

The State Bar of California

REQUEST FOR PROPOSAL



This document is a Request for Proposal (“RFP”) for the **WordPerfect Retirement Project**.

Please submit 8 copies of your proposal no later than 5 p.m. on September 29, 2006 to:

The State Bar of California
180 Howard Street
San Francisco, CA 94105-1639

Attn: Stu Bernstein
Information Technology
415-538-2412
Stu.Bernstein@calbar.ca.gov

I. INTRODUCTION

The State Bar of California (“the State Bar”), created in 1927 by the Legislature and adopted into the California Constitution in 1960, is a public corporation within the judicial branch of state government. In accordance with statute and the State Bar's procurement policies, contracts of \$50,000 or more are subject to formal competitive bidding. As a governmental agency, the State Bar regularly is granted favorable governmental pricing and contract terms.

The State Bar is seeking proposals for assistance with planning and consulting services for the migration from Corel WordPerfect (Version 9) to Microsoft Office 2003 Suite, using Microsoft Word for word processing document generation. Responses should include scoping, planning, consulting, document/macro conversion and training services. Because of the uniqueness of The State Bar of California operations, please only respond to this RFP if your company has prior experience within the last 2 years in legal documentation conversion and training working for a **Justice or Legal System Clients with a minimum of 200 users**.

The State Bar will host a vendor pre-bid conference on September 11, 2006, at 9:30 am. at 180 Howard Street, San Francisco California (IT conference room, 5th floor) to discuss this request in detail. Attendance is voluntary (arrangements can be made for phone conference) for all vendors intending to submit a proposal. The building is located at the corner of Howard and Main streets, 2 blocks south of Market Street and conveniently located close to BART (Bay Area Rapid Transit), San Francisco Muni and other public transportation. The State Bar has no parking facility at this location, only street and nearby lot parking is available.

Contact with State Bar personnel in connection with this RFP may not be made other than as specified in this RFP. Unauthorized contact of any State Bar personnel may be cause for rejection of a bid.

II. GENERAL INFORMATION

The submission requirements for this RFP are set forth below. A proposal shall constitute an irrevocable offer for 60 business days following the deadline for its submission. Reference to a certain number of days in this RFP shall mean business days unless otherwise specified.

A. Submission Requirements

To be considered responsive, a proposal must contain the following, referenced by number and in the order below:

1. A brief description of the history and organization of the bidder's firm, and of any proposed subcontractor(s) you might use for the total solution.
2. Copies of business licenses, professional certifications or other credentials, together with evidence that bidder, if a corporation, is in good standing and qualified to conduct business in California.
3. The most recent year's annual reports, or comparable document, including detailed current profit and loss, assets and liabilities, and other relevant financial data.
4. A description of similar projects completed by the bidder within the past two (2) years including prior experience in legal documentation conversion and training for a **Justice or Legal System Clients with a minimum of 200 users**. Please include project summaries and client list.
5. Qualifications, background and experience of the project director and other staff proposed to work on the project. Please attach individual resumes for each.
6. References from **Justice or Legal System clients** with contact information from organizations that have used bidder's services for similar projects/installations within the last 2 years.
7. A general description of the techniques, approaches and methods to be used in completing the project including:
 - a. Assessment Strategy
 - b. Planning Strategy
 - c. Project Management Strategy
 - d. Deployment Strategy
 - e. Technical Capabilities

- f. Training/Documentation
 - g. Customer Cutover Support
8. A description of the chronology for completing the work, including a time line and deadlines for each task.
 9. A detailed cost proposal, including any travel costs and other expenses. Please submit with your proposal Attachment A, Itemized Cost Summary (Part One: Pilot and Part Two: Roll-out) in both hard-copy and electronic form. Itemize all costs as indicated. As the State Bar may award a contract based on the initial offer, a bidder should make its initial offer on the most favorable terms available. The State Bar reserves the right, however, to have discussions with those bidders falling within a competitive range, and to request revised pricing offers from them and to make an award or conduct negotiations thereafter.
 10. A written acknowledgement of the acceptance of the Contracting Requirements set forth in section IV of this RFP. Specific terms may be reserved for future negotiation, but must be clearly identified and reasons given for the reservation.
 11. Sample training materials from previous project(s). The training materials will be returned within 45 days of the RFP submittal deadline.

Proposals which fail to address each of the submission requirements above may be deemed non-responsive and will not be further considered.

B. Rejection of Proposals

The State Bar reserves the right in its sole discretion to reject any or all proposals in whole or in part, without incurring any cost or liability whatsoever. All proposals will be reviewed for completeness of the submission requirements. If a proposal fails to meet a material requirement of the RFP, or if it is incomplete or contains irregularities, the proposal may be rejected. A deviation is material to the extent that a proposal is not in substantial accord with RFP requirements.

Immaterial deviations may cause a bid to be rejected. The State Bar may or may not waive an immaterial deviation or defect in a proposal. The State Bar's waiver of an immaterial deviation or defect shall in no way modify the RFP or excuse a bidder from full compliance with the RFP requirements.

Any proposal may be rejected where it is determined to be not really competitive, or where the cost is not reasonable.

Proposals that contain false or misleading statements may be rejected if in the State Bar's opinion the information was intended to mislead the State Bar regarding a requirement of the RFP.

C. Evaluation Process and Highest Scored Bidder

An evaluation team will review in detail all proposals that are received to determine the Highest Scored Bidder (“HSB”).

The State Bar reserves the right to determine the suitability of proposals on the basis of a proposal's meeting administrative requirements, technical requirements, the review team's assessment of the quality and performance of the equipment and services proposed, and cost.

During the evaluation process, the State Bar may require a bidder’s representative to answer questions with regard to the proposal and/or require certain bidders to make a formal presentation to the evaluation team and/or the State Bar Senior Executive Team. The State Bar may also have discussions with those bidders falling within a competitive range and request revised pricing offers from such bidders and make an award and/or conduct negotiations thereafter.

The following criteria will be used in reviewing and comparing the proposals and in determining the HSB. The weight to be assigned to each criterion appears following each item.

1. Responsiveness of the proposal to the submission requirements set forth in the RFP (5%).
2. Agreement with the State Bar’s contracting requirements (5%).
3. The quality of any demonstration, client references, demonstrated success in projects with similar requirements and any other contracts with the State Bar. Additional criteria include technical ability, capacity, financial stability, and flexibility of the bidder to perform the contract in a timely manner and on budget (30%).
4. A written strategy and approach (including process flow) on how to handle the large document library before conversion and how to handle the translated documents. The strategy should include short term goals (6 months after implementation) and suggestions and the roadmap for the future (30%).
5. The total cost of the proposal solution. Costs will be evaluated only if a proposal is determined to be otherwise qualified. Costs should be itemized by type to allow the State Bar to implement the solution over the term of the contract (30%).

If a large number of proposals are received, the State Bar reserves the right to review the proposals using a tiered evaluation system. All proposals will be evaluated based on the

Submission Requirements and Cost, with the top candidates advancing as a finalist and receiving a full evaluation as outlined above.

D. Award and Execution of Contract

Subject to the State Bar's right to reject any or all proposals, the HSB will be awarded the contract. Notice will be posted at the State Bar's offices at 180 Howard Street, San Francisco, CA and written notice sent to bidders on or about October 20, 2006 of the Bar's intention to award the contract to the HSB. It is anticipated that final selection of the HSB will be made by October 27, 2006. The evaluation team will select a winning proposal subject to approvals granted by the Board of Governors. Upon selection, the State Bar and the selected Vendor will enter into good faith negotiations on a contract containing, without limitation, the Statement of Work and Contracting Requirements sections below.

No contract or agreement, express or implied, shall exist or be binding on the State Bar before the execution of a written contract by both parties. If agreement on the terms of such a contract cannot be reached after a period deemed reasonable by the State Bar in its sole discretion, the State Bar may enter into negotiations and sign a contract with any other bidder who submitted timely, responsive and responsible proposals to this RFP.

If, after the State Bar and the HSB agree to terms and execute a contract, that contract is terminated for any reason, the State Bar may, in its sole discretion, either enter into negotiations with the next highest scored bidder, or issue a new RFP and begin the proposal process anew.

Questions regarding the State Bar's award of any business on the basis of proposals submitted in response to the RFP, or on any other matter in connection with the selection process, should be addressed in writing to Andrew Conover at andrew.conover@calbar.ca.gov.

Where written notice is required in this RFP, the notice must be sent by U.S. mail and either facsimile or e-mail.

E. Errors in the RFP

If a bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the bidder should immediately provide the State Bar with written notice of the problem and request that the RFP be clarified or modified. Without disclosing the source of the request, the State Bar may modify the document prior to the date fixed for submission of proposals by issuing an addendum to all potential bidders to whom the RFP was sent.

If prior to the date fixed for submissions, a bidder knows of or should have known of an error in the RFP but fails to notify the State Bar of the error, the bidder shall bid at its own risk, and if, awarded the contract, shall not be entitled to additional compensation or time by reason of the error or its later correction.

F. Questions Regarding the RFP

Questions regarding the RFP may be addressed in person at the vendor pre-bid conference on September 11, 2006 at 9:30am in the State Bar Board Conference Room located at 180 Howard Street, San Francisco, California 94105. Questions after this conference may be addressed in writing to Stu Bernstein at Stu.Bernstein@calbar.ca.gov. All questions must be submitted no later than 5 days prior to the date for submission of proposals. Questions and answers regarding the RFP may be shared with all bidders known to be interested in submitting a proposal.

If a question relates to a proprietary aspect of its proposal and the question would expose proprietary information if disclosed to competitors, the bidder may submit the question in writing, conspicuously marking it as "CONFIDENTIAL." With the question, the bidder must submit a statement explaining why the question is sensitive. If the State Bar concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered, and both the question and answer will be kept in confidence. If the State Bar does not concur regarding the proprietary nature of the question, the question will not be answered in this manner and the bidder will be notified.

A bidder, who believes that one or more of the RFP's requirements is onerous or unfair, or unnecessarily precludes less costly or alternative solutions, may submit a written request that the RFP be changed. The request must set forth the recommended change and reason for proposing the change. The State Bar must receive any such request no later than 5 days before the deadline for submitting proposals.

G. Addenda

The State Bar may modify the RFP prior to the date fixed for submission by posting, mailing, emailing or faxing an addendum to the bidders known to be interested in submitting a proposal. If any bidder determines that an addendum unnecessarily restricts its ability to bid, it must notify the State Bar in writing no later than 5 days before the deadline for submitting proposals.

H. Withdrawal and Resubmission/Modification of Proposals

A proposal may be withdrawn at any time prior to the deadline for submitting proposals by notifying the State Bar in writing of its withdrawal. The notice must be signed by the bidder. The bidder may thereafter submit a new or modified proposal, provided that it is received at the State Bar no later than the deadline.

Modification offered in any other manner, oral or written, will not be considered. Proposals cannot be changed after the evaluation process begins.

I. Protest Procedure

A bidder may protest the award if it meets all the following conditions:

1. The bidder has submitted a proposal that it believes is or should have been the HSB, under the criteria set forth above;
2. The bidder believes that its proposal meets the State Bar's administrative and technical requirements, proposes services of proven quality and performance, and offers a competitive cost to the State Bar; and
3. The bidder believes that the State Bar has incorrectly selected another bidder.

A bidder qualified to protest should contact Andrew Conover, Procurement Supervisor, and (415) 538-2207, to attempt an informal resolution. If this contact is unable to resolve the protest to the bidder's satisfaction, the bidder must file a written protest within 5 days of the notice of intention to award the contract. The written protest must state the facts surrounding the issue and the reasons the bidder believes the award to be invalid. The protest must be sent by certified or registered mail or delivered personally to:

The State Bar of California
180 Howard Street
San Francisco, CA 94105-1639

Attention: Peggy Van Horn, Chief Financial Officer

Protests will be reviewed and decided by the State Bar's Award Protest Team within 30 days after the State Bar issues written acknowledgment of the protest. In the event that a protest is filed, the contract award will be postponed pending resolution of the protest.

J. News Releases

News releases pertaining to the award of a contract may not be made without the prior written approval of the State Bar.

K. Disposition of Materials

All materials submitted in response to an RFP will become the property of the State Bar of California and will be returned only at the State Bar's option and at the expense of the bidder. One copy of each proposal will be retained for official files and become a public record. Specific limited pages of a proposal, not including proposed cost and compensation, may be marked as proprietary and confidential. The bidder's consent will be requested before release of such pages to non-State Bar personnel. By submitting a proposal, a bidder agrees to these terms and waives any right to pursue a cause of action for damages incurred as a result of the release of any information contained in a proposal.

III. STATEMENT OF WORK

A. Primary Objective

To convert the use of Corel WordPerfect (Version 9) word processing and documents to Microsoft Office (Microsoft Word) 2003 on or before June, 2007.

B. Pilot and Roll-out Terms

We intend to contract this project in two distinct terms, pilot and roll-out, and have requested you prepare your cost proposals accordingly as indicated in Attachment A. The highest-scored vendor will be required to successfully complete all items and meet all contracted deliverables in the pilot term before the roll-out term is awarded. The State Bar reserves the right to cancel the project at the close of an unsuccessful project pilot if contracted deliverables have not been met.

The pilot will include training of 25-30 users from a single department in addition to providing technical training for the Pilot Team, designed to give an "under the hood" look at Microsoft Word 2003, Microsoft Outlook 2003, and 3rd party conversion tools. We estimate approximately 70,000 items in the document pool. The pilot phase will also include from the State Bar of California an inventory of all existing documents. The inventory using the decision matrix will quantify and qualify legal documents with macro/template such as contracts, pleadings, and legal documents without macro/templates, letters and simple forms.

The roll-out portion will include generation of a pilot feedback form, collection of data from the forms and analysis of what went right, what area needs improvement and what modifications need to be made before proceeding. The roll-out will include staff training on Microsoft Word for attorneys, legal secretaries, general staff and administration.

C. Document Conversion Focus

1. The primary goal is to convert existing Corel WordPerfect formatted documents into MS Word.
2. As a part of the migration, documents need to be converted from WordPerfect to Microsoft Word. This process will use a third-party conversion tool, yet to be determined. As part of your response, please provide your recommendation on what 3rd party solution you recommend for this conversion.
3. The project will include an assessment by the State Bar of California of the "document inventory" of the current document types, macros and word processing environments. The State Bar will require initial project planning services and a migration strategy that will include:

- a. Analyses of which documents must be converted using a process document matrix as the basis of the decision.
 - b. Which documents can remain in their original format?
 - c. Which documents need other special attention?
4. The conversion process must maintain document's MS Word integrity and MS Word integration.
 5. The conversion process must minimize the manual clean-up process to assure MS Word integration.
 6. The conversion must apply the correct styles and formats.
 7. The converted documents must have the same styles and formats that are native to MS Word. (*Heading 1 is exactly the same as MS Word's Heading 1*)
 8. The conversion must be able to apply the converted documents to template specific formats within MS Word.
 9. One focus of this conversion project is to create standardized MS Word templates. These templates are required for corporate wide & legal standardization.

D. Secondary Objective: MS Outlook

The secondary objective is to provide conversion services (Rules & Alerts) and basic training in the use of MS Outlook 2003 from the current MS Outlook 2000. The user should see no change in the rules and alerts that they utilized in MS Outlook moving to the new version of MS Outlook 2003. All of the file structures and look and feel should be same.

E. Our Current Environment

The State Bar is comprised of approximately 610 users of which 300 are in Los Angeles, 300 in San Francisco, and 10 users in Sacramento. About half our users function in a law-office or legal setting and predominately use WordPerfect software. There is also a great deal of institutional document development that has taken place in various versions of WordPerfect. The composition of WordPerfect users are spread 70% in LA and 30% in SF. All of our users have both WordPerfect (Version 9) and Word 2000 on their desktops. The majority of the users generate what might be identified as simple documents, in both Microsoft Word and WordPerfect applications while others who generate legal documents in WordPerfect require complex formatting and assembly using customized macros. We would jointly produce a decision matrix to help identify, catalog and select the appropriate documents to translate and which documents should be left in the native WordPerfect format. The State Bar of California would supply an inventory of documents.

The State Bar has implemented Hummingbird DM5 as its document management system (DMS). This DMS application is integrated into both word processing platforms. Currently only 25% of employees use the DMS System, with approximately 50,000 documents stored. The documents stored in the DMS will NOT be considered for conversion. The remaining inventory of documents for conversion will be stored by the individual departments in folders located on a network file server. The State Bar will facilitate the creation of a production server that the documents to be considered for conversion will be stored. The goal of this conversion is to migrate the entire user population and selected documents (assessed after the document inventory) over to Microsoft Office 2003 (Word format).

The State Bar must be able to preserve the confidentiality of legal documents during the entire conversion process, and the successful bidder will be required to enter into a Confidentiality and Non-Disclosure Agreement as set forth in Attachment B.

F. Scope of Services

This RFP is to address the initial planning, consultation and project management to the State Bar to create a realistic assessment. Your response should include a comprehensive project plan/timeline in Microsoft Project format, logistical factors, best practices to manage cultural change and that these recommendations should be included in the planning and training programs. Please provide with your 3rd party software recommendation the licensing/maintenance information, training and support documentation.

The successful bidder will perform the following services:

1. Planning Process

The planning process should include a strategy on document conversion, re-engineering of macros to template-based documents, and a records management roadmap. We expect to execute this project in five (5) phases: pre-cutover planning phase, pilot phase, cutover phase and post-cutover support phase.

2. Environment and Document Analysis

The results from this phase will identify the criteria (and designate what documents) to be implemented into the Microsoft Word 2003 environment. It is required to ensure that there is no loss of functionality in the Microsoft Word 2003 system from the WordPerfect system.

The exact format of the original WordPerfect documents must be upheld in the converted Microsoft Word document.

1. The State Bar will conduct a comprehensive environment and document inventory and analysis of the State Bar's work product based on a review of the physical documents and processes. The analysis will identify and distinguish specific type of documents

within each department to establish specific number of documents in each group. A master list will be compiled for the entire State Bar organization

2. Evaluate the current system environment, policies and procedures, and workflow in respect to document production.
3. Evaluate legal work product and administrative forms in order to identify current document types, formatting standards, and the use of legal-specific features.
4. A decision document matrix must be generated in a collaborative manner between the vendor and the State Bar as part of the comprehensive evaluation to produce a process flow.
5. The analysis must be of the current system, policies and procedures, and workflow in respect to document production. The analysis must document the issues that affect the creation and sharing of work product. This analysis should examine workflow issues to comprehend how documents are created, edited, and saved. The State Bar's procedures for collaborating on documents with internal/external clients and co-counsel must also be analyzed.

3. Staff Training (Pilot) 25-30 users from 1 Department

- a. Provide technical training for the Project Team to include 3rd party tools. The project team might contain paralegals, legal secretaries and attorneys and general staff.
- b. Provide Reference Guides, Quick Reference Cards, and Classroom Materials. The training material should be organized into chapters or lesson plans, what the lesson plan will cover, and ending chapter or lesson plan exercises. The material must be fabricated by using comb binding along with heavy weight front and back covers. Tabbings the material would be desirable but not required.

4. Staff Training (Roll Out Phase) approximately 580 users, all departments

- a. Provide and develop a training curriculum for paralegals, legal secretaries and attorneys who generate legal documents that require complex formatting and document assembly using macros/templates.
- b. Provide and develop a training curriculum for general staff and executives that covers use of templates, styles, and tables
- c. Provide Reference Guides, Quick Reference Cards, and Classroom Materials to cover all subject matter covered in the training classes. The material should cover general and legal specific content. The training material needs to be designed for the specific classifications of: general staff, executives, paralegals, legal secretaries, attorneys and judges. This material should include content, help tips, examples and practice assignments. The training material should be organized into chapters or lesson plans, what the lesson plan will cover, and ending chapter or lesson plan exercises. The material must be fabricated by using comb binding along with heavy weight front and back covers. Tabbing the material would be desirable but not required.

5. Document Lifecycle and Records Management Strategy

Analysis of the current document lifecycle and workflow patterns to determine a “best practice” records management strategy.

6. Project Management

A project manager must be assigned to oversee the assigned resources and make sure the project plan is executed to meet milestones and deliverables. The project manager will be responsible for managing and controlling project scope, budget, objectives, risks, and all deliverables. The project manager will work closely with the State Bar project manager on all aspects of the project and project plan. The deliverables for the project manager is to provide a MS Project Schedule (preferably version 2003) that contains:

- a. Project organized in the 5 Phases: Pre-Cutover Planning, Pilot, Post Pilot Modification, Cutover (Roll Out), Post-Cutover Support
- b. Deliverables
- c. Summary Tasks
- d. Tasks down to level 3
- e. The entry table in the MS Project plan will contain (minimum):
 1. ID number
 2. Name of Tasks
 3. Start Date
 4. Actual Start Date
 5. Finish Date
 6. Actual Finish Date
 7. Duration
 8. % Complete

9. Resource (Resource Sheet filled out—can leave out rate for vendor resources)

10. Predecessor

- f. The avoidance of setting hard task constraints such “must on start on”, “start no earlier than”, “finish no latter than”.
- g. A separate document that states any deliverable that can be measured and what that measurability criteria would be. An option is to state the measurability criteria in the note field for the specific task, avoid subjective criteria.
- h. Identification of assumptions that are used for a task. The assumptions should be listed in the note field for the task.
- i. Identification of risks along with mitigation, and contingency plan. The risk identification must include a matrix showing % probability vs. cost or schedule impact. We are looking for high risk, high probability and high impact risks
- j. Relationship between tasks to establish work flows and correct dependencies.
- k. Critical Path.

The State Bar project manager working with the vendor project manager will create a joint project plan that will be used by both parties for tracking and reporting. The project plan will be maintained on the State Bar’s server with access to both project managers. The vendor project manager will submit weekly updates to the project plan to the State Bar project manager for approval. The State Bar project manager will publish the updated project plan.

The vendor project manager and the State Bar project manager will create a joint communication plan and will be available once a week for a joint status meeting.

The State Bar project managers will update the project plan once per week and this update to be completed 1 business day after the status meeting.

An action/issue log will be created and maintained by the vendor project manager and will be reported on during the weekly project status meeting.

IV. CONTRACTING REQUIREMENTS

Upon selection of a vendor, the terms set forth in this RFP are to be embodied in a definitive agreement containing such additional covenants and other provisions as may be mutually acceptable.

The State Bar contemplates that, in addition to the terms described above in this RFP, final agreement between the State Bar and the selected vendor will include, without limitation, the following terms. Submission of a proposal shall constitute agreement to contract on these terms, except for any term specifically reserved in the proposal for future negotiation.

A. Time of Essence

Time is of the essence with respect to Vendor's performance of the services and equipment to be provided in the final agreement.

B. Warranties and Representations

Vendor will warrant and represent that it possesses such expertise, experience and resources to perform the scope of services required in a diligent, timely and professional manner consistent with the standards of the industry. Vendor will supply at all times an adequate number of well-qualified personnel to perform the work. Vendor will provide a contact person available and authorized to remedy any non-conformity with this warranty.

C. Equipment, Tools, Supplies

The Vendor will supply all equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services and insurance required. The Vendor is not required to purchase, rent or hire any equipment, tools, supplies, offices, transportation, personnel, insurance or instrumentalities from the State Bar. The State Bar has no obligation whatsoever to provide any equipment, tools, supplies, offices, personnel, instrumentalities, transportation, support services or insurance required to perform services under this agreement.

D. Indemnity Obligations of Vendor

To the fullest extent permitted by law, the Vendor will agree to protect, indemnify, defend and hold the State Bar and the State Bar's Board of Governors, officers, employees, agents and representatives and each of their successors and assigns (the "Indemnities") entirely harmless from and against any and all claims, actions, demands, proceedings, liabilities, damages, judgments, fines, penalties, settlements, costs and charges, including, without limitation, attorneys' fees and expenses, arising directly or indirectly from or in connection with (a) any breach of the Agreement, (b) any actual or alleged negligent act, negligent error or omission, intentional misconduct of, or violation of any law by Vendor, the Vendor's employees, subcontractors, agents, representatives or assigns (collectively, the "Vendor's Agents") in the performance or non-performance of the professional services required to be performed by the Vendor under the Agreement; or (c) the State Bar's enforcement of its rights under this indemnity provision. The Vendor will agree that its obligations under this indemnity will survive the expiration and termination of this agreement.

In the event both the State Bar and Vendor are named as defendants in the same civil action, and the State Bar determines that a conflict of interest exists between the parties, Vendor will agree to provide, at its own cost, independent counsel for the State Bar. The State Bar may, at its option, designate its Office of General Counsel as equal participating counsel in any litigation wherein the Vendor defends the State Bar.

E. Insurance Obligations of Vendor

The Vendor will provide and keep in full force and effect during the term of this agreement, at the Vendor's own cost and expense, the following insurance policies for the joint benefit of the Vendor and the State Bar, with an insurer reasonably acceptable to the State Bar:

1. Commercial general liability insurance with a general aggregate limit (other than products/completed operations) of at least Two Million Dollars (\$2,000,000.00); at least One Million Dollars (\$1,000,000.00) personal and advertising injury limit; at least One Million Dollars (\$1,000,000.00) premises and operations limit; at least One Million Dollars (\$1,000,000.00) each occurrence limit;
2. Workers' compensation coverage as required by law, together with employer liability coverage with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence.
3. Comprehensive automobile liability insurance covering owned, leased, hired and non-owned vehicles with at least One Million Dollars (\$1,000,000.00) combined single limit.
4. Professional liability insurance with a general aggregate limit of Two Million Dollars (\$2,000,000) and an occurrence limit of two Million Dollars (\$2,000,000).

The Vendor will deliver to the State Bar offices at 180 Howard Street, San Francisco, CA 94105 Attn: Andrew Conover, Procurement Supervisor, true and correct copies of its insurance policies required above, and certificates of such insurance within seven (7) days of the execution of this agreement. Each such policy will name the State Bar as an additional insured and will state that the Vendor's policy shall be primary and that any insurance carried by the State Bar shall be noncontributing with respect thereto. Each such policy will provide for thirty (30) days prior written notice to the State Bar in the event of cancellation or reduction in coverage or amount. If the Vendor fails to secure and maintain insurance policies complying with the provisions of this agreement, the State Bar may purchase the appropriate insurance policies and the Vendor will pay upon demand the cost of it to the State Bar or the State Bar may terminate this agreement. In addition to the insurance required to be obtained and maintained by the Vendor, if the Vendor assigns any portion of the duties under this agreement in accordance with the terms, hereof, each subcontractor or assignee will purchase and maintain the same insurance coverage required hereunder.

The Vendor will immediately notify the State Bar if the Vendor's commercial general liability insurance contains restrictive endorsements other than those restrictive endorsements normally included in the State of California. If the Vendor's commercial general liability insurance contains such restrictive endorsements, the Vendor shall have five (5) business days to remove said restrictions. If the Vendor is unable to do so, the State Bar may terminate this agreement, and will be required to give the Vendor no more

than two (2) days' notice of such termination, anything in this agreement to the contrary notwithstanding.

F. Termination

1. **at Will.** The agreement will be terminated by the State Bar, in its sole and complete discretion, upon thirty (30) days written notice to Vendor. In the event of termination pursuant to this section, the vendor's sole compensation will be for that portion of services performed or goods delivered up to the date of termination, together with reimbursable expenses, if any then due. Vendor will not be paid for any services, goods or reimbursable expenses associated with any work or service not specifically authorized by the State Bar.
2. **Authorization of Funds.** If the term of this agreement extends into fiscal year(s) subsequent to that in which it is signed, it is understood that the continuation of this contract is subject to the authorization of sufficient funding for such purpose by the California State Legislature. If sufficient funds are not so authorized, the parties mutually agree that the contract may be terminated or amended as appropriate in response to the reduction in funding. If the agreement is terminated, Vendor agrees to take back any affected equipment, products, software, or hardware furnished under this contract, and relieve the State Bar of any further obligation, except for the State Bar's obligation to pay for services already performed pursuant to this agreement.
3. **Default by Vendor.** This agreement may be terminated by the State Bar upon thirty (30) days written notice to the Vendor in the event the Vendor is in default under any of its provisions. In the event this agreement is terminated due to the default by the Vendor, the Vendor will not be entitled to receive any compensation for services performed or for any reimbursable expenses incurred, and the State Bar will have the right to have the services completed by other parties and the Vendor will reimburse the State Bar for the actual costs to complete the services in excess of the balance of the fee and reimbursable expenses, if any, provided for in this agreement. Any such act by the State Bar will not be deemed a waiver of any other right or remedy of the State Bar, including, without limitation, the State Bar's right to consequential damages caused directly or indirectly by the Vendor's default.
4. **Automatic Termination.** This agreement will automatically terminate on the occurrence of any of the following events: (a) bankruptcy or insolvency of either party; (b) sale of the business of either party; (c) failure to comply with federal, state or local laws, regulations or requirements, or (d) expiration of the agreement.

G. Confidentiality and Publicity

The Vendor will retain all confidential information provided by the State Bar in the strictest confidence and will neither use it nor disclose it to anyone, other than employees requiring the information to perform services under this agreement, without the prior written consent of the State Bar. The State Bar retains the right to enjoin any unauthorized disclosure in an appropriate court of law. The Vendor will not issue any public announcements concerning the State Bar without the prior written consent of the State Bar. Vendor will be required to enter into a Confidentiality and Non-Disclosure Agreement, a sample of which is set forth in Attachment B.

H. Compliance with Laws

The Vendor agrees to comply with all applicable federal, state, and local laws and regulations, including but not limited to the provisions of the Fair Employment and Housing Act (Govt. Code, § 12900 et seq.) and any applicable regulations promulgated thereunder (Cal. Code of Regs., tit. 2, § 72850.0 et seq.). Vendor agrees to include the non-discrimination and compliance provisions of this clause in any and all subcontracts to perform work under the agreement.

I. Assignment/Subcontracting

1. **Assignment.** The Vendor will not assign or transfer its interest, in whole or in part, under this agreement, without the written consent of the State Bar, which consent may be granted or withheld in the sole and absolute discretion of the State Bar.
2. **Subcontracting.** The Vendor may subcontract with other qualified firms or individuals as required to complete all, or a portion of, the delivery of equipment and services, with the prior written approval of the State Bar.

The Vendor will clearly describe the reason for using any subcontractors, the specific role each subcontractor will play in the project, and the relationship between the Vendor and its subcontractor to be maintained during the term of this agreement. No subcontract will be approved unless the Vendor provides a written guarantee that the Vendor's firm will be contractually obligated to assume all project responsibilities and the insurance requirements set forth above.

J. General Provisions

1. **Force Majeure.** Neither party will be deemed in default of this agreement or any provision hereunder to the extent that any delay or failure in the performance of the obligations of such party (other than the payment of money) results from any significant and material causes beyond its reasonable control and without fault or negligence by such party. Examples of such causes include, but are not limited to, (1) acts of God or public enemy, (2) acts of the government in its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine

- restrictions, (7) strikes, (8) embargoes, (9) earthquakes, and (10) unusually severe weather.
2. **Governing Law.** The agreement will be governed by the laws of the State of California without giving effect to its principles of conflict of laws.
 3. **Attorneys' Fees.** In the event either party institutes any action or proceeding against the other party relating to this agreement, the unsuccessful party in such action or proceeding will reimburse the successful party for its disbursements incurred in connection therewith and for its reasonable attorneys' fees as fixed by the court. In addition to the foregoing award of attorneys' fees to the successful party, the successful party in any lawsuit shall be entitled to collect or enforce the judgment. This provision is separate and several and shall survive the merger of the agreement into any judgment.
 3. **Arbitration.** Any question, claim or dispute arising out of or in connection with this agreement in excess of Seven Thousand Five Hundred Dollars (\$7,500.00) shall be referred to binding arbitration, except with respect to disputes regarding breaches of confidentiality. Such arbitration shall take place before a single arbitrator in the City and County of San Francisco, and shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. The arbitrator shall apply legal principles in accordance with California law, without regard to its conflict of laws principles, unless the alleged claim or dispute is otherwise pre-empted by federal law. By agreeing to this arbitration clause, neither party waives applicable defenses or immunities available to it under California law. Any arbitration demand made under this clause must be made no later than one year from the expiration or termination of this agreement. Each party will be solely responsible for payment of its own pro rata share of any expenses and fees incurred during the course of arbitration. In no event will the arbitrator have the power or authority to award consequential damages, indirect or special damages, lost profits, loss of goodwill, punitive, or speculative damages, except as permitted in Section IV.F.3 of this agreement. Disputes of Seven Thousand Five Hundred Dollars (\$7,500.00) or less shall be handled in Small Claims Court in the City and County of San Francisco.
 4. **Audit.** Vendor agrees that the State Bar or its designee shall have the right to review and copy any financial records and supporting documentation pertaining to the performance of this Agreement. Vendor agrees to maintain such financial records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Vendor agrees to allow the State Bar or its designee access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Vendor agrees to include a similar right

of the State Bar or its designee to audit records and interview staff in any subcontract related to performance of this Agreement.

5. **License.** In those instances where required, the Vendor represents and warrants that the Vendor holds a license, permit or special license to perform the services pursuant to this agreement, as required by law, or employs or works under the general supervision of the holder of such license, permit or special license and shall keep and maintain all such licenses, permits or special licenses in good standing and in full force and effect at all times while the Vendor is performing the services pursuant to the agreement.

Attachment A--WordPerfect Retirement Project

Project Cost For Pilot Phase (25-30 Users)

Pre-Planning

	Units	Quantity	Rate	Total
Initial Planning				
Initial Planning	hours	0	\$0.00	\$0.00
Initial Consultation	hours	0	\$0.00	\$0.00
Initial Project Management	hours	0	\$0.00	\$0.00
Preparation for Word Process Environment	hours	0	\$0.00	\$0.00
Subtotal				\$0.00

Document Conversion

	Units	1-500	501-1,000	1001-2500	2501-5000	5001-10,000	10,001-50,000	50,001-100,000
Convert WordPerfect documents to MS Word Documents (itemize by type)								
Type 1 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Type 2 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Type 3 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Type 4 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Template and Macro Creation--MS Word

	Units	0 - 10	11 - 25	26 - 50
Convert WordPerfect macros into MS Word Templates/Macros				
Type 1 document	ea	\$0.00	\$0.00	\$0.00
Type 2 document	ea	\$0.00	\$0.00	\$0.00
Type 3 document	ea	\$0.00	\$0.00	\$0.00
Type 4 document	ea	\$0.00	\$0.00	\$0.00

Training--MS Word and Outlook (Maximum class size: 10 students)

	Units	Quantity	Rate	Total
Courseware and Curriculum Customization-General Staff				
Cost of booklet	ea			
Training	hours	0	\$0.00	\$0.00
Floor Support	hours	0	\$0.00	\$0.00
Subtotal		0		\$0.00
Courseware and Curriculum Customization-Paralegals				
Cost of booklet	ea			
Training	hours	0	\$0.00	\$0.00
Floor Support	hours	0	\$0.00	\$0.00
Subtotal				\$0.00

Attachment A--WordPerfect Retirement Project

Courseware and Curriculum Customization-Legal Secretaries				
Cost of booklet	ea			
Training	hours		\$0.00	\$0.00
Floor Support	hours	0	\$0.00	\$0.00
Subtotal				\$0.00
Courseware and Curriculum Customization-Attorneys				
Cost of booklet	ea			
Training	hours	0	\$0.00	\$0.00
Floor Support	hours	0	\$0.00	\$0.00
Subtotal				\$0.00
Courseware and Curriculum Customization-Judges				
Cost of booklet	ea			
Training	hours	0	\$0.00	\$0.00
Floor Support	hours	0	\$0.00	\$0.00
Subtotal				\$0.00

Misc Expenses

Travel Expense*		0	\$0.00	\$0.00
Third party software licenses		0	\$0.00	\$0.00
Third party software training		0	\$0.00	\$0.00
Other		0	\$0.00	\$0.00
Subtotal				\$0.00

Total Project Cost

*Per attachment C: State Bar of CA Business Expense and Travel Policy

WordPerfect Retirement Project

Project Cost For Roll-Out Phase (580 Users)

Pre-Planning

	Units	Quantity	Rate	Total
Initial Planning				
Initial Planning	hours	0	\$0.00	\$0.00
Initial Consultation	hours	0	\$0.00	\$0.00
Initial Project Management	hours	0	\$0.00	\$0.00
Preparation for Word Process Environment	hours	0	\$0.00	\$0.00
Subtotal				\$0.00

Document Conversion

	Units	1-500	501-1,000	1001-2500	2501-5000	5001-10,000	10,001-50,000	50,001-100,000
Convert WordPerfect documents to MS Word Documents (itemize by type)								
Type 1 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Type 2 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Type 3 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Type 4 document	ea	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Template and Macro Creation--MS Word

	Units	0 - 10	11 - 25	26 - 50
Convert WordPerfect macros into MS Word Templates/Macros				
Type 1 document	ea	\$0.00	\$0.00	\$0.00
Type 2 document	ea	\$0.00	\$0.00	\$0.00
Type 3 document	ea	\$0.00	\$0.00	\$0.00
Type 4 document	ea	\$0.00	\$0.00	\$0.00

Training--MS Word and Outlook (Maximum class size: 10 students)

	Units	Quantity	Rate	Total
Courseware and Curriculum Customization-General Staff				
Cost of booklet	ea			
Training	hours	0	\$0.00	\$0.00
Floor Support	hours	0	\$0.00	\$0.00
Subtotal		0		\$0.00
Courseware and Curriculum Customization-Paralegals				
Cost of booklet	ea			
Training	hours	0	\$0.00	\$0.00
Floor Support	hours	0	\$0.00	\$0.00
Subtotal				\$0.00

WordPerfect Retirement Project

Project Cost For Roll-Out Phase (580 Users)

Courseware and Curriculum Customization-Legal Secretaries					
Cost of booklet	ea				
Training	hours		\$0.00	\$0.00	
Floor Support	hours	0	\$0.00	\$0.00	
Subtotal					\$0.00
Courseware and Curriculum Customization-Attorneys					
Cost of booklet	ea				
Training	hours	0	\$0.00	\$0.00	
Floor Support	hours	0	\$0.00	\$0.00	
Subtotal					\$0.00
Courseware and Curriculum Customization-Judges					
Cost of booklet	ea				
Training	hours	0	\$0.00	\$0.00	
Floor Support	hours	0	\$0.00	\$0.00	
Subtotal					\$0.00

Misc Expenses

Travel Expense*		0	\$0.00	\$0.00	
Third party software licenses		0	\$0.00	\$0.00	
Third party software training		0	\$0.00	\$0.00	
Other		0	\$0.00	\$0.00	
Subtotal					\$0.00

Total Project Cost

*Per attachment C: State Bar of CA Business Expense and Travel Policy

ATTACHMENT B

SAMPLE

Confidentiality and Non-Disclosure Agreement
for
The State Bar of California

In connection with The State Bar of California's Request for Proposal ("RFP") for the **WordPerfect Retirement Project** and any Agreement entered into thereafter, the State Bar of California ("State Bar") will provide [Vendor] ("Vendor") access to its computer system, internal processes, and confidential membership data, documents, and other information. The State Bar will provide confidential information under the terms and conditions of this Confidentiality and Non-Disclosure Agreement ("NDA") to Vendor and the designated individual officers, directors, employees, or agents of Vendor, who need to know confidential information of the State Bar in order to perform the services described in any WordPerfect Retirement Project Agreement ("Agreement") executed between the parties.

Confidential information ("Information") means and includes, but is not limited to, all information in any form or format, whether written, oral, electronic, digital, or otherwise, that is not generally known to others outside the State Bar and may comprise, among other things, either in whole or in part, membership record data, billing information and related data, and membership status. All Information disclosed by the State Bar is and at all times will remain the sole and exclusive property of the State Bar. Without the State Bar's prior written consent, Vendor will not: (i) disclose to any person the substance or import of the Information; (ii) use any Information to access or obtain additional information outside the purpose contemplated by this NDA or the Agreement; (iii) duplicate, distribute or otherwise reproduce any Information in any way, unless otherwise necessary for Vendor to perform the services under the Agreement.

Vendor agrees that it will retain all Information provided in connection with the Agreement in the strictest confidence, and will neither use nor disclose such Information to anyone other than those who, in each case, need to know the Information for the purposes contemplated herein. Vendor will ensure that each person designated by Vendor to perform services under the Agreement is informed of and signs this NDA. Vendor will use its best efforts to ensure that such individuals adhere to the NDA, and Vendor agrees that it will be responsible for any breach of this NDA by any of its employees, agents, authorized representatives or permitted assignees or subcontractors.

Information does not include confidential information that: (i) is or becomes generally known and available to the public other than as a result of any breach by Vendor of this NDA; (ii) is subsequently learned from a third party who is under no obligation of confidentiality with respect to such Information; (iii) was known by Vendor under no obligation of confidentiality prior to disclosure by the State Bar hereunder; or (iv) was generated independently by Vendor without reference to the State Bar's Information.

Upon expiration or termination of the Agreement, or if the State Bar so requests, whichever occurs first, Vendor will promptly, and at its own expense: (i) redeliver to the State Bar all copies of the Information in Vendor's possession, whether such Information is in written, electronic, digital or other form or format; (ii) destroy any and all analyses, compilations,

studies, or other documents in any form or format that were prepared by or for the use of Vendor which contain or reflect any Information; and (iii) certify such destruction to the State Bar in writing by an authorized officer of the Vendor who supervised such destruction, as well as the return of all copies as specified above.

Vendor's confidentiality obligations hereunder will be continuing and will survive expiration or termination of the Agreement.

Vendor acknowledges and agrees that the remedy at law for any breach of this NDA is inadequate and that, in addition to monetary damages, including but not limited to special, incidental, consequential or punitive damages, and any other available relief at law, whether based in contract, tort or otherwise, the State Bar will be entitled to specific performance, injunctive relief or any other equitable remedy without the need to (i) prove actual damages and/or (ii) post any bond or other security deposit in connection with such remedy. Notwithstanding the foregoing, this NDA will not prohibit Vendor from disclosing any Information if required by an appropriate legal or regulatory authority, provided that, prior to any disclosure: (iii) Vendor provides the State Bar with prompt written notice of the required disclosure so that the State Bar may seek such protective order as it may deem appropriate; and (iv) disclosure of any Information is limited only to the extent legally required and Vendor uses its best efforts to obtain assurances that confidential treatment will be accorded such disclosed Information.

This NDA will be governed and construed in all respects in accordance with the laws of the State of California without regard to its conflict of laws principles.

This NDA constitutes the entire agreement between the parties concerning the subject matter. Any waiver or amendment of any provision of this NDA will be effective only if in writing and signed by the parties.

This NDA will be effective as of the last date written below.

SAMPLE

THE STATE BAR OF CALIFORNIA

[Vendor Name].

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date

ATTACHMENT B

SAMPLE

Confidentiality and Non-Disclosure Agreement
for
The State Bar of California

In connection with The State Bar of California's Request for Proposal ("RFP") for the **WordPerfect Retirement Project** and any Agreement entered into thereafter, the State Bar of California ("State Bar") will provide [Vendor] ("Vendor") access to its computer system, internal processes, and confidential membership data, documents, and other information. The State Bar will provide confidential information under the terms and conditions of this Confidentiality and Non-Disclosure Agreement ("NDA") to Vendor and the designated individual officers, directors, employees, or agents of Vendor, who need to know confidential information of the State Bar in order to perform the services described in any WordPerfect Retirement Project Agreement ("Agreement") executed between the parties.

Confidential information ("Information") means and includes, but is not limited to, all information in any form or format, whether written, oral, electronic, digital, or otherwise, that is not generally known to others outside the State Bar and may comprise, among other things, either in whole or in part, membership record data, billing information and related data, and membership status. All Information disclosed by the State Bar is and at all times will remain the sole and exclusive property of the State Bar. Without the State Bar's prior written consent, Vendor will not: (i) disclose to any person the substance or import of the Information; (ii) use any Information to access or obtain additional information outside the purpose contemplated by this NDA or the Agreement; (iii) duplicate, distribute or otherwise reproduce any Information in any way, unless otherwise necessary for Vendor to perform the services under the Agreement.

Vendor agrees that it will retain all Information provided in connection with the Agreement in the strictest confidence, and will neither use nor disclose such Information to anyone other than those who, in each case, need to know the Information for the purposes contemplated herein. Vendor will ensure that each person designated by Vendor to perform services under the Agreement is informed of and signs this NDA. Vendor will use its best efforts to ensure that such individuals adhere to the NDA, and Vendor agrees that it will be responsible for any breach of this NDA by any of its employees, agents, authorized representatives or permitted assignees or subcontractors.

Information does not include confidential information that: (i) is or becomes generally known and available to the public other than as a result of any breach by Vendor of this NDA; (ii) is subsequently learned from a third party who is under no obligation of confidentiality with respect to such Information; (iii) was known by Vendor under no obligation of confidentiality prior to disclosure by the State Bar hereunder; or (iv) was generated independently by Vendor without reference to the State Bar's Information.

Upon expiration or termination of the Agreement, or if the State Bar so requests, whichever occurs first, Vendor will promptly, and at its own expense: (i) redeliver to the State Bar all copies of the Information in Vendor's possession, whether such Information is in written, electronic, digital or other form or format; (ii) destroy any and all analyses, compilations,

studies, or other documents in any form or format that were prepared by or for the use of Vendor which contain or reflect any Information; and (iii) certify such destruction to the State Bar in writing by an authorized officer of the Vendor who supervised such destruction, as well as the return of all copies as specified above.

Vendor's confidentiality obligations hereunder will be continuing and will survive expiration or termination of the Agreement.

Vendor acknowledges and agrees that the remedy at law for any breach of this NDA is inadequate and that, in addition to monetary damages, including but not limited to special, incidental, consequential or punitive damages, and any other available relief at law, whether based in contract, tort or otherwise, the State Bar will be entitled to specific performance, injunctive relief or any other equitable remedy without the need to (i) prove actual damages and/or (ii) post any bond or other security deposit in connection with such remedy. Notwithstanding the foregoing, this NDA will not prohibit Vendor from disclosing any Information if required by an appropriate legal or regulatory authority, provided that, prior to any disclosure: (iii) Vendor provides the State Bar with prompt written notice of the required disclosure so that the State Bar may seek such protective order as it may deem appropriate; and (iv) disclosure of any Information is limited only to the extent legally required and Vendor uses its best efforts to obtain assurances that confidential treatment will be accorded such disclosed Information.

This NDA will be governed and construed in all respects in accordance with the laws of the State of California without regard to its conflict of laws principles.

This NDA constitutes the entire agreement between the parties concerning the subject matter. Any waiver or amendment of any provision of this NDA will be effective only if in writing and signed by the parties.

This NDA will be effective as of the last date written below.

SAMPLE

THE STATE BAR OF CALIFORNIA

[Vendor Name].

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date

**Attachment C: THE STATE BAR OF CALIFORNIA
TRAVEL & BUSINESS EXPENSE POLICY
Revised November 1, 2005**

I. GENERAL PRINCIPLES

A. Except as hereinafter provided, this Travel & Business Expense Policy applies to all persons seeking reimbursement for travel and business expenses incurred in conducting State Bar business.

B. As a general rule, travelers are urged to use the most economical mode of transportation. However, in the application of this general rule, extenuating circumstances such as the best economic use of the time of the traveler may be taken into consideration.

C. There will be no reimbursement for the expenses of a spouse or guest who accompanies a traveler on State Bar business. No traveler will be reimbursed for travel expenses other than their own even if the traveler paid for another State Bar representative's expenses. Each traveler must seek reimbursement for his/her own expenses.

D. This Travel & Business Expense Policy may differ in various respects from the reimbursement provisions contained in a Memorandum of Understanding or in rules and regulations that are applicable to State Bar employees. The policies and procedures contained in such Memorandum of Understanding or other rules and regulations adopted by the Board of Governors shall govern the travel reimbursement of State Bar employees covered under the Memorandum of Understanding or other rules and regulations except that the rates established for lodging, meal reimbursement and mileage pursuant to this Travel & Business Expense Policy shall also apply to State Bar employees where such amounts are greater than those provided in the Memorandum of Understanding or other rules and regulations.

**II. PROCEDURES IN TRAVEL
EXPENSE REPORTING**

A. Except where set forth in this policy, only when a person is considered to be on Travel Status is s/he eligible for travel reimbursement and/or a travel advance as stated in this policy.

B. A person is on Travel Status when, in the course of performing duties for the State Bar, s/he travels to one or more destinations that are at least thirty miles (one way) from the person's primary workplace.

C. An Expense Report on a form furnished by the State Bar must be filed to request reimbursement of expenses. A report must also be filed if a State Bar Purchasing Card (P-Card) is used during the course of travel, even if no reimbursable expenses are incurred.

D. Documentation Guidelines:

1. Approvals: For a State Bar employee, the traveler's Expense Report must be reviewed and, if correct, approved by the employee's manager. The Executive Director's Expense Report must be reviewed and, if correct, signed by the Deputy Executive Director or Chief Financial Officer. For a member of the Board of Governors, Section and committee members, and other volunteers, the traveler's Expense Report must be reviewed and, if correct, signed by the staff liaison or Executive Staff manager assigned to the relevant volunteer activity who has approval authority.

2. Documentation: Receipts for air travel fares, car rentals, lodging and any expense in excess of \$25.00 must be attached to the Expense Report.

3. Deadlines: The deadline for submitting an Expense Report to an approval authority is 30 calendar days after the traveler incurs the expense. Expense Reports submitted after 60 calendar days from incurring the expense shall be rejected and not

processed for payment unless approved for late payment by the Executive Director or designee.

III. AIR TRAVEL

Reimbursement or direct billing for air travel will be limited to the cost of a coach/economy fare. The State Bar is eligible for California State government discounted rates on airfare. It is strongly recommended that these rates be obtained by use of the State's travel service. Discretion may be used to obtain lesser travel rates all things considered (e.g. flight schedule availability, travel times, penalty fees for flight changes and cancellations).

IV. AUTOMOBILE TRAVEL

A. Personal Automobile

Travelers using a personal automobile to conduct State Bar business will be reimbursed at the current authorized rate per mile. When a personal automobile is required to conduct State Bar business away from the individual's primary workplace, the State Bar will reimburse the individual's mileage at the authorized rate and in conformity with the terms and guidelines of the Travel & Business Expense Policy regardless of whether the Travel Status requirements are met.

B. Personal Auto Mileage Reimbursement Guidelines

1. Reimbursable mileage is incurred when a traveler leaves the location of his/her primary workplace on State Bar business and returns to that same location.
2. Reimbursable mileage is incurred when a traveler does not report to his/her primary workplace during the course of the work day because of State Bar business reimbursement will be for that mileage in excess of normal round trip mileage between home and the primary workplace.
3. Reimbursable mileage is incurred while conducting State Bar business while on the way to or from home to or from the primary workplace. Reimbursement will be for that mileage in excess of normal round trip mileage between home and the primary workplace.

C. Taxi Service

Actual cost including customary gratuity will be reimbursed when a less expensive service is not suitable. When taxi service is required to conduct State Bar business away from the individual's primary workplace, the State Bar will reimburse the expense in conformity with the terms and guidelines of the Travel & Business Expense Policy regardless of whether the Travel Status requirements are met.

D. Car Rental

Reimbursement for car rentals will be made where justified from the standpoint of economical use of the traveler's time or the necessities incident to the particular trip. When a rental car is required to conduct State Bar business away from the individual's primary workplace, the State Bar will reimburse the expense and in conformity with the terms and guidelines of the Travel & Business Expense Policy regardless of whether the Travel Status requirements are met.

E. Car Rental Guidelines

1. As a general rule, when renting a car, economy models should be requested taking advantage of the rental car company's available discounts.
2. The State Bar may contract with one or more rental car agencies in order to receive preferential rates. State Bar travelers are encouraged to take advantage of these arrangements when they are available.
3. When there is no contract with a car rental agency, travelers are to assure competitive rates are obtained.
4. The State Bar carries insurance that covers staff when renting a vehicle while on State Bar business. Thus, travelers can waive the collision and liability coverage offered by rental agencies when traveling on State Bar business.
5. In the event the traveler rents a vehicle to be used for both business and personal use, the traveler will not be covered by the State Bar's insurance when the car is used for personal purposes. To assure the traveler's personal liability is addressed in such circumstances, travelers are encouraged to obtain the appropriate

insurance for the period the traveler is using the car for personal purposes.

6. Individuals will be responsible for any car rental charges, insurance charges and liability while on personal business. The State Bar is not responsible for any injuries or damages caused as a result of a rental car used for personal purposes.

7. Whenever practical, travelers should return cars with a full tank of gas to avoid excessive refueling charges by the car rental companies. Car rental companies offer a Fuel Purchase Option which allows for the purchase of a full tank of gas allowing the car to be returned with an empty tank. This option is cost-efficient but should be used only if it is expected that the car will be driven enough to utilize nearly a full tank of fuel.

8. Compliance with the rental car agency agreement is the responsibility of the traveler who signs the rental agreement. Please be aware of provisions in the rental agreement that prohibits any person from driving the car.

9. In the event of an accident, follow these steps:

- Attend to any medical issues.
- Consult the rental contract and follow its instructions.
- Report to appropriate law enforcement agencies immediately.
- Promptly submit an accident report to the State Bar's Manager, Insurance Programs.

F. Tolls and Parking

Tolls and parking fees incurred by travelers using a personal automobile or rental car are reimbursable expenses and must be identified as such on Expense Reports under auto expenses. When travel is required to conduct State Bar business away from the individual's primary workplace, the State Bar will reimburse tolls and parking expenses in conformity with the terms and guidelines of the Travel & Business Expense Policy regardless of whether the Travel Status requirements are met.

G. Parking tickets and traffic fines incurred by travelers shall not be reimbursed.

V. LODGING

A. In the rare cases where lodging away from home is required to conduct State Bar business and Travel Status is not invoked, the State Bar will reimburse lodging expenses at the authorized rates and in conformity with the terms and guidelines of the Travel & Business Expense Policy regardless of whether the Travel Status requirements are met.

B. Individuals engaged as speakers for State Bar sponsored programs may be reimbursed for the actual cost of a standard single accommodation hotel room.

C. Lodging Guidelines

1. Reimbursement or direct payment of lodging expenses will be made for the actual expense of single accommodations, up to the maximum authorized rates. Contract or government rates should be requested at the time reservations are made. The State Bar qualifies for the State government rates and negotiates favorable contract rates with various hotels.

2. Lodging expenses in excess of the current authorized lodging rates shall not be reimbursed unless a prior contracted group rate arrangement has been made with the hotel by the State Bar or unless expressly authorized by the Executive Director or designee. This must be confirmed in writing by an attached memo providing the appropriate action.

3. If the Expense Report is submitted without the necessary approval memo and the lodging rate is in excess of the authorized rate, reimbursement will be made for only the authorized maximum hotel rate for that city.

4. Any charges resulting from failure to cancel lodging reservations are not the responsibility of the State Bar unless adequate explanation of the reason for failure to cancel in time is included on the Expense Report.

5. Tips in connection with the handling of bags are reimbursable expenses.

VI. MEALS

A. Travel Status Per Diem Guidelines

1. Individuals on Travel Status will be reimbursed for their own out-of-pocket expenses up to the maximum amount allowed under the authorized per diem meal rates. Payment will be made only for the traveler's own expenses. One person may not pay for the meals of other travelers and request reimbursement for their meal expenses. Each traveler must submit his/her own travel reimbursement request.

2. If the cost of a meal exceeds the approved meal rates, only the amount of the meal rate will be reimbursed by the State Bar.

3. Eligibility for meal reimbursement is based on the time(s) during which an individual is on Travel Status. The following guidelines apply:

- Breakfast: Travel status before 7:00 a.m.
- Lunch: Travel status at 12:30 p.m.
- Dinner: Travel status after 7:00 p.m.

4. The meal reimbursement is only for costs incurred, consistent with authorized rates. Thus, a traveler shall not request reimbursement for a meal if s/he partakes of a meal provided by the State Bar or a meal provided in the course of attending an event or provided by another organization without cost to the traveler.

5. Tips for restaurant service are considered to be part of the meal rate and are not reimbursable beyond the meal rate reimbursement.

B. Non Travel Status Reimbursement Guidelines

1. In certain instances, the cost of business-related meal expenses may be allowed when an individual is not on Travel Status. It must be clearly shown that it was impractical to conduct State Bar business at a State Bar facility and/or that the meal took place in conditions beyond the individual's control. Examples include:

- An employee is not on Travel Status but is required by the State Bar to staff

or attend an off-site meeting or function where a meal is required under circumstances beyond the employee's control. This includes staffing the bar examination.

- An employee is not on Travel Status but is required by the State Bar to stay overnight away from home during authorized meal times.

- An employee is not on Travel Status but is required by the State Bar to attend off-site training where a meal is required under circumstances beyond the employee's control.

2. Travel Expense Report should be used to report these expenses. The report must include the purpose or goal of each business-related meal and the conditions that justify payment.

3. The individual may claim expenses not to exceed the authorized per diem meal rates for the meal consumed.

4. Only the individual's own meal expense may be claimed, not the expense of others.

5. An individual will not be reimbursed for a meal if s/he partakes of a meal provided by the State Bar or another entity or individual at not cost.

6. Meal reimbursement is not allowed where State Bar representatives are not on Travel Status and have a meal together incidental to a State Bar function they are attending or staffing.

7. In situations where an individual is dining and/or hosting a meal for one or more other individuals in the furtherance of State Bar business, the costs of such, including those of the guest(s), may be reimbursable beyond the established meal rates in accordance with the State Bar's Business Expense Account procedures set forth below.

C. Catered Meals Guidelines

1. Refreshments and/or meals may be catered at State Bar expense at State Bar meetings and events provided that the attendees are not exclusively State Bar employees and the subject matter of the event is not routine internal State Bar business. Individuals (including members of

the Board of Governors, committee members, and State Bar employees) attending such activities as part of their duties are entitled to partake of the catered meal, regardless of whether they are on Travel Status. Meal reimbursement is not allowed when a catered meal is provided.

2. In certain circumstances, a State Bar meeting or function may occur in which the cost of a meal or refreshments is included in the registration fee or is to be reimbursed by attendees individually. The State Bar is to be invoiced for such events by the service providers and will pay the invoice out of the registration fees or the individual reimbursements collected. It is the obligation of the State Bar office sponsoring the event to keep accurate records for auditing purposes showing that the registration fees or individual contributions cover the meal or refreshment costs.

D. Alcoholic Beverages

Alcoholic beverages are not paid for nor reimbursed by the State Bar.

VII. TELECOMMUNICATIONS

A. Reimbursement is provided for reasonable expenses incurred in making business-related telephone calls and limited calls to the individual's home resulting from the requirements of business. As long as the calls are required by State Bar business, the State Bar will reimburse these expenses in conformity with the terms and guidelines of the Travel & Business Expense Policy regardless of whether the Travel Status requirements are met.

B. Reimbursement is also provided for reasonable work-related telecommunication services such as lap top computer connections to the internet that are required to conduct State Bar business.

VIII. INCIDENTALS

Expenses incurred incidental to State Bar business such as copying costs, facsimile costs and other expenses required to conduct State Bar business, will be reimbursed in conformity with the terms and guidelines of the Travel & Business Expense Policy regardless of whether the Travel Status requirements are met.

IX. EXPENSE ADVANCES

A. It is preferred that State Bar employees who travel regularly make use of the State Bar's Purchasing Card (P-Card) rather than request reimbursement or advances.

B. For State Bar representative who do not have a P-Card, it is preferred that they use their personal funds for travel expenses and request reimbursement at the conclusion of the trip in conformity with this policy.

C. Travelers may, under exceptional circumstances, request temporary travel advances. In order to be processed, such requests must be signed according to the same procedure as for Expense Reports and submitted to the Finance Department at least 3 full work days before the funds are needed.

The amount of advance will be based on the nature and requirements of the trip but shall not exceed \$250 per day.

D. All advances must be repaid or offset by Expense Reports within the 30-day deadline for submission of reports as noted above.

E. Additional advances will not be made when a prior advance is outstanding.

X. BUSINESS EXPENSE ACCOUNT

Senior Managers may budget for "Business Expenses" (account code 40570). The amount in this account is to be limited and approved by the Executive Director and Chief Financial Officer. This account is to be used at the Senior Managers' discretion in the course of their duties to cover applicable business expenses for themselves and others. Reasonable expenses charged to this account and approved by the appropriate manager are exempt from this State Bar Travel and Business Expense Policy and its Catered Meals Guidelines. Please note that no reimbursement will be made against the Business Expense Account unless there is a sufficient amount budgeted in the account to cover the expenses.

**THE STATE BAR OF CALIFORNIA
TRAVEL AND BUSINESS EXPENSE POLICIES
AUTHORIZED RATES
In Effect as of January 1, 2006**

LODGING:

(with taxes)

San Francisco:	\$205.00
Los Angeles:	\$130.00
All other areas:	\$150.00

Including: Orange County
San Diego
Sacramento

MEALS:

Breakfast	\$6.00
Lunch	\$10.00
Dinner	\$18.00

MILEAGE:

Up to October 31, 2005, the mileage reimbursement rate was 34 cents. November 1, 2005 to December 31, 2005 the reimbursement rate is 48 cents. Effective January 1, 2006, the reimbursement rate is 44.5 cents. Thereafter the mileage reimbursement rate will automatically track the reimbursement rate established by the U.S. Internal Revenue Service for business related reimbursement.

RENTAL CAR:

The State Bar has not maintained a contract with a rental car agency since 2002. Individuals may use the State Travel Service or an agency of their choice adhering to the terms of the Travel & Business Expense Policy.