

WorkSource Montgomery

1801 Rockville Pike

Suite 320

Rockville, MD 20852

**REQUEST FOR PROPOSALS**

**One-Stop Operator**

**WorkSource Montgomery, Inc.**

Submit Sealed Competitive Proposals To:

WorkSource Montgomery

One-Stop Operator Bid Committee

1801 Rockville Pike

Suite 320

Rockville, MD 20852

**Date for Receipt of Proposals:**

**Must be received in WSM office by January 11, 2019, at 4 p.m.**

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**I. Section A: Introduction and Statement of Intent**

 **1.1** **Purpose of Request for Proposal (RFP)**

WorkSource Montgomery, Inc. (WSM) is soliciting individual proposals for a high performing and qualified Contractor with the expertise to provide One-Stop Operator (OSO) services as further specified herein.

The Workforce Innovation and Opportunity Act (WIOA) Public Law 113-128, was signed on July 22, 2014 and became effective July 1, 2015. WIOA empowers Local Workforce Boards to develop strategies that support economic growth and labor force needs intended to grow the capacity and performance of the workforce system. WIOA promotes seamless service delivery to employers and jobseekers through greater alignment of education, economic development, workforce systems and services.

WorkSource Montgomery, Inc is a non-profit arm of the Workforce Development Board, through a united Board structure. WSM provides a variety of workforce and economic development services and supports to Montgomery County businesses and residents. The services include a broad range of activities which offer our residents the skills and knowledge to succeed in growing a robust economy.

**1.2 Workforce Innovation and Opportunity Act (WIOA**)

This RFP was created in response to the 2014 WIOA legislation. WIOA provides the framework for a national workforce preparation system that is flexible, responsive, customer focused and locally managed. In Section 107 of the legislation and in § 678.605 of WIOA Regulations Local Workforce Boards are required to competitively procure the OSO role and responsibilities. DOL has issued guidance for WIOA implementation in the form of both TEGL’s (04-15) and Final Rules. **Bidders are strongly encouraged to read the WIOA Final Rules and TEGL 04-15.**

**1.3 Communication Procedures**

From the issue date of this RFP until selection and award, the designated contracting officer is the sole point of contact concerning the RFP. The primary mode of communication between WSM and potential Bidders will occur on the WSM Website.

Interested parties can download the RFP and additional documents from the WSM website beginning December 5, 2018. The RFP is being made available electronically. If Bidder electronically accepts the RFP, Bidder acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of a conflict between a version of the RFP in Bidder’s possession and the contracting officer’s version, the contracting officer’s version shall govern.

**1.4 Ex-Parte Communication/Conflict of Interest**

Each Bidder shall ensure that no improper, unethical or illegal relationships or conflicts of interest exist between or among Bidder, WSM directors, officers, employees, and agents and other parties to this RFP. Bidder is responsible for disclosing at the point of proposal submission of any such relationships. WSM reserves the right to determine the pertinence of such relationships, when discovered or disclosed, whether intended or not, and to decide whether Bidder’s disqualified or cancelled as a result thereof. WSM’s determination regarding any question of conflict of interest will be final. All WSM Board members, officers, employees and agents are precluded from entertaining questions concerning the completion of the proposal or the procurement process outside the confines of the pre-proposal Bidders conference call. Potential Bidders are asked to respect these conditions by not making personal requests for assistance, except during the conference call.

**1.5 Pre-Proposal Bidder’s Meeting**

A pre-proposal Bidders Meeting will be held on December 18, 2018. The WSM Board has selected this forum to present detailed non-competitive information on the RFP and answer questions so that all interested parties will have the benefit of the same answers.

Please submit all questions regarding this RFP to Ellie Giles by email onestopoperator@worksourcemontgomery.com with the subject line **OSO RFP questions** prior to the conference call. Answers furnished during the conference call will not be official until published electronically as an addendum to the RFP no later than December 20, 2018

**1.6 Schedule for Proposal Submission, Review and Awards**

With the exception of the proposal submission deadline, WSM reserves the right to make changes to the timeline below. Each Bidder responding to this RFP must supply all the required documentation by volume according to the RFP. Failure to comply with this RFP will result in the disqualification of Bidder’s proposal. Delivery of submission depicting an official postmark prior to January 12, 2019 will be sufficient to satisfy the submission deadline date. No email or faxed proposals will be accepted.

|  |  |  |
| --- | --- | --- |
| ACTIVITY | RESPONSIBILITY | DATE |
| RFP Published | Potential Bidders | December 5, 2018 |
| Deadline to submit technical and non-technical questions  | Potential Bidders | December 10, 2018 |
| Pre-proposal Bidders Meeting | Issuing Office/Potential Bidders | December 18, 2018 |
| Answers to questions posted on website | Issuing Office | December 20, 2018 |
| Monitoring the WSM website for all communications regarding the RFP submissions | Potential Bidders | December 20, 2018-January 11, 2019 |
| Deadline to submit sealed proposal | Potential Bidders | January 11, 2019 |
| Selection of Successful Bidder | Issuing Office | No later than February 1, 2019 |
| Operations to begin NO LATER THAN | Successful Bidder | March 1, 2019 |

**2 Section B: Technical Requirements**

2.1 Statement of Work

Through the local Board agreement, WSM oversees the workforce system. The system is comprised of 1 comprehensive American Job Center (AJC), 1 Affiliate Job Center and multiple HIRE (Helping Individuals Reach Employment) centers across the County. These centers serve as the hubs of the workforce system. WSM has been designed to integrate employment and training services to bridge the gap between the business community and labor force.

The OSO will coordinate the service delivery of the required One-Stop partners, service providers of core programs and other partners working within the workforce system. This includes managing partner responsibilities as defined in the Memorandum of Understanding (MOU). The OSO is ***prohibited*** from performing functions that are reserved for the Local Board.

\*\*\*\*The contractor agreement period will begin **March 1, 2019 and end June 30, 2020** with WSM having an option based on successful performance to renew the contract annually thereafter for a total of four (4) years.

**2.1.1 OSO: Position Description and Deliverables**

* **Facilitates:** The OSO role is to facilitate collaboration among the partners (Industry, Education, Community Based Organizations (CBO) & Government). The OSO is the point of contact on issues that are central to the effective operations of partners in all centers (AJC & HIRE)
	+ Convene the AJC Partners and the Community Network meetings to discuss and share general information, updates to the law and local programs and career center updates. Ensure relevant stakeholders are invited, determine agenda and provide minutes.
	+ Develop asset maps to enhance collaboration for Tier 1-(Core Partners), Tier 2 (well established programs that are scalable) and Tier 3 (community and demographic focused programs, community partners, faith-based, education, local municipal agencies, non-profits, and other community organizations). In conjunction with the WIOA vendors and HIRE staff, our partners provide career seekers with access to skill assessment, career development, recruitment events, online portal to apply for employment and to supportive services.
	+ Ensure access to all customers – all communication should be provided in the customer’s primary language.
* **Coordinates**: Develop a protocol to leverage available training funds from partner programs such as Adult Education and Literacy, Temporary Assistance for Needy Families (TANF), State-funded training funds, and Federal Pell Grants, so that WIOA training funds supplement other sources of training grants.
	+ Make training funding arrangements with partner organizations in the career center;
	+ Convene discussion and intervention, as needed to assist with the coordination of training funding;
	+ Assist in the coordination efforts for the provision of Rapid Response activities that includes employer, affected workers, Local Board, Maryland Dept of Labor, Licensing and Regulation (DLLR) Dislocation Service Unit and AJC partners;
	+ Coordinate re-entry program through resource development and enhanced communication/programs for improved employment placement.
* **Validates:** Ensure vendor and partner organizations adhere to the MOU documents regarding service provision, infrastructure (RSA) and operations.
	+ Ensure coordination with Unemployment Insurance personnel to facilitate customer access to services within the career centers. Ensure compliance with all federal, state and local regulations (Local Plan and AJC procedures), policies and procedures related to the One-Stop Center/American Job Center (AJC).
	+ Implement a standard inter-partner agency (WIOA) referral and information release consent process.
	+ Implement the One-Stop Memorandum of Understanding and Resource Sharing Agreement (MOU/RSA); Oversee written and verbal reports by vendor on AJC center usage, program referrals, and adherence to service delivery as outlined in the local plan; may include developing dashboard reports;
	+ Report on Section 188 of WIOA
	+ Ensure Maryland Workforce Exchange is up to date with appropriate case notes that correspond with individual customer files;
	+ Ensure that all confidentiality policies are strictly followed.
* **Consensus Building and Alignment:** Align and enhance customer centered design model for all career centers as indicated in the ready to work customer flow process, ensuring strong assessment, career planning (Individual Employment Plan) and placement in sustainable careers providing rapid and engaging services as indicated in WIOA and Local Board policies/procedures. Establish and implement a customer focused protocol-be the point of contact for customer concerns.
	+ Identify and address professional development needs of AJC and Partner staff
	+ Assist in coordination of Business Services Team Activities
	+ Coordinate with WIOA Vendor and WSM Staff to ensure high quality and relevant workshops (at least 4 per week (excluding major holidays) and in-demand Hiring/Recruiting events (at least an average of 1 per week) are conducted
* **Reports:** The OSO will be responsible for reporting to the Board quarterly.WIOA section 188 compliance requires equal opportunity and nondiscrimination in the workforce system ([see TEN 20-60).](https://wdr.doleta.gov/directives/attach/TEN/TEN_20-16_acc.pdf)  The OSO will assess and report on EEO compliance to the Board. The OSO will provide the following reports at each WSM Board Meeting; meetings held in September, December, March, and June:
	+ Written and oral presentation to board that includes aggregate career center data (leading indicators) and a summary report on partnerships and collaboration
	+ Quarterly update of local labor market data;
	+ Report on specialized development needs of workforce system staff and partners;
	+ Work with advisory groups and committees as needed for specific projects/initiatives/data.

**2.2 Eligible Bidders**

Applicants may fall within any of the following categories:

* An institution of higher education;
* A community-based organization, non-profit or intermediary;
* A private for-profit entity;
* A government agency;
* An interested organization or entity, which may include a local chamber of commerce or other business organization, or a labor organization;
* A nontraditional public secondary school such as a night school, adult school or an area career and technical education school; otherwise elementary and secondary schools ***are not eligible.***

**3 Section C: Corporate Requirements**

**3.1 Relevant Corporate Experience**

The proposal should indicate whether Bidder has a record of prior successful experience in the implementation of services throughout this RFP. Bidder(s) should include statements specifying the extent of responsibility on prior projects and a description of project scope and similarity to the projects outlined in this RFP. Describe past experience, if any, with WIOA service delivery model. All experience under this section should be in sufficient detail to allow an adequate evaluation. Bidders will be required to describe its organization’s most noteworthy qualifications regarding workforce service delivery, WIOA implementation/operations, coordination of multiple entities for one project, asset mapping and customer centered design. Specifically highlight qualifications that distinguish it from competitors. **In particular, Bidder should demonstrate knowledge of the workforce development system and the alignment of services across multiple programs.**

**Bidder must submit written past performance references (at least 3) for projects completed or in progress in at least the last five (5) years for a similar type project.**

**Corporate Financial Condition**

Bidder’s financial solvency will be evaluated. Bidder’s ability to demonstrate adequate financial resources for performance of the contractor agreement or the ability to obtain such resources as required during the performance under this RFP will be given special emphasis. All business/organizations must meet a minimum level of administrative and fiscal capacity in order to contract with WSM. Therefore, all Bidders must provide their Documentation of Qualifications, listed in Section F

**Insurance Requirements**

Bidder shall be required to provide proof of insurance. All documentation of insurance shall be submitted prior to contract start date, if awarded. In the event that the necessary insurance cannot be obtained, WSM reserves the right to revoke the contract award and award to another firm.

**4 Section D: Staffing and Management requirements**

Bidder must show an understanding of the staffing and management of the OSO.

Bidder shall:

* Consider the types of resources required, resources available and training requirements needed;
* Demonstrate the relevant experience, resources and qualifications of proposed staff;
* Include a statement of its ability to commit full time key personnel for the full term of the contract. The adequacy of personnel for the proposed project team will be evaluated on the basis of project tasks, allocation of staff, professional skill mix, and level of involvement of personnel;
* Identify at a minimum, one full time individual dedicated and housed at the AJC center to the contract agreement;
* Submit an estimated percentage of time, committed hours of work, or other identification of the proposed level of effort;
* Submit job descriptions for all staff including minimum education, training experience, special skills, and other qualifications for each position, as well as specific duties identified in the proposal – including relevant licenses and certifications.
* Submit an organizational chart showing lines of responsibility and authority.
* Ensure clean background checks (criminal and financial) and drug testing.

WSM reserves the right to require the selected Bidder to remove any contracted employee from a WIOA funded program that is found to represent a threat to the safety of participants, other employees and program and fiscal records. In the event of removal due to an employee’s substandard performance or behavior that negatively affects the delivery of services, the selected Bidder must address the situation and inform the contracting officer immediately before removing the employee.

**5. Section E:** **Cost/Pricing requirements**

Bidder must propose costs associated with performing the scope of work identified in the technical section with a Budget summary of costs which should describe the proposed costs and explain the allocation by cost element. It is suggested that Bidder have a minimum of three (3) months operating capital on-hand throughout the term of the contract. Through this RFP, the WSM Board has allocated a maximum of **Two Hundred Thousand Dollars ($200,000)** for this contract agreement.

Prices offered shall be firm against any increase for one year from the effective date of this contract. Prior to the commencement of subsequent renewal periods, it shall be the Contractor’s responsibility to notify WSM in advance of any requested price changes. WSM will entertain requests for escalation in accordance with the current Consumer Price Index at the time of the request or up to a maximum 5% increase over the current pricing, whichever is lower. *(For purposes of this section, “Consumer Price Index” shall be the Consumer Price Index-Al Urban Consumers (CPI-U), Washington-Baltimore, DC-MD-VA-WV, All Items, Not Seasonally Adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics.)* WSM reserves the right to accept or reject the request for a price increase and will do so in writing. If the price increase is approved, the price increase will be effective upon written approval and will remain firm through the renewal period.

**6 Section F:** **Proposal Response Package**

**6.1 Format Requirements**

Bidders must submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. An official of the organization authorized to bind Bidder to its provisions must sign the proposal *(See Proposal Affidavit).*

* Proposals should be printed on white paper; pages should be numbered for ease of reference. Bidders must submit two (2) copies of the original and complete submission with clear delineation of sections (1) Technical (2) Corporate, (3) Staffing and Management (4) Cost and Pricing. Bidders must submit all sections on a USB as well.

**6.2 Technical Proposal response** (outlined in section B) **Not to exceed 10 pages**

* OSO project Narrative (please caption each section as outlined below and include the section headers) - Describe your experiences with and/or your philosophy regarding the following:
	+ Establishing processes for regular communication with partner programs and agencies on workforce development matters, and ensuring that standards of service are met;
	+ Evaluating workforce staff activities to reduce duplication of services;
	+ Developing and maintaining MOU and RSA agreements;
	+ Establishing a record of collaborative partnerships;
	+ Enhancement of quality processes and standards throughout the workforce system;
	+ Understanding of Federal laws and workforce or related laws, including WIOA;
	+ Knowledge of systems and practices that align with State, Regional and Local plans.
* Corporate Proposal (outlined in section C) **Not to exceed 5 pages**
	+ Briefly describe your organization’s mission and/or vision.
	+ How does it align with this funding opportunity and its goals?
	+ Why is your organization in the best position to deliver the requested services?
	+ What experience do you have in working with WIOA partners and within the WIOA system?
* Corporate Financial Condition – Bidders must document **all** the following information; indicate “not applicable” if necessary:
	+ Legal Entity - must submit document proving legal entity;
	+ Certificate of Good Standing for the State of Maryland;
	+ Annual Budget of $100,000 (or more) – Must submit an annual budget document identifying various sources of the amounts. **Must demonstrate more than one funding source;**
	+ Written personnel policies with table of contents;
	+ Written Conflict of Interest for Staff and Board -;
	+ Written grievance procedures for customers/clients;
	+ Prove Fiscal Capacity including capacity for Fund Accounting – Must submit most recent formal independent audit completed within the last two years. Must satisfactorily address all findings.
	+ Current financial statements – **Must submit most recently concluded reporting period;**
	+ Has liability, property and bodily insurance motor vehicle (if applicable) death benefits, fidelity bonding, unemployment insurance, officer’s insurance/employee dishonesty insurance and Workers Compensation Insurance – **Must submit certificate of insurance;**
	+ Internet connectivity, individual e-mail accounts for key personnel and workstation capable of running the latest versions of Microsoft/Chrome or willingness and budget to acquire these technologies;
	+ Copy of Tax Exemption (if applicable);
	+ Copy of approved Certificate of Indirect costs;
* Corporate Qualification – Bidder must complete the following forms
	+ Pre-Award for relocating Establishments
	+ W-9
	+ Certified MBA Utilization and Fair Solicitation Affidavit
	+ Certification Regarding Lobbying
	+ Drug Free Workplace Requirements Certification
	+ Certification Regarding ACORN Prohibition
	+ Proposal Affidavit

6.3 **Staffing and Management Proposal** (outlined in section D) Should not exceed five (5) pages.

* A narrative describing Bidder’s experience in similar contracts and its ability to provide services in the Montgomery County, Maryland local area. **Must include process for hiring new staff members.**
	+ Staffing (Include job descriptions, experience, and percent of time allocated to OSO duties)
	+ Partner Collaboration (includes community, education, Industry and Government partners)
	+ Partner collaboration, communication and capacity building
	+ Performance reporting
	+ Adherence to Board and administrative entity policies and procedures

**6.4 Cost/Pricing proposal** (outline in section E)

* Bidder should provide the:
	+ All inclusive fixed price, including a breakdown of staff utilized in the project
	+ Total hours, the hourly rate required by staff classification, the description and amounts of other charges including communication, travel and research etc.
	+ Projected annual costs for each service as identified in Section B.
	+ Bidder must have an explanation of how costs will be recorded and tracked including the name and software version of the proposed accounting system
	+ ***In reference to for-profit***: For-profit Bidders are eligible to negotiate and earn a profit as a OSO as determined as allowable for the non-federal entity under Subpart E- Cost Principles (2CFR 200). A statement documenting understanding and adherence of the guidance is required.

**7 Section G –** **Evaluation Factors for award**

The following is the total weight for this RFP. Bidders must have a total of 80% or higher to be recommended for final selection.

|  |
| --- |
| Scoring Methodology |
| Technical requirements | 45 pts |
| Corporate requirements | 15 pts |
| Staffing and management requirements | 15 pts |
| Cost and pricing requirements | 25 pts |
| Total Available Points | 100 pts |

WSM reserves the right to conduct discussions with Bidders for the purpose of obtaining “best and final offers” as follows:

* Enter into pre-selection negotiations
* Schedule oral presentations; and
* Request revised proposals

The OSO selection committee will limit any discussions to those Bidders whose proposal have the potential for selection. The Board will award to the responsible Bidder whose proposal, conforming to the solicitation, will be the *most advantageous* to WSM, cost or price and other factors.

**7.1 Bidder’s conditions, Representations and Authorizations**

By submitting its proposal, each Bidder understands, represents and acknowledges that:

* A Bidder and his/her authorized representative may withdraw or modify his/her proposal by written notice received prior to the exact hour and date specified for proposal receipt
* All of Bidder’s information and representations in the proposal are material and important and the Issuing Office may rely upon the contents of the proposal in negotiations, contractual obligations, and awarding the contract(s). Bidder agrees that the proposal will remain firm for a period of one hundred twenty (120) calendar days after the date specified for receipt of proposal or until a contract agreement is fully executed.
* Bidders are expected to fully inform themselves of all conditions, requirements and specifications before submitting a proposal. After the proposal submission deadline, a Bidder may not change its proposal or obtain relief in case of errors or omissions in the submitted proposal.
* WSM may waive minor informalities or errors in proposals if it determines that the error does not undermine the overall integrity of the proposal.
* Bidders are required to follow the Uniform Administrative Requirements, Costs Principles and Audit Requirements for Federal Awards (2CFR 200)
* Bidders shall not issue any public communications pertaining to the project without written approval and coordination with WSM
* Bidder has arrived at the cost(s) and amount(s) in its proposal independently and without consultation, communication or agreement with any other Bidder or potential Bidder. Bidder shall not disclose any of these items on or before the proposal submission deadline.
* Bidder has acted ethically and honestly throughout the solicitation/proposal process and there has been no inappropriate communication with other potential Bidders.
* Bidder is not currently under suspension or debarment in the State of Maryland, any other State or Federal government.
* The proposal forms must be legible and complete in their entirety, with all required supplemental information presented in an organized, comprehensive, and easy-to-follow manner.

**7.2 Post Award**

Bidders whose proposals are not selected will be notified of the selected Bidder and given the opportunity to be debriefed. The debriefing will not compare Bidders with other Bidders, other than the position of Bidder’s proposal in relation to all other Bidders’ proposals. A Bidder’s exercise of the opportunity to be debriefed does not constitute the filling of a protest.

**Protest/Appeal procedure**

 Any respondents dissatisfied with the Review Committee's recommendation and who seek to appeal the matter to the WSM Executive Committee, must file a written appeal within ten (10) calendar days of receiving notice of the Review Committee's decision with the WSM CEO at the following address:

Dr. Ellie Giles

Chief Executive Officer

WorkSource Montgomery, Inc.

1801 Rockville Pike, Suite 320

Rockville, MD 20852

Any appeal must set forth in reasonable detail a statement of the reasons for the protest, together with supporting exhibits and evidence to support the desired relief. Upon receipt of a timely and proper protest, the Executive Committee will investigate the protest and will provide a written response to the Bidder within 10 business days of receipt of the protest. If the Executive Committee requires additional time to review the protest and is not able to provide a response within ten (10) business days, the Executive Committee will notify the Bidder. WSM, Inc., at its sole discretion, may elect to withhold the contract award until the protest is resolved or denied or proceed with the award and implementation of the contract. The determination of the Executive Committee is final.

**Protest Remedies**

* 1. If the protest is upheld by the Panel, WSM, Inc. will consider all circumstances surrounding the procurement in its decision for a fair and reasonable remedy, including the seriousness of the procurement deficiency, the degree of prejudice to the protesting party or to the integrity of the competitive procurement system, the good faith efforts of the parties, the extent of performance, the cost to WSM, the urgency of the procurement, and the impact of the recommendation(s) on WSM. WSM may recommend any combination of the following remedies:
	2. Re-solicit the requirement
	3. Issue a new RFP
	4. Award a contract consistent with statute or regulation, or
	5. Other such remedies as may be required to promote compliance
	6. Notwithstanding that a protest is upheld, WSM reserves the right to proceed with the protested selection or award of contract, and to implement a contract with the firm selected or awarded the contract.

**Contract Terms:** If a Bidder’s proposal is accepted, the Bidder and WSM will work in good faith to enter into a binding contract (“Agreement”) setting out all of the terms and conditions under which the Bidder will provide the services subject to this RFP, which Agreement will be consistent with the RFP. Among the provisions to be included in the Agreement are the following:

**Hold Harmless/Indemnification**

The Bidder shall indemnify, defend, and hold harmless WSM, and its directors, officers, employees, and agents from and against all liability and expenses, including reasonable attorney's fees, howsoever arising or incurred, alleging damage to property or injury to, or death of, any person arising out of or attributable to the Bidder’s performance of the Agreement, provided that the Bidder shall not be responsible for acts of negligence or willful misconduct committed by WSM, its employees, agents and officials.

Any property or work to be provided by the Bidder under the Agreement will remain at the Bidder’s risk until written acceptance by WSM; and the Bidder will replace, at Bidder’s expense, all property or work damaged or destroyed by any cause whatsoever.

**Termination**

Termination Prior to Expiration of Term: WSM reserves the right to terminate the resulting Agreement at any time, with or without cause, upon thirty (30) days' written notice to Bidder, except that where termination is due to the fault of the Bidder, the period of notice may be such shorter time as may be determined by WSM. Upon receipt of any notice of termination, Bidder shall immediately cease all services except as may be specifically approved by WSM. The Bidder shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by WSM. In the event of termination without cause, WSM need not provide the Bidder with the opportunity to cure.

Termination for Default of Bidder: If termination is due to the failure of the Bidder to fulfill its obligations under the Agreement, WSM may take over the work and prosecute the same to completion by contract or otherwise, and the Bidder shall be liable to the extent that the total cost for completion of the services required exceeds the compensation stipulated (provided that WSM shall use reasonable efforts to mitigate such damages), and WSM may withhold any payments to the Bidder for the purpose of set-off or partial payment of the amounts owed WSM as previously stated.

Termination for Non-appropriation: If WSM or other funding source fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period or part thereof of the resulting Agreement, the Agreement shall be cancelled automatically as of the beginning of the fiscal year or part thereof for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either WSM’s rights or the Bidder's rights under any termination clause in the Agreement. The effect of termination of the Agreement will be to discharge both the Bidder and WSM from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Bidder shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the Agreement. WSM shall make a good faith effort to notify the Bidder as soon as it has knowledge that funds may not be available for the continuation of the Agreement for each succeeding fiscal period or part thereof beyond the first fiscal year.