

## APPENDIX J CONTRACT AGENT

Appendix J is made between the State of Alaska, Department of Administration, Division of Motor Vehicles (hereafter “DMV”), and [BUSINESS NAME] (hereafter “Contract Agent”), [MAILING ADDRESS].

The parties agree as follows:

### I. GENERAL PROVISIONS

- A. **TERM.** The period of performance for this Contract begins **month day, 20xx**, and ends **month day, 20xx, with x x-year renewal options** available to be exercised solely at the discretion of the State, unless the contract is terminated earlier under Section IV of this Appendix J or Appendix A General Provisions of this contract.
- B. **DEFINITIONS.** For purposes of this Contract, all attached Appendices, and Amendments, unless the context clearly suggests otherwise, the following words and phrases shall have the meanings defined below:
1. “Accountable Inventory” means DMV documents issued to Contract Agents to process DMV transactions for the general public and includes, but may not necessarily be limited to, driver’s license/identification card stock, temporary permits, license plates, titles, validation tabs, snowmachine/ATV and boat year tabs, and decals.
  2. “Agent DMV Representative” means a designated employee of the Contract Agent who has been trained in accordance with DMV instructions to perform document processing under the Contract and who is in charge of the Agent’s compliance with the Contract and who shall serve as the contact between the Contract Agent and DMV in executing the permitted functions under the Contract on behalf of the Contract Agent.
  3. “ALVIN” means the Alaska License and Vehicle Information Network, the database of the DMV.
  4. “Batch Control Number” means a number assigned by ALVIN to designate a data entry batch.
  5. “Batch Work” means all transactions and supporting documentation completed under a Batch Control Number.
  6. “Contract Agent” is a business that has an Alaskan business license and operates its business in the State of Alaska, whose employees have been trained in accordance with DMV instructions to perform services and/or process transactions on behalf of DMV under the Contract.
  7. “DMV stands for Division of Motor Vehicles” provides auditing procedures which include inventory and collection of state revenue accountability; ensuring the security and integrity of DMV’s database information; and auditing of Contract provisions and compliance. These services also include developing written procedures, providing training and support, and

auditing transactions for accuracy and timeliness.

8. "Employee" means a person who is hired for a wage, salary, fee, or payment to perform work for an employer.
9. "MOVEit" means a web-based application used to safely and securely transmit batch work electronically from Contract Agent to DMV.
10. "OPPM stands for Office of Procurement and Property Management" manages and oversees the Contracts, Appendices, and Amendments between DMV and the Contract Agent.
11. "Standard Operating Procedures" or "SOPs" are DMV's published policies and procedures.
12. "VPN" means Virtual Private Network and is the software that allows use of a third-party computer system to bypass the State's firewall and to access the DMV's information on ALVIN.

## **II. RESPONSIBILITIES OF DMV**

In order to facilitate the Contract Agent's ability to perform work under the Contract, and except as specifically stated, at no cost to the Contract Agent, DMV will provide the following as needed:

### **A. Authorization for the DMV Business Partnership Program.**

1. Permit the Contract Agent to process DMV transactions as specified in this Appendix. The Contract Agent may not process transactions or provide services other than what the Contract, Amendments, and Appendix(ices) specifically authorize. The authority granted under this Contract is not transferable.

### **B. Administration**

1. Provide the Contract Agent with forms, accountable documents, and information necessary to issue driver's licenses, identification cards, commercial driver licenses, vehicle and boat registrations, vehicle and boat titles, vehicle plates, snow machines decals, commercial vehicle services, and road test examinations.
2. Provide the Contract Agent with start-up equipment necessary to conduct DMV transactions, (computer, software, driver's license printer, camera, and vision testing device). This equipment is property of the State of Alaska and therefore shall not be used for any purposes other than what is specified in this Contract.
3. Provide the Contract Agent's designated employee(s) with initial training required prior to employee(s) issuing and/or processing documents under this Contract; conducting road skills tests; updating existing information in ALVIN; and performing all other duties and obligations of the Contract Agent under this Contract. Training will be conducted at the earliest opportunity dependent upon DMV trainer availability.
4. Provide the Contract Agent's designated employee(s) with follow-up training as deemed necessary by DMV and/or Contract Agent. Training will be conducted at the earliest opportunity dependent upon DMV trainer availability.
5. Provide the Contract Agent with access to on-line Standard Operating Procedures (SOP) manual containing written standards relating to processing documents under this Contract. The SOP manual will establish system operations, data reporting, accounting for funds collected, and revenue transmission to the State. The SOP manual will be revised as determined necessary by

the DMV.

6. Evaluate the Contract Agent on a continuing basis to ensure compliance with this Contract and adherence to State statutes, regulations, and DMV policies and procedures. DMV may conduct on-site audits for the duration of this Contract.
7. Reimburse Contract Agent for postage to mail the following items: batch work, personalized license plate applications, return of supplies to DMV; titles to lienholders; and boat and snowmachine/ATV registration and decals, from dealer sales, to registered owner.

Requests for reimbursement must be submitted monthly, no later than the 15th of the following month, on a form provided by DMV.

8. Authorize the Contract Agent, in consideration for the services provided above, to retain the amount bid in the Invitation to Bid (ITB), from funds collected on behalf of the State.
9. Such sums shall be retained by the Contract Agent from gross revenues. The remaining balance shall be remitted to DMV in accordance with Section III.D.2.b of this Appendix.

### **III. RESPONSIBILITIES OF THE CONTRACT AGENT**

Contract Agent will be responsible for having internal procedures and adhering to requirements herein to protect the privacy of ALVIN records and preserve the integrity of the ALVIN system, and for maintaining accountabilities for all documents received and issued by the Contract Agent. Alaska Statute 28.10.505 states in part notwithstanding Alaska Statute 40.25.300, the department may not disclose personal information contained in motor vehicle records maintained by the department under this chapter. As defined by AS 28.10.505 “personal information” means information that identifies a person, including a name, address, telephone number, and medical or disability information. Contractor will conform to all requirements of AS 45.48 protecting personally identifiable information. As defined by AS 45.48.090 “personal information” includes, but is not limited to, an individual’s first name or first initial; and last name; and one or more of the following information elements: the individual's social security number; the individual's driver's license number or State identification card number; the individual's account number, credit card number, or debit card number; and passwords, personal identification numbers, or other access codes for financial accounts.

#### **A. Personnel**

1. Designate a Representative who will be responsible for compliance with this Contract in its entirety.
2. Assure that an Agent DMV Representative is properly trained by either DMV or a Representative approved by DMV to conduct training prior to allowing Agent DMV Representative to issue and/or process documents under this Contract, conduct road skills tests, update existing information in ALVIN, or perform any other duties or obligations of the Contract Agent under this Contract. Travel expenses for training will be the responsibility of the Contract Agent.
3. Assure that an Agent DMV Representative(s) be provided with follow-up training as deemed necessary by DMV and/or Contract Agent. Travel expenses for training will be the responsibility of the Contract Agent.
4. The Contract Agent will notify the Division immediately of the resignation or termination of an Agent DMV Representative.
5. Assure Agent DMV Representatives conducting road skills tests conduct themselves ethically and lawfully. To conduct road skills tests, the designated examiner must have a valid Alaska driver’s license and: (i) is at least twenty-one years old; (ii) has three years of driving experience in Alaska; (iii) has not been convicted of a driving offense within the previous three years that is

a six point offense under the point system established under AS 28.15.221-261; (iv) has not accumulated eight points under the point system established under AS 28.15.221-261; (v) is not registered as a sex offender under AS 12.63; (vi) has not been convicted within the previous three years of a crime against a person under AS 11.41 or a law or ordinance of another jurisdiction with similar elements, and; (vii) is of good moral character. DMV may, at its sole discretion, require a background check on any Agent DMV Representative.

6. It is at the DMV's sole discretion to determine whether an employee is fit to access ALVIN and VPN after an arrest or after a conviction of violating a Federal or State Law or Regulation, or while a criminal case for an alleged violation of Federal or State Law or Regulation is pending.
7. Audit and upload (MOVEit) Requirements: any Contract Agent employee who is not meeting the DMV auditing standards or document upload requirements will not be allowed to process any DMV related transactions until the Contract Agent has provided proof of remediation efforts and that the employee has shown improved performance. Upon notice from DMV, it is the Contract Agent's responsibility to provide the remediation efforts, document the process and improvement in a measurable approach, and to provide such proof to the Partner Services Team. The Contract Agent's identified employee will not be allowed to perform any DMV related transactions or document uploads until DMV has notified the Contract Agent in writing that the provided remediation process and results are satisfactory.

## **B. Protocol**

1. Customer Service – DMV is a service organization and Contract Agents, and Agent Representatives are required to provide the same level of customer service provided at DMV offices. The Contract Agent is expected to serve all members of the public with courtesy and without discrimination. Responsiveness and courtesy are two important elements of customer service. Listening carefully to the customers is essential for providing the excellent customer service that is expected under this Contract.
2. Conversation – Personal conversations, whether in the office or on the phone, should be appropriate to the office. Appropriate conversation is not loud, overly emotional, or offensive. Profanity, gossip, and whispering are also not appropriate in the workplace.
3. Dress – Contract Agents represent the DMV and should therefore dress in a way that projects a professional image. Agent representatives are expected to be neat, clean, and presentable at work every day.
4. Political Activity – Political activity in an establishment that processes DMV transactions is prohibited. This includes:
  - Displaying or distributing partisan web sites or signs;
  - Sending email messages using a State-sponsored email account;
  - Using any State equipment for partisan purposes; and,
  - Wearing political buttons, t-shirts, or other partisan paraphernalia.

The Contract Agent should consult with DMV regarding questions or concerns about prohibited political activity.

5. Any Agent Representative who receives a citation requiring a court appearance or who has been arrested or convicted of a misdemeanor or felony, must report the citation, arrest, or conviction to DMV in writing immediately. Any Agent Representative who violates a Federal or State law or regulation and there is a clear nexus between the offense and the Agent's duties, or if the violation impairs the Agent's ability to perform the duties of under this Contract will have their ALVIN and VPN access terminated.

### **C. Operations**

1. Maintain a schedule of regular working hours during which services under this Contract are available to the public, as specified in the ITB. Scheduled office closures must be advertised in the community media, signs posted on the office door, and DMV notified at least two weeks prior to office closure. Unscheduled office closures must be advertised as soon as possible, and DMV notified immediately.
2. Contract Agent staff must be connected to the Internet for accessing DMV applications, SOPs, and have a dedicated email address for DMV-related correspondence only. The internet connection must have adequate bandwidth to support accessing the DMV systems.

### **D. Financial**

1. At the end of each business day the Agent DMV Representative will take the following actions:
  - a. Close the day's batch and record it to an ALVIN office deposit;
  - b. Generate in ALVIN a Commission Worksheet and fax a copy to DMV Fiscal.
  - c. Submit Batch Work document electronically through MOVEit application.

Failure to submit Batch Work will result in progressive action to include suspension of ALVIN and VPN access. Ongoing failures to comply will result in termination of contract.

2. At the end of the next business day the Agent Representative, no later than 5:00 p.m., after closing a batch and recording it to an ALVIN office deposit shall:
  - a. Deposit into a business bank account all funds collected on behalf of the State for DMV transactions processed; and
  - b. Transfer to DMV the amount due to DMV as specified on the Commission Worksheet; transfer shall be made through ALVIN CLIENT – DMVs payment portal, at the state's designated bank.
3. On the first day of the business week, a Receipt for Received Batch Work and supporting documents for all transactions processed in the preceding week must be mailed to: Division of Motor Vehicles, Contract Services, 4001 Ingra Street, Suite 101, Anchorage, AK 99503.
4. Complete a quarterly inventory report and fax to the DMV warehouse.
5. Be responsible for the cost of participation in the program such as the cost of office space, utilities, insurance, installation expenses, computer system support, desktop printer supplies, copy paper, on-going telecommunications charges, and postage not specified under Section II.B.7 of this Appendix.
6. Losses and Shortages: The Contract Agent shall be responsible for any and bear the risk of any and all losses or shortages it may incur during the life of the Contract. This includes all losses or shortages in the proceeds and fees to be collected, and all costs of doing business, including credit card fees and costs of collection of checks returned unpaid from the bank. Any errors by the Contract Agent or any of its employees resulting in a financial liability will be the sole responsibility of the Contract Agent.
7. The Contract Agent shall pay any and all costs incurred by the State of Alaska in enforcing the terms of this Contract, including but not limited to full reasonable attorney's fees, court costs, pre-judgment and post-judgment interest at the highest rate allowed by law under AS 45.45.010.

### **E. Security**

1. Not permit any employee to perform any authorized function in ALVIN until the employee has a unique password and has been properly trained per Section III.A.2.
2. Not permit any unauthorized person to have access to ALVIN or DMV supplies and documents.
3. Maintain appropriate security to prevent theft, loss, or destruction of accountable documents and equipment provided by DMV. The Contract Agent shall, at a minimum, store all such documents and equipment in a secure area. The Contract Agent will pay DMV \$100 for each missing temporary permit, title, and/or validation tab.
4. All DMV documents, forms, and funds are to be kept separate from any other business operation that the Contract Agent may be conducting.

#### **F. Equipment**

1. Missing, destroyed, or damaged equipment provided by DMV must be replaced or repaired by the Contract Agent at the Contract Agent's expense. Whether equipment shall be repaired or replaced will be determined by DMV in its sole discretion.
2. No computer programs or hardware shall be downloaded or installed on DMV's computer unless instructed to do so by Department of Administration Information Technology (DOA-IT) staff.
3. If the equipment fails, the Contract Agent will notify DMV. DOA-IT personnel will determine the cause of the failure. DOA-IT personnel may require the Contract Agent, at the Contract Agent's expense, to hire a local IT Technician to repair the equipment. If it is determined by DOA-IT that the equipment must be repaired or replaced because of misuse, the Contract Agent will be billed for the cost of repair or replacement.
4. Misuse of equipment is cause for immediate termination of this Contract. Downloading files from the Internet can compromise the State's mainframe computer system and is cause for immediate termination of this Contract. Contractor must adhere to State computer system policies, and is prohibited from, but not limited to, engaging in use of non-State provided messaging technologies, use of file sharing programs, and use of streaming media technologies without prior written approval.

#### **G. Compliance with Laws and Regulations**

The Contract Agent shall comply with the laws, regulations, and SOP manual, as well as any revisions to the manual that govern document processing under this Contract. The Contract Agent shall establish procedures to ensure that Agent Representatives comply with the laws, regulations, and SOP manual, as well as any revisions to the manual, that govern document processing under this Contract. No employee or other person who has not been trained as an Agent Representative under the terms of this Contract may access DMV records or perform any DMV services. Any unauthorized access may lead to suspension or termination of the Contract under III E. Further in performing services under this Contract, the Contract Agent and its Agent Representatives must comply with all federal, state, and local statutes, ordinances, regulations, and codes relating to the conduct of business and the operation of business premises, including the Americans with Disabilities Act.

### **IV. TERMINATION OF THIS APPENDIX**

#### **A. Suspension**

DMV may immediately suspend this Contract by inactivating the Agent DMV Representative's password(s) for up to 30 days to investigate any one or more of the following: suspected or alleged errors in transactions, failure to submit batch work, failure to transmit fees collected to the DMV, failure to maintain required insurance, suspected or alleged criminal misconduct, misuse of ALVIN or VPN passwords, and/or compromising the integrity of the ALVIN system.

## **B. Termination for Convenience**

This Contract may be cancelled for convenience per the Contract Cancellation of the ITB.

## **C. Termination for Cause**

1. OPPM may terminate this Contract with a written notice of intent to terminate, which clearly sets out the facts that constitute the breach or defect in performance under this Contract.
2. Termination for cause includes but is not limited to: (a) violation of a provision of this Appendix, (b) failure to follow DMV's written standards, statutes, regulations, policies and procedures.
3. Termination for cause is effective if the breach or defect is not cured within 30 days from the date the notice of the breach was received by the Contract Agent, unless a greater time to cure is allowed.

## **D. Termination for Illegal Activity**

OPPM may terminate or suspend this Contract immediately if there is reasonable cause that the Contract Agent or their employee is engaged in illegal activities.

## **E. Upon termination, the Contract Agent:**

1. Cannot recover any costs or damages arising from its participation in, or termination from, the Contract Agent Program, including set-up costs, lost profits or consequential or other damages.
2. Must immediately transfer to DMV all outstanding proceeds from DMV transactions, less commissions retained per Section III.C.2.
3. Shall mail to DMV, within one business day, all DMV accountable items and all remaining DMV transaction documents.

## **F. Communications**

1. Notices and communications required to be submitted to OPPM shall be in writing and emailed to: [doa.oppm.procurement@alaska.gov](mailto:doa.oppm.procurement@alaska.gov)
2. Notices and communications required to be submitted to DMV shall be in writing and emailed to: [marites.montano@alaska.gov](mailto:marites.montano@alaska.gov) or [alexandra.adame@alaska.gov](mailto:alexandra.adame@alaska.gov)
3. Notices and communications submitted by OPPM and DMV to the Contract Agent shall be emailed to the Contract Agent.
4. Notices will be deemed effective three days after email receipt.

## **V. CONTRACT APPENDIX J FOR SPECIFIC SERVICES**

This Contract between DMV and the Contract Agent grants the Contract Agent authority to provide specific DMV services. No other terms or conditions are a part of this Contract except for those described in the Contract. This Contract including its Appendices shall not be modified except by a subsequent Contract Amendment made in writing through OPPM, duly signed by the authorized representative of both parties.