorney General Date  
Office of Attorney General

## **FISCAL APPROVAL BY COMPTROLLER OPERATIONS**

This document is approved for fiscal responsibility and budgetary appropriateness, subject to the issuance of Purchase Orders or notices to proceed and the availability of funds.

To be obtained electronically  
Comptroller Operations                      Date

## **APPENDIX A DESCRIPTION OF SERVICES**

In return for the compensation to be paid in accordance with this Contract, CONSULTANT shall perform or provide the following services or things to OB:

### **A. General and Debt Management Advisory Services**

CONSULTANT shall make itself available to provide the following general and debt management advisory services, as may be requested from time to time by the Commonwealth.

1. Review current debt portfolio, identifying strengths and weaknesses so that future debt issues can be structured to maximize ability to finance future capital needs. This will include, but not be limited to, reviewing existing debt for the possibility of refunding that debt to provide the Commonwealth with savings;
2. Analyze future debt capacity to determine the Commonwealth's ability to raise future debt capital;
3. Develop, manage and maintain computer models for long-term debt planning which provide for inputs regarding levels of taxation, timing, magnitude and cost of debt issuance, long term interest forecast, selected operating and debt ratios, and other financial performance measures as may be determined by the Commonwealth;
4. Assist and review with representatives of the Commonwealth new financial ideas that are presented from time to time by firms such as investment bankers and underwriters;
5. Assist the Commonwealth with the development of debt management policies regarding the size and characteristics of the Commonwealth's capital structure. Such policy issues may include the term for debt, amortization structures, and the possible incorporation of variable interest rate debt;
6. Provide quantitative training to Commonwealth staff members, including, but not limited to, general obligation new money optimization structuring techniques and general obligation funding



analysis, by offering Commonwealth officials the option to participate in CONSULTANT's annual client training program and/or through development of a specialized on-site program;

7. Provide general advice related to maintenance and improvement of the Commonwealth's General Obligation credit rating and the ratings on Tax and Revenue Anticipation obligations; and
8. Provide the services of special consultants that CONSULTANT may have retained from time to time, for general consultation to the Commonwealth. If the special consultant's work on a particular topic becomes ongoing, a Statement of Work in accordance with Section B of Appendix A shall be submitted to the Commonwealth for approval.

**B. Special Research, Analysis, and Consulting Services**

CONSULTANT shall provide, upon request of the Commonwealth made by the Secretary of the Budget or the Chief of Staff of the Governor, or their designees, special research, analytical, and consulting services related to financial planning, policy, and management.

1. Provide general analytical support as needed for annual budgetary development, multi-year financial planning, and other various policy initiatives as requested by the Governor's Budget Office;
2. Provide quantitative and analytical support for the Commonwealth in collective bargaining through such services as the development of costing models for compensation scenarios, development of workforce cost containment strategies, and delivery of expert testimony in employee interest arbitration proceedings;
3. Assist the Office of the Budget in evaluating the fiscal and policy impacts of revenue enhancement options such as tax policy reforms and non-tax revenue adjustments;
4. Assist the Office of the Budget in evaluating transportation, infrastructure, and general economic development financing options in support of the Commonwealth's goals;

5. Review cash flow projections produced by the Commonwealth, and, as necessary, suggest and support improvements to the Commonwealth's cash flow model; and
6. Deliver additional strategic management consulting services as may be requested by the Commonwealth in areas related to fiscal improvement, management/productivity reforms, and governmental performance. Such services may include, without limitation, assisting the Commonwealth with the development of analyses and narrative with regard to overall strategy and assumptions, revenue forecasts, and/or expenditure reduction initiatives. Such support may include quantitative analysis, identification of best practices, and/or technical review and quality assurance.

**C. Services Related to General Obligation Debt Transactions and Tax Anticipation Notes**

CONSULTANT shall provide, upon request of the Commonwealth, the following specific debt transaction management services for general obligation transactions and tax anticipation notes identified under Section A above. (Revenue bond issues would be negotiated under a separate contract.)

1. Assemble professional team(s), as requested, by writing Requests for Proposals, and assisting the Commonwealth in the evaluation of responses;
2. Develop specific plan of finance in consideration of the overall financial plan and Commonwealth debt policies;
3. Produce cash flow analyses as requested by the Commonwealth;
4. Assist in presenting plan of finance to oversight authorities (if appropriate) and in obtaining authorization(s);
5. Participate in the administrative aspects of transaction as directed by the Commonwealth;
6. Develop presentation materials and assist the Commonwealth by participating in credit rating review process as requested;

7. Develop strategy and solicit bids for credit enhancement (if appropriate);
8. Analyze municipal bond insurance on a maturity-by-maturity basis (to both maturity and to call);
9. Analyze other credit enhancement options (if appropriate);
10. Analyze alternative coupon structures and redemption provisions using Option-Adjusted Spread Analysis;
11. Develop and administer investor relations program, including conference call(s), electronic road show(s), and/or de facto road show(s) when appropriate and as requested by the Commonwealth;
12. Provide periodic written, and at the request of the Commonwealth, oral overviews of the economy, the credit markets in general, and the municipal credit market in particular;
13. Participate in the process for the sale of debt as requested by the Commonwealth, including:
  - a. *For Competitive Sales:* Soliciting underwriter interest, participating in the development of Notice of Sale and various bid constraints and requirements, assisting with the bidding process, verifying bids with the Commonwealth; and
  - b. *For Negotiated Sales:* Analyzing comparable transactions (e.g., other state issues, other similarly rated issues, insured issues, large issues), prior Commonwealth debt offerings (e.g., historical pricing levels, secondary market activity and pricing levels, and investor sentiment), and market spreads (relative to MMD), assisting in negotiating the terms and prices of all securities offered; and
14. Write summary memorandum.

## **D. Structured Products Services**

1. Advice regarding advance refunding escrow accounts will be provided by CONSULTANT.
  - a. If requested by the Commonwealth, CONSULTANT will analyze and model alternative refunding escrow investment portfolios, taking into account the relative availability and price/yield of open market and State and Local Government Series (“SLGS”) U.S. Treasury securities. CONSULTANT will monitor SLGS rates and open market rates related to already existing escrow accounts and advise the Commonwealth on strategies to maximize the yield of such escrows in a manner that is in compliance with bond covenants and relevant Federal tax requirements, including strategies to restructure such escrows on an intra-day basis.
  - b. If open market Treasuries are to be purchased for any escrow account, CONSULTANT will develop written terms for a request for bids or offers of escrow securities offerings, receive competitive bids or offers for securities, prepare such cash flow and yield calculations, required record keeping package and bidding certifications as required by bond counsel, the verification agent and the escrow agent, and coordinate the settlement of the escrow securities.
  - c. To the extent required by the related bond or tax documentation, CONSULTANT will employ an independent verification agent to review and opine on cash flow sufficiency and yields as is usual and customary for refunding escrow account investment transactions.
2. Advice regarding guaranteed investment contracts will be provided by CONSULTANT. If requested by the Commonwealth, CONSULTANT will provide advice and transaction assistance on the procurement of investment agreements for the investment of bond proceeds and non-bond proceeds funds.

## **INFORMATION TO BE FURNISHED TO, FROM, AND BY CONSULTANT**

Information, data, reports, and records in the possession of the Commonwealth necessary for carrying out the work to be performed under this Agreement will be furnished, at the discretion of the Commonwealth, to CONSULTANT without charge by the Commonwealth. Both the Commonwealth and CONSULTANT shall endeavor to cooperate regarding the availability and exchange of financial information in every way practical. CONSULTANT agrees that all information which the Commonwealth gives to CONSULTANT or CONSULTANT acquires in connection with the performance of services hereunder shall be confidential, shall be held by CONSULTANT in strictest confidence and not disclosed to third parties absent legal or regulatory compulsion, and shall only be used by CONSULTANT for the purpose of performing services hereunder.

CONSULTANT agrees that any information, documents, data and/or records produced by CONSULTANT during the process of carrying out the obligations and services as described in Appendix A, without limitation and whether preliminary or final, are and shall become and remain the property of the Commonwealth. The Commonwealth reserves the right to inspect and review all work and other documentation prepared by CONSULTANT for the Commonwealth. Any information, documents, data and/or records produced by CONSULTANT regarding services rendered in Appendix A shall be supplied in both hard copy and electronic format as may be requested by the Commonwealth.

## **REGISTERED MUNICIPAL ADVISOR; REQUIRED DISCLOSURES**

CONSULTANT is a registered municipal advisor with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. The parties agree that if the Commonwealth has designated CONSULTANT as its independent registered municipal advisor ("IRMA") for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the "IRMA exemption"), the services provided pursuant to such designation shall be the services described in Appendix A hereto, subject to any limitations provided therein. Verification of independence (as is required under the IRMA exemption) shall be the responsibility of such third party seeking to rely on such IRMA exemption. CONSULTANT shall have the right to review and approve in advance any representation of CONSULTANT's role as IRMA to the Commonwealth.

MSRB Rules require that municipal advisors make written disclosures to their clients of all material conflicts of interest, certain legal or disciplinary events and

certain regulatory requirements, which are provided in CONSULTANT's Disclosure Statement delivered to the Commonwealth prior to or together with this Agreement.

**APPENDIX B  
BILLING RATE INFORMATION**

In return for the services provided by CONSULTANT pursuant to this Contract, OB shall compensate CONSULTANT as follows:

**FEE RATE INFORMATION**

**A. General and Debt Management Advisory Services.**

Compensation for all services agreed to in a Statement of Work to be provided pursuant to hourly rates shall be provided by CONSULTANT based on the following hourly fee schedule:

| <b>Title</b>               | <b>Hourly Rate</b> |
|----------------------------|--------------------|
| Managing Director          | \$325              |
| Director                   | \$295              |
| Senior Managing Consultant | \$270              |
| Senior Analyst             | \$260              |
| Analyst                    | \$245              |
| Managing Associate         | \$180              |
| Associate                  | \$140              |
| Research Associate         | \$75               |

**B. Special Research, Analysis and Consulting Services** shall be provided by CONSULTANT at the Commonwealth's request based on the hourly CONSULTANT fee schedule in Section A above.

**C. Services Related to General Obligation Transactions and Tax Anticipation Notes** shall be provided by CONSULTANT and be compensated solely on a contingent basis from the proceeds of bonds or notes with a flat fee per bond issue or transaction, whether competitive or negotiated. The Commonwealth shall compensate CONSULTANT for General Obligation Debt Transaction Services and Tax Anticipation Notes at the **negotiated rate** which has a maximum fee computed as the total sum of:

- 50 cents per \$1,000 of par for 1<sup>st</sup> \$50 million of par; plus
- 35 cents per \$1,000 of par for 2<sup>nd</sup> \$50 million of par; plus,
- 12.5 cents per \$1,000 of par for any amount over \$100 million of par, and a minimum fee of \$85,000.

**D. Structured Products Fees:** The Commonwealth agrees to compensate CONSULTANT upon the successful conclusion of each engagement described in Section D of Appendix A as follows:

1. Escrow Services Fee
  - a. Fee for structuring, initial and final subscription of SLGS = \$1,500
  - b. Fee for structuring and bidding each open market Treasury escrow = 0.05% of the cost of each escrow with a minimum \$5,000 and maximum of \$50,000.
  - c. Fee for engaging and compensating verification agent = invoiced cost with Commonwealth's pre-approval.
2. Investment Agreement Fee

Fees for structuring and bidding investment agreement will be 0.20% of the total deposit under such agreement with a cap of \$35,000 per agreement bid.

**F. Expenses.**

Expenses such as telephone, facsimile, Federal Express, meals, travel and lodging within Pennsylvania are not reimbursable. Certain expenses such as computer time sharing and travel outside of Pennsylvania which CONSULTANT expects to incur shall require the prior approval of the Commonwealth, which approval shall not be unreasonably withheld.



**APPENDIX C  
INVOICE FORMAT  
(SUMMARY)**

Address:

Phone:

---

COMMONWEALTH OF PENNSYLVANIA

ATTN:       X  
          Office of the Budget  
          333 Market Street  
          18<sup>th</sup> Floor  
          Harrisburg, PA 17101-2210

REGARDING:       (MATTER)

PO NUMBER:

TOTAL FEES FOR PROFESSIONAL SERVICES RENDERED FROM  
(DATE) THROUGH (DATE)  
          \$(TOTAL FEES)

TOTAL EXPENSE ADVANCES MADE TO YOUR ACCOUNT FROM  
(DATE) THROUGH (DATE)  
          \$(TOTAL EXPENSE ADVANCES)

BALANCE DUE:     \$(GRAND TOTAL)

FEDERAL EMPLOYER I.D. NO. (FEDERAL I.D. NUMBER)

I hereby certify that the services supplied and expenses incurred as stated in the attached invoice have met all of the required standards set forth in the Contract for Consulting Services.

---

Date

**APPENDIX C  
INVOICE FORMAT  
(TIME DETAIL)**

Address:

Phone:

---

COMMONWEALTH OF PENNSYLVANIA

ATTN:       X  
          Office of the Budget  
          333 Market Street  
          18th Floor  
          Harrisburg, PA 17101-2210

REGARDING:       (MATTER)

PO NUMBER:

TOTAL FEES FOR PROFESSIONAL SERVICES RENDERED FROM (DATE) THROUGH (DATE)

| DATE | HOURS | DESCRIPTION OF SERVICES RENDERED |
|------|-------|----------------------------------|
|      |       |                                  |
|      |       |                                  |
|      |       |                                  |

**APPENDIX C  
INVOICE FORMAT  
(COSTS)**

Address:

Phone:

---

COMMONWEALTH OF PENNSYLVANIA

ATTN:       X  
              Office of the Budget  
              333 Market Street  
              18th Floor  
              Harrisburg, PA 17101-2210

REGARDING:       (MATTER)

PO NUMBER:

TOTAL FEES FOR PROFESSIONAL SERVICES RENDERED FROM (DATE) THROUGH (DATE)

| DATE | DESCRIPTION OF COSTS | AMOUNT |
|------|----------------------|--------|
|      |                      |        |
|      |                      |        |
|      | <b>TOTAL:</b>        |        |

**APPENDIX D**  
**NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE**

The CONSULTANT agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the CONSULTANT, each subcontractor, or any person acting on behalf of the CONSULTANT or subcontractor shall not discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the *Pennsylvania Human Relations Act* (PHRA) and applicable federal laws, against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. Neither the CONSULTANT nor any subcontractor nor any person on their behalf shall in any manner discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract.
3. Neither the CONSULTANT nor any subcontractor nor any person on their behalf shall in any manner discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, in the provision of services under the contract.
4. Neither the CONSULTANT nor any subcontractor nor any person on their behalf shall in any manner discriminate against employees by reason of participation in or decision to refrain from participating in labor activities protected under the *Public Employee Relations Act*, *Pennsylvania Labor Relations Act* or *National Labor Relations Act*, as applicable and to the extent determined by entities charged with such Acts' enforcement, and shall comply with any provision of law establishing organizations as employees' exclusive representatives.
5. The CONSULTANT and each subcontractor shall establish and maintain a written nondiscrimination and sexual harassment policy and shall inform their employees in writing of the policy. The policy must contain a provision that sexual harassment will not be tolerated and employees who practice it will be disciplined. Posting this Nondiscrimination/Sexual Harassment Clause

conspicuously in easily-accessible and well-lighted places customarily frequented by employees and at or near where the contracted services are performed shall satisfy this requirement for employees with an established work site.

6. The CONSULTANT and each subcontractor shall not discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of PHRA and applicable federal laws, against any subcontractor or supplier who is qualified to perform the work to which the contract relates.
7. The CONSULTANT and each subcontractor represents that it is presently in compliance with and will maintain compliance with all applicable federal, state, and local laws, regulations and policies relating to nondiscrimination and sexual harassment. The CONSULTANT and each subcontractor further represents that it has filed a Standard Form 100 Employer Information Report (“EEO-1”) with the U.S. Equal Employment Opportunity Commission (“EEOC”) and shall file an annual EEO-1 report with the EEOC as required for employers’ subject to *Title VII of the Civil Rights Act of 1964*, as amended, that have 100 or more employees and employers that have federal government contracts or first-tier subcontracts and have 50 or more employees. The CONSULTANT and each subcontractor shall, upon request and within the time periods requested by the Commonwealth, furnish all necessary employment documents and records, including EEO-1 reports, and permit access to their books, records, and accounts by the contracting agency and the Bureau of Diversity, Inclusion and Small Business Opportunities for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause.
8. The CONSULTANT shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.
9. The CONSULTANT’s and each subcontractor’s obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the CONSULTANT and each subcontractor shall have an obligation to inform the Commonwealth if,

at any time during the term of the contract, it becomes aware of any actions or occurrences that would result in violation of these provisions.

- 10.** The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the CONSULTANT in the Contractor Responsibility File.

## APPENDIX E INTEGRITY PROVISIONS

It is essential that those who seek to contract with the Commonwealth of Pennsylvania (“Commonwealth”) observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth contracting and procurement process.

1. **Definitions.** For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Section:
  - a. **“Affiliate”** means two or more entities where (a) a parent entity owns more than fifty percent of the voting stock of each of the entities; or (b) a common shareholder or group of shareholders owns more than fifty percent of the voting stock of each of the entities; or (c) the entities have a common proprietor or general partner.
  - b. **“Consent”** means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of the execution of this contract.
  - c. **“Contractor”** means the individual or entity that has entered into this contract with the Commonwealth.
  - d. **“Contractor Related Parties”** means any affiliates of the Contractor and the Contractor’s executive officers, Pennsylvania officers and directors, or owners of 5 percent or more interest in the Contractor.
  - e. **“Financial Interest”** means either:
    - (1) Ownership of more than a five percent interest in any business; or
    - (2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
  - f. **“Gratuity”** means tendering, giving, or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances,

deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the *Governor's Code of Conduct, Executive Order 1980-18*, the *4 Pa. Code §7.153(b)*, shall apply.

- g.** “**Non-bid Basis**” means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.

2. In furtherance of this policy, Contractor agrees to the following:

- a.** Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting or procurement with the Commonwealth.
- b.** Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to the Contractor activity with the Commonwealth and Commonwealth employees and which is made known to all Contractor employees. Posting these Contractor Integrity Provisions conspicuously in easily-accessible and well-lighted places customarily frequented by employees and at or near where the contract services are performed shall satisfy this requirement.
- c.** Contractor, its affiliates, agents, employees and anyone in privity with Contractor shall not accept, agree to give, offer, confer, or agree to confer or promise to confer, directly or indirectly, any gratuity or pecuniary benefit to any person, or to influence or attempt to influence any person in violation of any federal or state law, regulation, executive order of the Governor of Pennsylvania, statement of policy, management directive or any other published standard of the Commonwealth in connection with performance of work under this contract, except as provided in this contract.
- d.** Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material under this contract, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the



contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.

- e. Contractor certifies to the best of its knowledge and belief that within the last five (5) years Contractor or Contractor Related Parties have not:
- (1) been indicted or convicted of a crime involving moral turpitude or business honesty or integrity in any jurisdiction;
  - (2) been suspended, debarred or otherwise disqualified from entering into any contract with any governmental agency;
  - (3) had any business license or professional license suspended or revoked;
  - (4) had any sanction or finding of fact imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust; and
  - (5) been, and is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigative agency and/or civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

If Contractor cannot so certify to the above, then it must submit along with its bid, proposal or contract a written explanation of why such certification cannot be made and the Commonwealth will determine whether a contract may be entered into with the Contractor. The Contractor's obligation pursuant to this certification is ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to immediately notify the Commonwealth in writing if at any time during the term of the contract it becomes aware of any event which would cause the Contractor's certification or explanation to change. Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause if it learns that any of the certifications made herein are currently false due to intervening factual circumstances or were false or should have been known to be false when entering into the contract.

- f.** Contractor shall comply with the requirements of the *Lobbying Disclosure Act (65 Pa.C.S. §13A01 et seq.)* regardless of the method of award. If this contract was awarded on a Non-bid Basis, Contractor must also comply with the requirements of the *Section 1641 of the Pennsylvania Election Code (25 P.S. §3260a)*.
- g.** When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor’s Code of Conduct, or these Contractor Integrity Provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or the Office of the State Inspector General in writing.
- h.** Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these Contractor Integrity Provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract, to include any extensions thereof. Contractor shall immediately notify the Commonwealth in writing of any actions for occurrences that would result in a violation of these Contractor Integrity Provisions. Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of the State Inspector General for investigations of the Contractor’s compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the Contractor. Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor’s suspension or debarment.
- i.** Contractor shall cooperate with the Office of the State Inspector General in its investigation of any alleged Commonwealth agency or employee breach of ethical standards and any alleged Contractor non-compliance with these Contractor Integrity Provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of an Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Office of the State Inspector

General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refer to or concern this contract. Contractor shall incorporate this paragraph in any agreement, contract or subcontract it enters into in the course of the performance of this contract/agreement solely for the purpose of obtaining subcontractor compliance with this provision. The incorporation of this provision in a subcontract shall not create privity of contract between the Commonwealth and any such subcontractor, and no third party beneficiaries shall be created thereby.

- j.** For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these Provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

## **APPENDIX F RESPONSIBILITY PROVISIONS**

For the purpose of these provisions, the term consultant is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term consultant includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

1. The CONSULTANT certifies, in writing, for itself and its subconsultants required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Contract, that neither the CONSULTANT, nor any such subconsultants, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the CONSULTANT cannot so certify, then it agrees to submit, along with its Bid/Contract, a written explanation of why such certification cannot be made.
2. The CONSULTANT also certifies, in writing, that as of the date of its execution of this Bid/Contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.
3. The CONSULTANT 's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the CONSULTANT shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the CONSULTANT, any of its subconsultants are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
4. The failure of the CONSULTANT to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal

government shall constitute an event of default of the Contract with the Commonwealth.

5. The CONSULTANT agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the CONSULTANT's compliance with the terms of this or any other agreement between the CONSULTANT and the Commonwealth that results in the suspension or debarment of the CONSULTANT. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The CONSULTANT shall not be responsible for investigative costs for investigations that do not result in the CONSULTANT 's suspension or debarment.
6. The CONSULTANT may obtain a current list of suspended and debarred Commonwealth consultants by either searching the Internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services  
Office of Chief Counsel  
603 North Office Building  
Harrisburg, PA 17125  
Telephone No: (717) 783-6472  
FAX No: (717) 787-9138

**APPENDIX G**  
***THE AMERICANS WITH DISABILITIES ACT PROVISIONS***

For the purpose of these provisions, the term CONSULTANT is defined as any person, including, but not limited to, a bidder, offeror, supplier, or grantee, who will furnish or perform or seeks to furnish or perform, goods, supplies, services, construction or other activity, under a purchase order, contract, or grant with the Commonwealth of Pennsylvania (Commonwealth).

During the term of this agreement, the CONSULTANT agrees as follows:

1. Pursuant to federal regulations promulgated under the authority of the *Americans with Disabilities Act*, 28 C. F. R. § 35.101 et seq., the CONSULTANT understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this agreement or from activities provided for under this agreement. As a condition of accepting and executing this agreement, the contractor agrees to comply with the "*General Prohibitions Against Discrimination*," 28 C. F. R. § 35.130, and all other regulations promulgated under *Title II* of the *Americans with Disabilities Act* which are applicable to the benefits, services, programs, and activities provided by the Commonwealth through contracts with outside contractors.
2. The CONSULTANT shall be responsible for and agrees to indemnify and hold harmless the Commonwealth from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth as a result of the contractor's failure to comply with the provisions of paragraph 1.

**APPENDIX H**  
**ENHANCED MINIMUM WAGE PROVISIONS**

1. **Enhanced Minimum Wage.** Contractor/Lessor agrees to pay no less than \$12.00 per hour to its employees for all hours worked directly performing the services called for in this Contract/Lease, and for an employee's hours performing ancillary services necessary for the performance of the contracted services or lease when such employee spends at least twenty per cent (20%) of their time performing ancillary services in a given work week.
2. **Adjustment.** Beginning July 1, 2019, and annually thereafter, the minimum wage rate shall be increased by \$0.50 until July 1, 2024, when the minimum wage reaches \$15.00. Thereafter, the minimum wage rate would be increased by an annual cost-of-living adjustment using the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) for Pennsylvania, New Jersey, Delaware, and Maryland. The applicable adjusted amount shall be published in the Pennsylvania Bulletin by March 1 of each year to be effective the following July 1.
3. **Exceptions.** These Enhanced Minimum Wage Provisions shall not apply to employees:
  - a. exempt from the minimum wage under the Minimum Wage Act of 1968;
  - b. covered by a collective bargaining agreement;
  - c. required to be paid a higher wage under another state or federal law governing the services, including the Prevailing Wage Act and Davis-Bacon Act; or
  - d. required to be paid a higher wage under any state or local policy or ordinance.
4. **Notice.** Contractor/Lessor shall post these Enhanced Minimum Wage Provisions for the entire period of the contract conspicuously in easily-accessible and well-lighted places customarily frequented by employees at or near where the contracted services are performed.
5. **Records.** Contractor/Lessor must maintain and, upon request and within the time periods requested by the Commonwealth, furnish all employment and

wage records necessary to document compliance with these Enhanced Minimum Wage Provisions.

- 6. Sanctions.** Failure to comply with these Enhanced Minimum Wage Provisions may result in the imposition of sanctions, which may include, but shall not be limited to, termination of the contract or lease, nonpayment, debarment or referral to the Office of General Counsel for appropriate civil or criminal referral.
- 7. Subcontractors.** Contractor/Lessor shall include the provisions of these Enhanced Minimum Wage Provisions in every subcontract so that these provisions will be binding upon each subcontractor.