

Notice of Blanket Purchase Agreement



State Of Rhode Island and Providence Plantations
Department of Administration
Division of Purchases
One Capitol Hill
Providence, RI 02908-5860

V E N D O R	DUFFY & SHANLEY INC 10 CHARLES ST PROVIDENCE, RI 02904 United States
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MPA-479 COMMUNICATIONS & MARKETING SERVICES	
Award Number	3327613
Revision Number	2
Effective Period	01-JUN-2013 - 31-MAY-2017
Approved PO Date	06-MAY-2016
Vendor Number	7690-iSupplier

S H I P T O	MASTER PRICE AGREEMENT SEE BELOW RELEASE AGAINST, RI MPA United States
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Type of Requisition	ARCH, ENG & CONSULT
Requisition Number	
Change Order Requisition Number	
Solicitation Number	7461231
Freight	Paid
Payment Terms	NET 30
Buyer	Francis, David -

This Purchase Order is issued pursuant to and in accordance with the terms and conditions of the solicitation and applicable federal, state, and local law, including the State of Rhode Island's purchasing regulations, available at www.purchasing.ri.gov.

CHANGE TO PO 3327613 - DUFFY & SHANLEY, INC.

CHANGE EFFECTIVE PERIOD:

FROM: 6/1/13 - 5/31/16

TO: 6/1/13 - 5/31/17

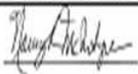
EXERCISE OPTION RENEWAL YEAR. ONE ANNUAL OPTION TO RENEW REMAINS.

INVOICE TO

The State of Rhode Island accepts electronic invoices via its supplier portal. To register and submit electronic invoices, visit the supplier portal at <http://controller.admin.ri.gov/iSupplier/isup/index.php>

To submit paper invoices, mail to: Department of Administration Controller, One Capitol Hill, 4th Floor, Providence 02908.

STATE PURCHASING AGENT


 Nancy R. McIntyre

Contract Terms and Conditions

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Terms and Conditions

PURCHASE ORDER STANDARD TERMS AND CONDITIONS

TERMS AND CONDITIONS FOR THIS PURCHASE ORDER

INSURANCE REQUIREMENTS (ADDITIONAL)

ANNUAL RENEWAL INSURANCE CERTIFICATES FOR WORKERS' COMPENSATION, PUBLIC LIABILITY, PROPERTY DAMAGE INSURANCE, AUTO INSURANCE, PROFESSIONAL LIABILITY INSURANCE (AKA ERRORS & OMISSIONS), BUILDER'S RISK INSURANCE, SCHOOL BUSING AUTO LIABILITY, ENVIRONMENTAL IMPAIRMENT (AKA POLLUTION CONTROL), VESSEL OPERATION (MARINE OR AIRCRAFT) PROTECTION & INDEMNITY, ETC., MUST BE SUBMITTED TO THE SPECIFIC AGENCY IDENTIFIED IN THE "BILL TO" SECTION OF THE PURCHASE ORDER. CERTIFICATES ARE ANNUALLY DUE PRIOR TO THE BEGINNING OF ANY CONTRACT PERIOD BEYOND THE INITIAL TWELVE-MONTH PERIOD OF A CONTRACT. FAILURE TO PROVIDE ANNUAL INSURANCE CERTIFICATION MAY BE GROUNDS FOR CANCELLATION.

MULTI YEAR AWARD

THIS IS A MULTI-YEAR BID/CONTRACT. PER RHODE ISLAND STATE LAW 37-2-33, CONTRACT OBLIGATIONS BEYOND THE CURRENT FISCAL YEAR ARE SUBJECT TO AVAILABILITY OF FUNDS. CONTINUATION OF THE CONTRACT BEYOND THE INITIAL FISCAL YEAR WILL BE AT THE DISCRETION OF THE STATE. TERMINATION MAY BE EFFECTED BY THE STATE BASED UPON DETERMINING FACTORS SUCH AS UNSATISFACTORY PERFORMANCE OR THE DETERMINATION BY THE STATE TO DISCONTINUE THE GOODS/SERVICES, OR TO REVISE THE SCOPE AND NEED FOR THE TYPE OF GOODS/SERVICES; ALSO MANAGEMENT OWNER DETERMINATIONS THAT MAY PRECLUDE THE NEED FOR GOODS/SERVICES.

PURCHASE AGREEMENT AWARD

THIS IS A NOTICE OF AWARD, NOT AN ORDER. Any quantity reference in the agreement or in the bid preceding it are estimates only and do not represent a commitment on the part of the state to any level of billing activity, other than for quantities or volumes specifically released during the term. No action is to be taken except as specifically authorized, as described herein under AUTHORIZATION AND RELEASE. ENTIRE AGREEMENT - This NOTICE OF AWARD, with all attachments, and any release(s) against it shall be subject to: (1) the specifications, terms and conditions set forth in the Request/Bid Number cited herein, (2) the General Terms and Conditions of Contracts for the State of Rhode Island and (3) all provisions of, and the Rules and Regulations promulgated pursuant to, Title 37, Chapter 2 of the General Laws of the State of Rhode Island. This NOTICE shall constitute the entire agreement between the State of Rhode Island and the Vendor. No assignment of rights or responsibility will be permitted except with the express written permission of the State Purchasing Agent or his designee. CANCELLATION, TERMINATION and EXTENSION - This Price Agreement shall automatically terminate as of the date(s) described under CONTRACT PERIOD unless this Price Agreement is altered by formal amendment by the State Purchasing Agent or his designee upon mutual agreement between the State and the Vendor.

AUTHORIZATION AND RELEASE

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency. A Direct Purchase Order (DPO) shall be created by the agency listing the items ordered, using the pricing and format set forth in the Master Blanket. All pricing

shall be as described in the Master Blanket and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected in Master Blanket.

BLANKET PAYMENT

DELIVERY OF GOODS OR SERVICES AS REQUESTED BY AGENCY. PAYMENTS WILL BE AUTHORIZED UPON SUBMISSION OF PROPERLY RENDERED INVOICES NO MORE THAN MONTHLY TO THE RECEIVING AGENCY. ANY UNUSED BALANCE AT END OF BLANKET PERIOD IS AUTOMATICALLY CANCELLED.

EQUAL OPPORTUNITY COMPLIANCE

THIS PURCHASE ORDER IS AWARDED SUBJECT TO EQUAL OPPORTUNITY COMPLIANCE.

CAMPAIGN FINANCE COMPLIANCE

EVERY PERSON OR BUSINESS ENTITY PROVIDING GOODS OR SERVICES AT A COST OF \$5000 CUMULATED VALUE IS REQUIRED TO FILE AN AFFIDAVIT REGARDING POLITICAL CAMPAIGN CONTRIBUTIONS WITH THE RI STATE BOARD OF ELECTIONS EVEN IF NO REPORTABLE CAMPAIGN CONTRIBUTIONS HAVE BEEN MADE. (RI GENERAL LAW 17-27) FORMS OBTAINED AT BOARD OF ELECTIONS, CAMPAIGN FINANCE DIVISION, 50 BRANCH AVENUE PROVIDENCE 02904 (401-222-2056).

ARRA SUPPLEMENTAL TERMS AND CONDITIONS

For contracts and sub-awards funded in whole or in part by the American Recovery and Reinvestment Act of 2009. Pub.L.No. 111-5 and any amendments thereto, such contracts and sub-awards shall be subject to the Supplemental Terms and Conditions For Contracts and Sub-awards Funded in Whole or in Part by the American Recovery and Reinvestment Act of 2009. Pub.L.No. 111-5 and any amendments thereto located on the Division of Purchases website at www.purchasing.ri.gov."

TERMS AND CONDITIONS OF PRICING AGREEMENT

SCOPE AND LIMITATIONS - This Agreement covers requirements as described herein, ordered by State agencies during the Agreement Period. No additional or alternative requirements are covered, unless added to the Agreement by formal amendment by the State Purchasing Agent or his designee.

Under State Purchasing Law, 37-2-54, no purchase or contract shall be binding on the state or any agency thereof unless approved by the department [of administration] or made under general regulations which the chief purchasing officer may prescribe. Under State Purchasing Regulation 8.2.1.1.2, any alleged oral agreement or arrangements made by a bidder or contractor with any agency or an employee of the Office of Purchases may be disregarded and shall not be binding on the state.

PRODUCT ACCEPTANCE - All merchandise offered or otherwise provided shall be new, of prime manufacture, and of first quality unless otherwise specified by the State. The State reserves the right to reject all nonconforming goods, and to cause their return for credit or replacement, at the State's option.

- a) Failure by the state to discover latent defect(s) or concealed damage or non-conformance shall not foreclose the State's right to subsequently reject the goods in question.
- b) Formal or informal acceptance by the State of non-conforming goods shall not constitute a precedent for successive receipts or procurements.

Where the vendor fails to cure the defect promptly or replace the goods, the State reserves the right to cancel the Release, contract with a different vendor, and to invoice the original vendor for any differential in price over the original contract price.

ORDER AUTHORIZATION AND RELEASE AGAINST PRICING AGREEMENT

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency.

State Agencies shall request release as follows: All releases shall reference the Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein.

A Department Purchase Order (DPO) listing the items ordered shall be created by the agency. The agency may mail or fax a copy of the order to the Vendor. In some cases the agency may request delivery by telephone, but must provide the Vendor with a DPO Order Number reference for billing purposes. Vendors are encouraged to require written orders to assure payments are processed accurately and promptly.

DELIVERY If this is an MPA, Vendor will obtain "ship to" information from each participating agency. This information will be contained in the DPO. APA delivery information will be contained in the Notice of Award.

PRICING - All pricing shall be as described herein, and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected herein.

INVOICING All invoices shall reference the DPO Order Number(s), Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein. If this is an MPA, Vendor will obtain "bill to" information from each participating agency. This information will be contained in the DPO. APA billing information will be contained in the Notice of Award.

PAYMENT - Invoices for items not received, not priced according to contract or for work not yet performed will not be honored. No payment will be processed to any vendor for whom there is no IRS W-9 on file with the State Controller.

MPA BID AWARD (STATEWIDE APPLICABILITY)

STATEWIDE APPLICABILITY - Political Subdivisions (cities, towns, schools, quasi-public agencies), as authorized by law, may participate in this Agreement. All ordering and billing shall be between the vendor and the political subdivision (only).



Notice of Contract Purchase Agreement

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
ONE CAPITOL HILL
PROVIDENCE RI 02908

DUFFY & SHANLEY INC
10 CHARLES ST
PROVIDENCE, RI 02904
United States

MPA-4799 COMMUNICATIONS & MARKETING SERVICES	
Award Number 3327613	Effective Period: 01-JUN-13 - 31-MAY-16

S H I P T O	MASTER PRICE AGREEMENT SEE BELOW RELEASE AGAINST,RI MPA United States
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Date:	04-JUN-13
Buyer:	D Majcher
Shipping:	Paid
Terms:	NET 30
Vendor#:	7690

I N V O I C E	MASTER PRICE AGREEMENT SEE BELOW RELEASE AGAINST,RI MPA United States
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Department	Type of Requisition	Bid Number	Requisition Number
		N/A	

CONTRACT TERM: 6/1/13-5/31/16
WITH AN OPTION TO RENEW FOR TWO ADDITIONAL ONE-YEAR EXTENSIONS AT THE SOLE OPTION OF THE STATE.

MASTER PRICE AGREEMENT #479
CATEGORIES 1, 2 AND 3.

PROVIDE COMMUNICATIONS AND MARKETING SERVICES IN ACCORDANCE WITH THE PROVISIONS OF RFP #7461231; THE ATTACHED SUPPLEMENTAL AGREEMENT EFFECTIVE MAY 30, 2013 BETWEEN THE RHODE ISLAND DEPARTMENT OF ADMINISTRATION, DIVISION OF PURCHASES AND DUFFY & SHANLEY, INC.; AND COST PROPOSAL DATED MARCH 19, 2013, WHICH IN CONFLICT ARE SUBSERVIENT TO THE STATE OF RHODE ISLAND'S GENERAL CONDITIONS OF PURCHASE.

PLEASE NOTE:
WHEN SUBMITTING INVOICES, VENDOR IS REQUIRED TO PROVIDE JOB CLASSIFICATIONS, HOURLY RATES & NUMBER OF HOURS WORKED FOR ALL DELIVERABLES BEING BILLED.

VENDOR CONTACT:
DUFFY & SHANLEY, INC.
JEREMY DUFFY
VICE PRESIDENT, BUSINESS DEVELOPMENT
TEL: (401) 274-0001
FAX: (401) 274-3535
EMAIL: JADUFFY@DUFFYSHANLEY.COM

STATE PURCHASING AGENT
Lorraine A. Hynes

This Notice of Award/Purchase Order is issued in accordance with the specific requirements described herein and the State's Purchasing Regulations and General Conditions of Purchase, copies of which are available at www.purchasing.ri.gov. Delivery of goods or services as described herein shall be deemed acceptance of these requirements

Supplemental Agreement

The Rhode Island Department of Administration, Division of Purchases (“Division”) and Duffy & Shanley Inc. (“VENDOR”) (collectively known as the “Parties” or as a “Party” individually) hereby enter into this “Supplemental Agreement,” on the _____ day of May, 2013, effective upon issuance of Master Price Agreement # 479 (“MPA”) by the Division, to provide communications and/or marketing services to the State of Rhode Island (“State”), in accordance with the terms and conditions stated in Request for Proposal # 7461231 and addenda (“RFP”), Communications and Marketing Services, and now stated herein.

1. Incorporation of the Agreement in its Entirety:

The Notice of Contract Purchase Agreement, along with the State Procurement Regulations and General Conditions of Purchase, and the documents listed below, are all expressly incorporated by reference into this Supplemental Agreement and shall be collectively referred to as the “Agreement”:

A. Request for Proposal # 7461231 and Addenda, and all of the terms and conditions contained therein, including, but not limited, to the following terms:

- MPA #479 will be for a three (3) year duration, with two (2) one (1) year extensions at the Division’s option;
- All pricing submitted and attached herein will be considered to be a firm and fixed maximum rate – the State reserves the right to negotiate lower rates than the stated maximum rate on a case-by-case basis;
- There is no guarantee of any level of purchasing activity on behalf of the State under MPA # 479;
- The same offers, terms and conditions as stated in the Agreement will be accessible to the Legislative and Judicial Branches of the State of Rhode Island, Rhode Island municipalities (cities and towns), school districts and quasi-public agencies. (In other words, this MPA is extended to all governmental or quasi-governmental entities in Rhode Island should they decide voluntarily participate and access the pricing and terms available under MPA 479);

B. VENDOR’s Cost Proposal (Attachment #1) – and all of the terms contained therein, provided however, that the rates stated in the cost proposal are the maximum rates and an agency may also negotiate a lower rates or a flat fixed fee arrangement on a project by project basis. Nothing herein prevents the agency from contacting multiple firms listed on the MPA to provide the same scope of work and selecting a firm that will provide the best value for the State. Additionally, the VENDOR may propose alternative fee arrangements.

C. VENDORS’s Technical Proposal

2. Order of Precedence

To the extent that there is any conflict in terms among the items incorporated into the Agreement, the following order of supremacy (with one (1) being the highest order of priority) shall control:

1. The State Procurement Regulations and the State's General Conditions of Purchase;
2. The Supplemental Agreement
3. RFP
4. VENDOR's Cost Proposal; and
5. VENDOR's Technical Proposal.

3. Scope of Work

TERM: The term of this MPA will be for three (3) years, with two (2) one year extensions at the sole option of the Division. **There is no guarantee of any level spending activity to a VENDOR selected for this MPA.**

General Description

The VENDOR will be responsible for providing work within the following categories of services:

1. Strategic marketing consultation; and
2. Technical services, including production of materials.
3. Research based services

Services required will be based on the needs of individual programs and projects, and may include one or more of the categories above. Following is a description of the activities that the State's agencies expect the VENDOR to perform for each of the categories of services.

Category 1: Strategic Marketing Consultation

Projects require an array of consultation services for planning effective communication and marketing strategies, ranging from conducting formative research; to designing brochures; to designing, implementing, and evaluating comprehensive communication campaigns. The VENDOR agrees to provide an array of strategic marketing consultation services, including but not limited to the following types of services:

- Strategic communication planning
- Crisis communication
- Media relations and/or public relations
- Media training
- Special events planning

- Creative services (such as graphic design/layout of print materials, logo development, illustration, copywriting)
- Comprehensive literature reviews
- Social Media
- Evaluation
- Media Monitoring
- General communication and support on a project basis, as needed.

These services may be requested as individual, stand alone services, or they may be requested as part of a comprehensive campaign. The service should result in a formal plan that is provided to the agency on a project by project basis. The services required will depend on the scope of work for each program or project. The services will be paid on an hourly basis (unless negotiated otherwise by an agency and approved by the Division in which case a fixed project price may be negotiated), based on a specific scope of work to be defined by an agency. Prior to starting, the VENDOR will meet with the relevant Agency manager and a representative from the communication unit to understand the program goals and define potential communication goals. Prior to beginning the delivery of the consultation, the VENDOR will be required to provide the level of effort (number of hours), propose a timeline to complete the work and give the total cost. Nothing prevents the agency from contacting multiple VENDORS on the MPA in order to acquire the best value for the State. Work will begin when an agency and the VENDOR have agreed upon the proposal (see section VI: Requirements) and a Purchase Order is issued by the Division of Purchases.

Category 2: Technical Services

A “technical service” refers to the production of communication materials and media, including:

- Media production, which may include a variety of printed materials, television and radio slots.
- Web-based applications including web-hosting, social networking sites, e-news releases, Twitter and other delivery channels.

Category 3: Research Based Services

- Focus groups (a variety of services may be provided by the VENDOR related to the provision of focus groups, including recruitment; development of screening tools, moderator’s guides, and exit tools; facilitation; logistics; report writing; and results analysis)
- Surveys (the Agencies may collect information to measure the effectiveness of communication campaigns, strategies, or products. Potential survey techniques may include intercept and telephone surveys, and newspaper polls. In addition, the VENDOR may be expected to conduct “effectiveness measurement” to establish a baseline and benchmarks to gauge message effectiveness through a variety of metrics and tracking.)
- In-depth interviews

These services may be requested as individual, stand alone services, or they may be requested as part of a comprehensive campaign. The service should result in a formal plan that is provided to

the agency on a project by project basis. The services required will depend on the scope of work for each program or project. The services will be paid on a per project basis (unless negotiated otherwise by an agency and approved by the Division in which case a fixed project price will be negotiated), based on a specific scope of work to be defined by an agency. Prior to starting, the VENDOR will meet with the relevant Agency manager and a representative from the communication unit to understand the program goals and define potential communication goals. Prior to beginning the delivery of the consultation, the VENDOR will be required to provide propose a timeline to complete the work and give the total cost based on the scope of the project. Nothing prevents the agency from contacting multiple VENDORS on the MPA in order acquire the best value for the State. Work will begin when an Agency and the VENDOR have agreed upon the proposal (see section VI: Requirements) and a Purchase Order is issued by the Division of Purchases.

Requirements for All Three Categories:

The provision of strategic marketing consultation and technical and research based services requires a comprehensive approach that is broken into four phases for the purposes of this contract. Not all projects will require each phase, however, each project must begin with Phase 1.

i. Needs Assessment

The VENDOR will attend an initial meeting with Agency staff, at no charge, to discuss the purpose, scope, goals and objectives of that Agency's work to help the VENDOR prepare a proposal for the scope of services and budget. Prior to starting the work, the VENDOR will provide a written proposal estimating the number of hours and proposing a timeline to complete the work and a project price. Work will begin when the Agency and the VENDOR have agreed upon the proposal.

If the project entails the development of educational or promotional materials or a campaign, the VENDOR will develop and submit a written plan for a needs assessment/formative research, process evaluation, and impact evaluation.

If formative research is conducted by the VENDOR, they will prepare and present a written report including research findings and recommendations regarding how best to meet the Agency's objectives.

ii. Concept Development Phase

At this point, if relevant, the VENDOR will begin to develop concepts for the communication product or campaign based on the findings of the research in the needs assessment phase.

In the case of a campaign, the VENDOR will present a minimum of two campaign concepts. Presentation of these concepts will include possible overarching themes or slogans, as well as an initial proposal of some of the possible campaign elements based on the needs assessment and budgetary considerations. This presentation should include mock-ups, such as sketches of

proposed print materials, as well as representations of possible visuals and an indication of how text will appear; and rough drafts of possible themes and scripts for audio/visual elements. The Agency will make the decision on which of the proposed concept(s) and elements will be further developed.

For other products that are not part of a campaign (e.g. stand alone program brochures, focus group guides, surveys, etc.) one concept or draft is sufficient. Work will continue when the Agency and the VENDOR have agreed upon the concept to be further developed.

iii. Design/Implementation Phase

Full development and implementation of all communication products will be completed during this phase. This may include:

- Writing and revising text (this could include brochures, scripts for television and radio spots, focus group guides, etc.)
- Designing and laying out print pieces (this includes reviewing commissioned illustrations and photography with the Agency) and revising as necessary;
- Developing and writing web-content in accordance with the Agency's template (e.g., ri.gov)
- Copyediting;
- Preparing communication materials for pre-testing among the target audience and revising as necessary based on feedback;
- Obtaining bids and estimates for production of materials;
- Developing a plan for placement and distribution of materials over a 12 month period;
- Identifying optimum levels of reach and frequency (identifying how much of the target audience can be reached and how often given budgetary constraints); and
- Identifying potential partnerships to enhance project impact.
- Media monitoring.

The State reserves the right to receive competitive quotes on a project basis from the VENDORS listed on the MPA and to purchase technical services directly from VENDORS. Copies of all invoices for technical services will be included in the VENDOR's bills to the Agency.

The Agency will make all final decisions about material layout, copy, and distribution channels.

Once the final products are approved and ready for production, the VENDOR will be responsible for assuring the quality of elements that are to be produced. The Agency reserves the right to reject any products, and will not pay for products that fail to meet quality standards. As part of this quality assurance, the VENDOR is responsible for:

- Reviewing all stages of proofing for print materials with the Agency;
- Conducting press checks for print materials;
- Reviewing completed materials (print, audio, and visual) with the Agency;
- Supervising radio and TV shoots and edits; and
- Trafficking all materials to appropriate media;

The VENDOR is responsible for entering into agreements and/or subcontracts with VENDORS to procure the above technical services on behalf of the Agency.

The VENDOR is also responsible for working with and reimbursing the services of designers, printers, and other contractors with whom the Agency has a continuing relationship, in order to reproduce previously created materials.

All developed materials are the property of the Agency. Print materials will be provided in electronic format (original program format plus a PDF version that fits Agency guidelines) along with original artwork and photography. A digital master of all radio and television commercials master plus DVD and CD copies of each piece must also be provided. The VENDOR will maintain an inventory of all products produced by VENDOR and submit it annually to the Agency.

iv. Evaluation/Additional Research

The Agency may wish to collect information to measure the effectiveness of its work through surveys, focus groups, in-depth interviews, etc. The VENDOR will be responsible for proposing a research strategy, timeline and budget estimate*. Work can begin when the Agency and the VENDOR agree upon the proposal. Once research is completed, the VENDOR will provide a written report with a summary of the research and recommendations regarding how best to meet program goals.

*For work in any of the above four phases, the VENDOR must notify the Agency before beginning work that will require funds above those indicated in the project estimate.

v. Additional Requirements

In addition, the VENDOR is responsible for the following:

- Providing office space, office equipment, and office support including telephone, fax, and computer word-processing and graphic design programs;
- Supporting all travel necessary to conduct work defined in the Scope of Work; Supervising and reimbursing all subcontractors.

4. Insurance Requirements:

VENDOR shall acquire and maintain general liability insurance or equivalent professional liability insurance covering personnel and advertising liability for the duration of the engagement in the following amount[s]:
One Million Dollars (\$1,000,000)

5. Choice of Law and Venue:

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Rhode Island.

6. Amendment:

Except as otherwise provided for herein, the terms and conditions of this Agreement shall not be modified or amended except in writing, signed by both parties hereto and specifically referring to this Agreement.

7. Notice:

Any notice required to be given by either party hereunder, shall be in writing and delivered personally to the other designated party, or sent by any commercially reasonable means of receipted delivery, addressed, to that party at the address most recently provided in writing. Either party may change the address to which notice is to be sent by written notice to the other under any provision of this paragraph.

Lorraine A. Hynes
RI Department of Administration
Division of Purchases 2nd Fl.
One Capitol Hill
Providence, RI 02908

Mr. Jeremy Duffy, Vice President
Duffy & Shanley Inc.
10 Charles Street
Providence, RI 02904

7. Miscellaneous

All provisions not expressly addressed herein are governed by Appendix A, General Conditions of Purchase, of the State of Rhode Island Procurement Regulations available at the www.purchasing.ri.gov.

8. Headings:

The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

9. Severability:

Should any term, clause or provision herein be found invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be construed to most closely reflect the original intent of the parties.

10. Entire Agreement/Counterparts.

This Supplemental Agreement, and the items incorporated herein by reference, shall constitute the entire understanding of the parties. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective organizations, have executed this Agreement as of the date set forth below.

VENDOR:

By: Jeremy A. Duffy
Name: Jeremy Duffy
Title: Partner / Vice President
Date: MAY 17, 2013

State Purchasing Official:

By: L. Hynes
Name: Lorraine A. Hynes
Title: Purchasing Agent
Date: May 30th, 2013



State of Rhode Island
Communications and Marketing Services

RFP # 7461231

(MPA # 479)

Cost Proposal

Prepared by Duffy&Shanley, Inc.

March 19, 2013



Cost Proposal

Introduction

For the purpose of this response, we are providing a compensation proposal based on a **flat hourly fee of \$150 per hour**. As you can see from our attached hourly schedule, this is as much as a 40% fee reduction for some of our staff. Duffy & Shanley is aggressively pricing this RFP in a concerted effort to be placed on the MPA list of approved vendors.

However, Duffy & Shanley believes the best approach for compensation for this type of effort is for the client and the agency to work together to create a compensation proposal that meets both the client's and agency's needs.

In some cases that might be on a project-by-project basis. In other cases an "always-on" retainer model based on an agreed-upon scope of work and agreed-upon agency staffing plan might be preferred. Or, hybrid-model that includes some retained services, some discrete project development costs, perhaps some media commissions, and possibly a pay-for performance incentive might be the answer. The reality is that the agency has client agreements that resemble all of these models. Which is a long way of saying our preference with respect to method of compensation is simply to establish a client agreement that is fair and fosters efficiency and speed to getting the job done – collaboratively.

In our minds, compensation should act as a guardrail within the business relationship, but certainly not an inhibitor to progress. In many instances some degree of retained resources (core team) has enabled this objective Independent of the compensation agreement's end manifestation, both the client and the agency should strive for complete transparency throughout the process in order to create a true partnership, working together toward a common set of goals.



Philosophy

We are a professional service firm. Our resources are our people. Our products are our ideas.

We generate wealth for our clients by building brands. Through crisp, penetrating, perceptive, and creative insight into the hearts and minds of consumers, we connect people to your brand. We develop memorable ideas, images and stories. We surround your brand with magic.

Our compensation is based on the time, talent and experience of our people; the commitment we make to your business; and the value of our contributions. We require a fair return so we can invest in the talented people we need to make you successful.

1. Hourly Professional Service Fees

For the purpose of this response, we are providing a compensation proposal based on a flat hourly fee of \$150 per hour. As you can see from the rate schedule provided below, this is as much as a 40% fee reduction for some of our staff. Duffy & Shanley is aggressively pricing this RFP in a concerted effort to be placed on the MPA list of approved vendors.

Hourly Rates	Normal Hourly Rates	RI Discounted Rates
Jon Duffy, President	\$250	\$150
Peter Marcionetti, Creative Director	\$200	\$150
Michael Silvia, Creative Director	\$200	\$150
Annette Maggiacomo, VP/PR	\$175	\$150
Karen Shuster, Media Director	\$185	\$150
Copywriter	\$175	\$150
Art Director	\$150	\$150
Account Coordinator/PR	\$125	\$150
Creative Assistant	\$135	\$150
Interactive Designer	\$150	\$150



Interactive Developer	\$150	\$150
Junior Art Director	\$100	\$150
Media Buyer	\$150	\$150
Media Planner	\$165	\$150
Media Researcher	\$100	\$150
Production Manager	\$135	\$150
Traffic Manager	\$135	\$150
Video Production	\$150	\$150

These hourly rates are utilized to create estimates for every client job. No job is ever begun without a signed approval of the estimate by the appropriate representative.

2. Production Jobs

Prior to starting any project or purchasing any outside services that would commit client funds, the agency will provide the State of Rhode Island with an estimate and will not enter into any agreements without your prior written approval to the total cost. These estimates are typically included in a comprehensive budget developed for an entire campaign or project. Estimates are reasonable projections of finished costs, based on our experience with similar projects and final job specs.

We ask all our clients to sign the estimate before work on a project can begin. Production jobs are billed upon approval of the estimate. If during the course of the project, the scope changes or the agency is asked to perform different work than was agreed to on the estimate, a revised estimate will be provided for approval before proceeding, to avoid any surprises at the end of the project.

All third-party vendor expenses, such as printing, photography, video editing, etc., will be billed to the State of Rhode Island at cost plus a 17.65% mark-up to yield the agency a 15% commission.

For outside (hard) costs, we adhere to the AAAA's guidelines and generally use a triple bid process. Any new vendors that are under consideration by the agency are subjected to a rigorous testing process that allows us to evaluate their prices, services, and customer service abilities. They must provide detailed information addressing the financial stability of their organization.



Participating vendors must excel in every facet of the evaluation in order to be considered for future work. To establish expectations with these firms and to realize maximum savings for our clients, we typically send detailed job specifications to three agency-approved (or client-approved) vendors. In selecting a vendor we will strive to go with the lowest price, but consider other factors that might necessitate an exception, including:

- Does one of the three have a particular specialty that makes it the best candidate for the job?
- Are there time constraints involved that make it necessary to place the job with a particular vendor?
- Does the size of the job make it necessary to give the project to more than one vendor?

If executional circumstances prevent us from going with the lowest vendor, we will negotiate the price to be as close as possible to the lowest bid. As an assurance to our clients, prior to purchasing, ordering, or committing client funds, the agency provides an estimate of the expense and will not enter into any agreement with any third-party supplier requiring payment or reimbursement without prior written approval from the client. Of course, these estimates will align directly with the budget level established with the client team.

3. Out-of-pocket expenses

We bill all out-of-pocket expenses (phone, delivery charges, approved travel etc.) at our net costs.

4. Research-Based Services – Hypothetical Project

Telephone Survey

This question is difficult to answer due to two unknowns. The first is the length of the interview: is it a simple robo survey that can be done without a live person and just consists of 3-4 questions? Is it a five-minute survey or is it a 20-minute survey? Length and human versus robo make a big difference in pricing. The second unknown that greatly impacts price is the list – is it an Offeror-supplied list? Is it a list a register voters or is it a highly specialized list such as site locator decision makers? We have expertise in all of these areas. To provide an example of pricing for the RFP response, let's make the following assumptions:



- It is a 15-minute survey
- It is targeting registered voters in Rhode Island
- It is utilizing a live phone operator
- The sample size is 400

The costs for developing, implementing and analyzing this type of survey would be \$8,000.

The highest cost example would be a longer survey targeting a very specific industry.

Web-Based Survey

We utilize the Survey Monkey online web tool for this type of research. We do so many of these a year that our contract rate is minimal to execute the survey (less than \$10). Again, the cost here is the list. Is it a highly targeted sample such as IT Directors or is it a simple sample such as Rhode Island consumers? A highly targeted list could cost up to \$50 per name. For the purpose of the RFP response we will make the following assumptions:

- It is a 20-question survey
- It is targeting RI consumers – \$1500
- The sample size is 200
- The cost to develop the survey would be 3 hours @ \$150 D&S blended rate
- The cost to analyze the survey would be 4 hours @ \$150 D&S blended rate

Total cost would be \$2,550.

20-Hour-Long In-Depth Interview

Development of discussion guideline: 4 hours @ \$150 D&S blended rate

In-depth interviews: 20 hours @ \$150 D&S blended rate

Analysis of results and recommendation: 10 hours @ \$150 D&S blended rate

Total cost would be \$5,100.

PAAWD

THIS IS A NOTICE OF AWARD, NOT AN ORDER. Any quantity reference in the agreement or in the bid preceding it are estimates only and do not represent a commitment on the part of the state to any level of billing activity, other than for quantities or volumes specifically released during the term. No action is to be taken except as specifically authorized, as described herein under AUTHORIZATION AND RELEASE. ENTIRE AGREEMENT - This NOTICE OF AWARD, with all attachments, and any release(s) against it shall be subject to: (1) the specifications, terms and conditions set forth in the Request/Bid Number cited herein, (2) the General Terms and Conditions of Contracts for the State of Rhode Island and (3) all provisions of, and the Rules and Regulations promulgated pursuant to, Title 37, Chapter 2 of the General Laws of the State of Rhode Island. This NOTICE shall constitute the entire agreement between the State of Rhode Island and the Vendor. No assignment of rights or responsibility will be permitted except with the express written permission of the State Purchasing Agent or his designee. CANCELLATION, TERMINATION and EXTENSION - This Price Agreement shall automatically terminate as of the date(s) described under CONTRACT PERIOD unless this Price Agreement is altered by formal amendment by the State Purchasing Agent or his designee upon mutual agreement between the State and the Vendor.

RELEASE

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency. A Direct Purchase Order (DPO) shall be created by the agency listing the items ordered, using the pricing and format set forth in the Master Blanket. All pricing shall be as described in the Master Blanket and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected in Master Blanket.

INSURANCE2

ANNUAL RENEWAL INSURANCE CERTIFICATES FOR WORKERS' COMPENSATION, PUBLIC LIABILITY, PROPERTY DAMAGE INSURANCE, AUTO INSURANCE, PROFESSIONAL LIABILITY INSURANCE (AKA ERRORS & OMISSIONS), BUILDER'S RISK INSURANCE, SCHOOL BUSING AUTO LIABILITY, ENVIRONMENTAL IMPAIRMENT (AKA POLLUTION CONTROL), VESSEL OPERATION (MARINE OR AIRCRAFT) PROTECTION & INDEMNITY, ETC., MUST BE SUBMITTED TO THE SPECIFIC AGENCY IDENTIFIED IN THE "BILL TO" SECTION OF THE PURCHASE ORDER. CERTIFICATES ARE ANNUALLY DUE PRIOR TO THE BEGINNING OF ANY CONTRACT PERIOD BEYOND THE INITIAL TWELVE-MONTH PERIOD OF A CONTRACT. FAILURE TO PROVIDE ANNUAL INSURANCE CERTIFICATION MAY BE GROUNDS FOR CANCELLATION.

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THIS PURCHASE ORDER IS AWARDED SUBJECT TO EQUAL OPPORTUNITY COMPLIANCE

ARRA SUPPLEMENTAL TERMS AND CONDITIONS

For contracts and sub-awards funded in whole or in part by the American Recovery and Reinvestment Act of 2009. Pub.L.No. 111-5 and any amendments thereto, such contracts and sub-awards shall be subject to the Supplemental Terms and Conditions For Contracts and Sub-awards Funded in Whole or in Part by the American Recovery and Reinvestment Act of 2009. Pub.L.No. 111-5 and any amendments thereto located on the Division of Purchases website at www.purchasing.ri.gov."

TERMS

SCOPE AND LIMITATIONS - This Agreement covers requirements as described herein, ordered by State agencies during the Agreement Period. No additional or alternative requirements are covered, unless added to the Agreement by formal amendment by the State Purchasing Agent or his designee.

Under State Purchasing Law, 37-2-54, no purchase or contract shall be binding on the state or any agency thereof unless approved by the department [of administration] or made under general regulations which the chief purchasing officer may prescribe. Under State Purchasing Regulation 8.2.1.1.2, any alleged oral agreement or arrangements made by a bidder or contractor with any agency or an employee of the Office of Purchases may be disregarded and shall not be binding on the state.

PRODUCT ACCEPTANCE - All merchandise offered or otherwise provided shall be new, of prime manufacture, and of first quality unless otherwise specified by the State. The State reserves the right to reject all nonconforming goods, and to cause their return for credit or replacement, at the State's option.

- a) Failure by the state to discover latent defect(s) or concealed damage or non-conformance shall not foreclose the State's right to subsequently reject the goods in question.
- b) Formal or informal acceptance by the State of non-conforming goods shall not constitute a precedent for successive receipts or procurements.

Where the vendor fails to cure the defect promptly or replace the goods, the State reserves the right to cancel the Release, contract with a different vendor, and to invoice the original vendor for any differential in price over the original contract price.

ORDER AUTHORIZATION AND RELEASE AGAINST PRICING AGREEMENT

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency.

State Agencies shall request release as follows: All releases shall reference the Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein.

A Department Purchase Order (DPO) listing the items ordered shall be created by the agency. The agency may mail or fax a copy of the order to the Vendor. In some cases the agency may request delivery by telephone, but must provide the Vendor with a DPO Order Number reference for billing purposes. Vendors are encouraged to require written orders to assure payments are processed accurately and promptly.

DELIVERY If this is an MPA, Vendor will obtain "ship to" information from each participating agency. This information will be contained in the DPO. APA delivery information will be contained in the Notice of Award.

INVOICING All invoices shall reference the DPO Order Number(s), Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein. If this is an MPA, Vendor will obtain "bill to" information from each participating agency. This information will be contained in the DPO. APA billing information will be contained in the Notice of Award.

PAYMENT - Invoices for items not received, not priced according to contract or for work not yet performed will not be honored. No payment will be processed to any vendor for whom there is no IRS W-9 on file with the State Controller.

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DELIVERY OF GOODS OR SERVICES AS REQUESTED BY AGENCY.
PAYMENTS WILL BE AUTHORIZED UPON SUBMISSION OF PROPERLY
RENDERED INVOICES NO MORE THAN MONTHLY TO THE RECEIVING
AGENCY. ANY UNUSED BALANCE AT END OF BLANKET PERIOD IS
AUTOMATICALLY CANCELLED.

MULTI YEAR

THIS IS A MULTI-YEAR BID/CONTRACT. PER RHODE ISLAND STATE LAW 37-2-33, CONTRACT OBLIGATIONS BEYOND THE CURRENT FISCAL YEAR ARE SUBJECT TO AVAILABILITY OF FUNDS. CONTINUATION OF THE CONTRACT BEYOND THE INITIAL FISCAL YEAR WILL BE AT THE DISCRETION OF THE STATE. TERMINATION MAY BE EFFECTED BY THE STATE BASED UPON DETERMINING FACTORS SUCH AS UNSATISFACTORY PERFORMANCE OR THE DETERMINATION BY THE STATE TO DISCONTINUE

THE GOODS/SERVICES, OR TO REVISE THE SCOPE AND NEED FOR THE TYPE OF GOODS/SERVICES; ALSO MANAGEMENT OWNER DETERMINATIONS THAT MAY PRECLUDE THE NEED FOR GOODS/SERVICES.

CAMPAIGN INCLUDING ARRA SUPPLEMENTAL TERMS & CONDITIONS

EVERY PERSON OR BUSINESS ENTITY PROVIDING GOODS OR SERVICES AT A COST OF \$5000 CUMULATED VALUE IS REQUIRED TO FILE AN AFFIDAVIT REGARDING POLITICAL CAMPAIGN CONTRIBUTIONS WITH THE RI STATE BOARD OF ELECTIONS EVEN IF NO REPORTABLE CAMPAIGN CONTRIBUTIONS HAVE BEEN MADE. (RI GENERAL LAW 17-27) FORMS OBTAINED AT BOARD OF ELECTIONS, CAMPAIGN FINANCE DIVISION, 50 BRANCH AVENUE PROVIDENCE 02904 (401-222-2056).

MPA CLAUSE

STATEWIDE APPLICABILITY - Political Subdivisions (cities, towns, schools, quasi-public agencies), as authorized by law, may participate in this Agreement. All ordering and billing shall be between the vendor and the political subdivision (only).