



**Maryland Works, Inc.**

# **Maryland State Employment Works Program**

## **Vendor Policies and Procedures Manual**

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## **PROGRAM ELIGIBILITY REQUIREMENTS**

### **Community Service Providers**

#### **I. Policy**

The following are eligibility requirements for Community Service Providers (CSPs) to participate in the Employment Works Program (EWP).

In accordance with State Finance and Procurement Article 14-101 - 14-108, a CSP is eligible to participate in the EWP if the CSP's net income does not inure in whole or in part to the benefit of any shareholder or other individual, and the CSP is:

1. Organized under the laws of the United States and the State of Maryland;
2. Approved by Division of Rehabilitation Services (DORS), State Department of Education for participation in the EWP;
3. Operated in the interests of individuals with disabilities; and
4. Wishes to participate in the EWP.

#### **II. Procedure**

If a CSP wishes to participate in the EWP, it can contact the Maryland Works office for an application package. The application must be filled out in its entirety, and returned to the Maryland Works office with copies of the following (as indicated on the application):

1. Certificate of Incorporation;
2. Constitution and By-Laws;
3. Federal Tax Exemption Certificate;
4. Description of business services, capabilities and development plans;
5. Description of program services, capabilities and development plans;
6. Description of population served; and
7. Copy of DORS approval for participation in the EWP or alternative documentation as described below.

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The CSP will receive a copy of this Policies and Procedures Manual and two unsigned copies of the EWP CSP Vendor Agreement. Both copies of the Agreement shall be signed and returned to Maryland Works; Maryland Works will execute both copies and return one original to the CSP. It is *mandatory* for all CSPs to have a signed Agreement on file with Maryland Works before contracts can be assigned under the EWP.

### **III. CSP Program Eligibility Requirements**

If a CSP has not been approved by DORS, the provider can present documentation to DORS of a license or certification allowing provision of services to people with disabilities from another agency such as the Maryland Developmental Disabilities Administration, the Maryland Behavioral Health Administration, the Maryland Department of Human Resources, the U.S. Department of Veterans Affairs or any other state or federal agency deemed applicable by DORS.

Upon receipt of DORS approval for participation in the EWP, copies of the document should be submitted to Maryland Works along with all other applicable documents noted above for application into the program.

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## **PROGRAM ELIGIBILITY REQUIREMENTS**

### **Individual-with-Disability-Owned Businesses**

#### **I. Policy**

The following are eligibility requirements for Individual-with-Disability-Owned Businesses (IWDOBs) needed to participate in the EWP.

In accordance with State Finance and Procurement Article 14-101 - 14-108, an IWDOB is eligible to participate in the EWP if the IWDOB is:

1. Organized under the laws of the United States and the State of Maryland;
2. Approved by DORS, State Department of Education for participation in the EWP;
3. Operated in the interests of individuals with disabilities; and,
4. Wishes to participate in the EWP.

#### **II. Procedure**

If an IWDOB wishes to participate in the EWP, it can contact the Maryland Works office for an application package. The application must be filled out in its entirety, and returned to the Maryland Works office with copies of the following (as indicated on the application):

1. Certificate of Incorporation;
2. Constitution and By-Laws (if applicable);
3. Description of business services, capabilities, and development plans;
4. Financial Plan, including cash flow projection and source of revenues; and,
5. Copy of DORS approval for participation in the EWP.

The IWDOB will receive a copy of this Policies and Procedures Manual and two unsigned copies of the EWP IWDOB Vendor Agreement. Both copies of the Agreement shall be signed and returned to Maryland Works, along with confirmation of receipt of the current Policies and Procedures Manual; Maryland Works will execute both copies and return one original to the IWDOB. It is *mandatory* for all IWDOBs to have a signed Agreement on file with Maryland Works before contracts can be assigned under the EWP.

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## DISABILITY RATIO POLICY

### I. Policy

All EWP vendors must maintain an appropriate disability ratio on EWP contracts of individuals with disabilities to individuals without disabilities, applicable to direct labor hours based on the sum of all hours for each EWP contract.

### II. Procedure

Each EWP vendor must calculate percentages of direct labor completed by workers with disabilities and workers without disabilities. The percentage is calculated on each EWP contract. *Each EWP vendor must maintain the approved ratio on each individual contract and provide documentation of individual worker's disability upon request by Maryland Works.*

*Additionally, vendors for each EWP contract must be able to document sufficient value added to the benefit of people with disabilities.*

Direct labor is defined as: All work required for the preparation, processing and packaging of a commodity or work directly related to the performance of a service, excluding *supervision and/or administration*. All employees, regardless of the presence of a disability, are included in this definition whether full-time, part-time, wage paid-per-hour, or temporary status, etc.

On or before January 1, 2022, all contracts must implement and maintain a ratio of 45-49% to 46-51% (workers with disabilities to workers without disabilities. However, please note exceptions in the next section.)

### III. Exceptions

The State Pricing and Selection Committee may approve exceptions to the disability ratio on a contract with unique circumstances. Any and all requests for a temporary or ongoing exception to the required ratio must be in writing to the EWP Manager or EWP CEO, and a written response from Maryland Works must be kept on file by the vendor.

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The Pricing and Selection Committee has approved the following considerations that can be taken into account in allowing exceptions to the disability ratio:

1. Small contracts that only require 2-3 persons for limited working hours;
2. Contract opportunities in a new service area or production of a new commodity which requires a start up plan and timelines for a transitional period before meeting disability ratios; and/or
3. Contract opportunities which require an expedited start up plan and timelines to transition to an appropriate ratio.

Further adjustments in the ratio can also be considered for (1) exemplary success by EWP vendors in placing employees with disabilities into supported or independent employment; and/or (2) EWP vendor efforts to retain pre-existing staff employed by previous vendor contracts transitioning into the EWP if such staff face demonstrable employment barriers not associated with disabilities.

All exceptions to the prevailing ratio must be approved by the Pricing and Selection Committee on an individual contract basis. Under no circumstances may an EWP vendor fail to meet the prescribed EWP disability ratio requirement without documentation of the Pricing and Selection Committee's approval and provided in writing by Maryland Works.

#### **IV. Disability Ratios Requirements**

Currently, the disability ratio requirements for CSPs is 75% to 25%, people with disabilities to those without.

As noted above, however, beginning January 1, 2022, CSPs in the program will be required to keep a ratio of 45-49% people with disabilities to 55-51% people without on each contract.

For an IWDOB to meet the ratio requirements, it must ensure that majority ownership of the business is held by a person or persons with disabilities. In addition, 25% of workers on each contract must be people with disabilities.

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## SUBCONTRACTING POLICY

### I. Policy

Program vendors may enter into subcontracting agreements on EWP contracts for work that the vendor cannot perform, or where such partnerships may advance employment or business ownership among people with disabilities.

Under current state rules, the target maximum for subcontracting work is 25% of the contract value and/or of the total labor hours on any given contract. However, where there are compelling reasons, the vendor may subcontract up to 49%. Any percentage of subcontracted work above 25%, however, must be approved by Maryland Works and the Pricing and Selection Committee.

### II. Procedure

The vendor shall notify the EWP staff of a situation in which the agency cannot perform all of the specifications and will need to subcontract a portion of the work to another vendor. Maryland Works encourages the primary vendor to subcontract with another EWP vendor where possible.

If a program vendor is not available, the primary vendor must demonstrate a good faith effort to seek a Minority Business Enterprise (MBE). If an MBE is not available, a vendor may enter into a subcontract agreement with a private sector vendor. For all subcontracting, if available, the vendor must attain three *qualified* bids, and must accept the *lowest reasonable bid* of those attained. Documentation of such bids must be submitted to Maryland Works.

### III. Exceptions

A subcontract agreement that is reached between two EWP vendors will not be subject to the 25% limit on subcontracts if both EWP vendors maintain an appropriate ratio of people with disabilities to people without disabilities.

Other exemptions may be considered based upon the merits of the proposal. Requests must be made in writing to Maryland Works. Maryland Works may present proposal requests to the EWP Advisory and Vendor Selection Committee, and will present exemption requests to the Pricing and Selection Committee for approval.

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## PRIVATE SECTOR CONSULTANT

### I. Policy

EWP vendors may hire private sector consultants for additional expertise in areas such as: technical assistance related to new services, preparation of contract proposals, costing methods, or management. Any hiring of such services, under any circumstances, must be immediately reported in writing to Maryland Works.

### II. Procedure

When an EWP vendor purchases technical assistance for an EWP contract, a written agreement between the vendor and the consultant is necessary, stating that the consultant agrees not to bid for the same or related state contracts if Maryland Works passes on such contracts through the EWP. This agreement is necessary as the consultant may have access to privileged information and would have an unfair advantage in any subsequent private sector bid. Once the agreement is in place, the consultant may have access to all RFP/specification information as a working partner of the EWP vendor.

*It is the responsibility of the vendor to notify Maryland Works in writing when a consultant or consultants are hired on a specific EWP contract, or in an industry being undertaken or pursued by the EWP vendor (i.e. Optical Scanning, Unarmed Guard, etc.) The vendor shall immediately submit a copy of the fully executed consultant agreement to Maryland Works.* The vendor and the consultant are subject to all EWP policies and procedures.

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## EMPLOYMENT DATA REPORT

### I. Policy

All EWP vendors must complete, within the prescribed timeline, the EWP Employment Data Report (EDR). The EDR is statutorily mandated by the State of Maryland and **no exceptions** can be given for either content or deadline for submission of the required data.

Additional reports as may be required by the State of Maryland or Maryland Works in its role as the EWP Coordinating Entity must be completed on a timely basis and no later than the required due date for such reports.

### II. Procedure

Vendors will receive a copy of the EWP Employment Data Report form (electronically) and are required to complete and submit it to Maryland Works by the due date provided by Maryland Works.

Note that individual data sets provided to Maryland Works are reviewed for potential mistakes and then collated into one document that is provided to the State per State program requirements. This document must be provided by the EWP before or by the State's due date; to allow EWP staff time to check and collate individual vendor data, all EWP vendors must provide their individual data before, or by, the deadline provided by Maryland Works. Failure to meet this crucial timeline is one factor considered where more than one vendor is interested in a contract and a vendor decision must be made by EWP staff in consultation with the EWP Vendor Advisory and Selection Committee. In addition, failure to provide data by the Maryland Works deadline may also result in program probation.

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## PROGRAM ADMINISTRATION FEE and BILLING POLICY

### I. Policy

As the Coordinating Entity for the EWP, Maryland Works is paid a program administration fee by the State of Maryland based on a percentage of the billable contract value (as of 2014, the percentage is generally 3.2%). *This fee is paid by the State (not the vendor) and the cost is passed through the vendor to Maryland Works.*

Note that this program administrative fee is included in the Fair Market Pricing at the time the contracts are priced and approved by the Pricing & Selection Committee.

### II. Procedure

*EWP Invoicing.* It is the responsibility of each vendor to invoice the State after delivery of the contracted commodity or performance of the contracted service.

Invoices to the State are generally submitted monthly for the previous month's service. Submission of invoices should be made on a timely basis – generally, the *first week of the following month*, and no later than the seventh (7<sup>th</sup>) day of that month. (If the seventh day falls on a weekend or holiday, invoices are due by the next business day.)

The EWP program administrative fee described above is applied to all approved commodity and/or service contracts and must be included in the vendor's invoice to the State. As noted above, the current program administrative fee for Maryland Works is generally 3.2% although in very rare cases, the Pricing and Selection Committee may approve an alternate percentage (or alternative method) for determining this fee.

For the 3.2%, note that for every \$10,000 approved reimbursement to the vendor, a \$320 program administration fee is added for the EWP program administrative fee. To calculate the full 3.2% fee for a monthly invoice to the State, divide the entire billable value of the invoice by 1.032 and then multiply by .032.

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Please note that program administrative fees do not apply to non-EWP approved vendors; therefore, when determining the correct program administrative fee, do not include billing for subcontracted services to vendors not eligible for EWP contracts.

**A copy of all invoices provided to the State for work in the EWP must be forwarded to Maryland Works at the time the State is invoiced.** There are no exceptions to this requirement.

*EWP Pass-Through.* Copies of the State invoices provided to Maryland Works will be used by Maryland Works to create vendor invoices for the passed through program administrative fees owed to Maryland Works.

Copies of State invoices are provided to Maryland Works on the same schedule as noted above for the State - generally, the *first week of the following month after the contracted product or services are provided to the State*, and no later than the seventh (7<sup>th</sup>) day of that month (unless that date falls on a weekend or holiday).

**Maryland Works invoices must be paid by vendors within thirty days of receipt of payment from the State for the work.**

*Additional Alternative Work (Add Alts).* Occasionally a state entity will reserve a portion of the full contract value for services that are likely but not certain to be needed. The cost of the services will be separated in the contract from the cost of routine billable services.

As a separate line item on the cost breakdown, the cost of these services is, in effect, held in reserve, and not included in the monthly billing until the purchaser/end user specifically requests the service be performed. At that time, the vendor will alert Maryland Works of the service performed and the cost of the add alt along with the program administration fee, if applicable, for that service will be added to the next monthly billing to the State. The program administration fee for an add alt is calculated with the same percentage (or by the same method) as all other applicable services on the contract.

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### **III. Exception**

As already noted, the program administrative fee is not applied to subcontracts where the subcontracting vendor is not an EWP eligible vendor.

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## **CONTRACT PROPOSALS INCLUDING COST ANALYSES**

### **I. Policy**

All vendors are required to submit contract proposals to the EWP; these proposals must include a cost analysis. This is required for any contract a vendor wishes to pursue, whether for work new to the EWP or for work continuing under the program. This policy is intended to ensure that the vendor is fully capable of identifying a plan and to demonstrate full awareness of the required work to be performed. This includes demonstration of proficiency in providing the product(s) and/or service(s) required under the contract and a full understanding of the cost implications of the work to be performed.

### **II. Procedure**

All EWP Cost Proposals shall represent the EWP vendor's proposal for performing the contract and shall be consistent with the following format:

- A. Narrative – Required for contract proposals for work new to the EWP and specifically addresses the RFP, including how the vendor plans to implement the contract.
- B. Capability/Background – This is especially important for contract proposals where the work is new to the EWP:
  - 1. Vendor's capability statement targeted to the type of contract (i.e. janitorial, wood products, etc.); and,
  - 2. Background information including: staff, equipment, financial capability, experience (business history) and workers (client ability). Organizational chart may be requested for contracts of a larger magnitude (vendor would be informed initially if this is a necessary component).
- C. Costing Proposal – Required for all contracts.

All EWP Cost Formats shall represent the vendor's actual cost for performing the contract and shall be consistent with a format appropriate to the specific commodity or service being provided.

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Below are various components of the cost breakdown that should be included as needed. For additional help, please see the Appendices showing a basic Cost Breakdown format.

1. Direct Labor Workers

- a. Number of Full Time Equivalent (FTE) workers and number of hours worked per day; number of days per week; and number of weeks per year.
- b. Wages: include the per hour rate (based on FTE rates; take into account factors in your geographical area that impact labor rates.)

Example: 4 Workers X 2 Hours X 3 Days X  
10 Weeks X \$10.00/Hr. = \$2,400.00

2. Supervision

- a. Number of supervisors and number of hours worked. Indicate if working, non-working, or a percentage of each. (Note: job coaches and other support services associated with rehabilitation are non-allowable contract costs.)
- b. Wage rate - include the per hour rate.

Example: 1 Supervisor X 2 Hrs. X 3 Days X  
10 Weeks X 12.00/Hr. = \$720.00

There is a prerequisite for an appropriate ratio of people with disabilities to people without disabilities, for direct labor on all EWP contracts. (Please see disability ratio policy above.)

3. Taxes and Benefits

Includes FICA (Social Security and Medicare), unemployment, and workers compensation, and can include health and life insurance, vacation, holidays, sick leave, tuition reimbursement, etc.

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- a. Total taxes and benefits for Workers (indicate percentage of labor and amount)
  - b. Total taxes and benefits for Supervisors (indicate percentage of labor and amount)

4. Overhead

Includes such applicable indirect costs as incidental supplies, indirect labor, insurance, rent, electricity, postage, office expenses, telephone, marketing, licenses, accounting, printing, office cleaning, general liability insurance, and general and administrative (indicate percentage of labor and amount).

5. Supplies

The State of Maryland requires that supplies for all State EWP contracts be provided by Blind Industries and Services of Maryland (BISM) if available and if BISM supplies satisfy product specifications. As mandated, vendors must purchase supplies from BISM whenever applicable; the EWP will include the cost of BISM supplies in the fair marketing pricing analysis and final pricing of the contracts. Vendors must provide a detailed list of all supplies including type of unit items, items per unit (where applicable), unit price and total price.

Please see Appendices for a copy of the Supply Form.

6. Equipment Depreciation

Vendors must provide a detailed list, including type of item, number of items, useful life, unit price, yearly cost and total cost. Utilize "straight" type depreciation.

Please see Appendices for a copy of the Equipment Form.

7. On-Site Transportation Costs (vehicle operation)

Transportation costs to-and-from a single worksite are generally not reimbursed on contracts through the EWP. However, transportation costs are allowed in some cases:

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- when it is necessary for the vendor to transport larger equipment and supplies to the contract site within the generally prescribed workday; and/or

- when the contract requires transporting individuals and/or materials between multiple sites under the same contract.

While depreciated vehicle costs are included in the contract equipment list, other allowable transportation costs are included in a separate schedule found in the Appendices. Such allowable costs include: fuel; maintenance; and insurance. Note that vendors must indicate the percentage used for on-site operation.

8. Other Associated Contract Costs

Other costs associated with a contract may be billable as described below. Please note that billing for these costs are based on a number of factors and any special circumstances must be approved by the EWP.

- a. If required in the specifications, uniforms may be billable; however, vendors must provide three quotes in writing;
- b. Subcontracting (i.e. windows, blinds, special floor work, etc.).

As already noted under the Subcontracting section of this Manual, for all subcontracting, the vendor must attain three qualified bids, if available, and must accept the lowest reasonable bid of those attained.

In obtaining subcontracting work, EWP vendors must attempt to acquire work from outside vendors according to the following order: (1) another vendor within the EWP; (2) if no qualified and available program vendor, then an MBE; or (3) if neither of the above can do the work, then a commercial vendor. Note that documentation of bids – including documentation of efforts to contract with an MBE if another EWP vendor is not able to perform the work - must be submitted to Maryland Works.

- c. Leasing (i.e. phones, communication equipment, etc.)

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- d. Handling fees (for example, fee for mulch and chemicals in landscaping contracts where delivery and storage are needed.)
  - e. Warehouse/Material Storage (when keeping an inventory is required by the contract specifications.)
  - f. Credit Line (if applicable.)

9. EWP Program Administrative Fee

The following points were discussed above in the Program Administrative Fee and Billing section of this Manual. For more detailed information, please refer to the earlier section.

- a. Utilize the percentage set by the State, which, as noted, was determined in 2014 generally at 3.2% of contract value. The State has discretion to set an alternative percentage or alternative method in determining the EWP program administrative fee on specific contracts, however.
- b. The EWP program administrative fee is included as a cost to the State and passed through the vendor as part of the total contract cost. All State invoices must include the applicable Maryland Works program administrative fee and must reimburse this fee to Maryland Works in a timely manner as discussed above.
- c. The program administrative fee is not applied to subcontracting vendors that are not eligible EWP vendors.

**Please Note:** Completion of the EWP cost analysis and approval by the Pricing and Selection Committee of the contract do not replace the vendor's responsibility to submit its own scope of work and cost analysis. It is incumbent upon the vendor to review the EWP analysis in a timely manner prior to concurring to ensure greater accuracy.

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## TERMINATING CONTRACTS

### I. Policy

Program vendors may terminate an EWP contract by notifying Maryland Works. Pursuant to the EWP Provider Agreement, notice must be provided to the EWP a minimum of ninety (90) days in advance of terminating a contract and must be provided in writing. Some contracts, because of their complexity, scope, unique circumstances or other factors may require a longer termination notice. As appropriate, any additional factors that may be material to a termination may be considered.

Note, however, that the exiting EWP vendor may be responsible for reimbursement of any cost incurred by the State or the Coordinating Entity in having to replace a vendor. (Please see below.)

### II. Procedure

In the event that the EWP vendor wishes to discontinue providing services or commodities under an individual contract prior to its termination date, or elects not to pursue renewal of a contract before or after it has expired, a vendor shall provide written notice to both the EWP and the State of Maryland contact, at the earliest possible time - pursuant to any notice provisions of the specific contract and/or state procurement procedures - but no less than a minimum of 90 days' notice in order to provide adequate time to obtain a replacement vendor. If provisions of the specific contract, state procurement procedures, or practical issues relating to vendor replacement require more than a 90 days' notice, the vendor shall provide the EWP with the same.

As noted above, the requirement of a (minimum) 90 days' notice is to allow time to identify an alternative EWP (or failing that, an MBE or commercial) vendor. However, should a replacement vendor not be found within the program or should the State be forced to solicit bids on the open market for any reason, the State may require the exiting vendor to pay the difference between the fair market price and the open market price. While not generally exercised by the State, it is crucial that vendors be aware that any costs incurred – including pricing differences between fair and open market rates - can be charged to the exiting vendor.

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## MARKETING PREFERENCE

### I. Policy

Eligible EWP vendors may receive "marketing preference" on a program contract if: (1) marketing occurred prior to notice of the opportunity to the EWP; (2) the marketing activity is documented in writing; and, (3) the documentation is submitted to the EWP.

### II. Procedure

"Marketing effort" is defined by the EWP as: (1) contact by the selling entity with the purchaser; and, (2) presentation of the selling entity's capabilities directly to the purchaser related to a specific potential service or commodity contract (identified by name and or ID number).

Note that marketing effort does not automatically guarantee that the instant contract will be awarded to the program vendor that made the marketing effort.

While an EWP vendor that pursues an opportunity through a marketing effort is *given a preference* for the contract within the program, the vendor is not given a guarantee for the marketed contract; this must be made clear to the purchaser. The EWP vendor must emphasize that it is a single vendor and is neither pre-approved nor pre-selected for the contract. Rather, the final selection of an EWP vendor is determined by EWP staff in consultation with the EWP Advisory and Vendor Selection Committee and subject to any policies or guidelines set by the Pricing and Selection Committee.

Individual vendors and their agents are prohibited from representing the EWP. An EWP vendor or its agent cannot imply (directly or indirectly), insinuate, or otherwise represent itself to be speaking for, or acting on, behalf of the Employment Works Program.

None of this section is meant to discourage EWP vendors from marketing products and services directly to purchasers. Certainly, there is no prohibition on the purchaser notifying the EWP vendor as to the budget ranges affecting the contract. However, vendors may not discuss or attempt to negotiate contract pricing with the purchaser.

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Once interest has been established with the purchaser, the vendor must document its marketing effort the EWP Marketing Effort Form (see Appendices) or within an email incorporating the same information as required on the form. The form or email must be presented or sent as quickly as possible to the EWP. Upon receipt and review, the EWP will send a written response to the vendor, if applicable, that a marketing effort has been recognized.

Note, however, that when the contract assignment decision is made, all relevant factors are considered in the same manner as in any other contract assignment. As noted already, marketing preference does not guarantee contract assignment to the vendor that made the marketing effort. Thus, a vendor with marketing preference must still complete a proposal, provide cost justification and be capable of performing the specifications of the contract.

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## CRITERIA FOR SELECTION OF EWP CONTRACT VENDOR

### I. Policy

One EWP vendor is selected as a prime vendor to complete each contract processed under the EWP. Where applicable, subcontracting relationships with EWP vendors are also encouraged.

Generally, when multiple prime vendor candidates submit contract proposals for a specific contract, EWP staff will present vendor proposals and comparative analyses of those proposals to the EWP Advisory and Vendor Selection Committee. Note that only vendors in good standing with the program will be considered.

After the EWP Advisory and Vendor Selection Committee evaluates the proposals (along with all other relevant documentation and factors as set out below), the Committee will submit its recommendation and a vendor is selected. The selection of the vendor is done prior to the contract being presented to the Pricing and Selection Committee. As in all cases, the vendor and purchaser will be required to provide concurrence on the pricing before the contract is presented to the Pricing and Selection Committee. Vendor and purchaser may also present their positions in writing or in person before or at the relevant Pricing and Selection Committee.

### II. Procedure

A vendor will be selected for an EWP contract according to the following sequence of criteria.

#### A. Prerequisites

As noted earlier, an EWP vendor must first conform to the following requirements before being considered for an EWP contract:

- a. Completed application;
- b. Appropriate DORS documentation or alternate qualifications;
- c. Department of Labor Certification (if applicable);
- d. Non-profit status (If applicable);
- e. Signed Provider Agreement; and
- f. Good standing with the State of Maryland.

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B. Quality of Proposal

An EWP vendor must submit the approved proposal format, discussed earlier, which demonstrates an understanding of the requirements and costs of performing work under the contract specifications. The quality of the proposal will assist the EWP Advisory and Vendor Selection Committee in comparing the various proposals.

C. Other Factors

The following factors are utilized when more than one vendor has successfully met the criteria set out in Sections A and B above. These factors will be communicated to interested EWP vendors. Subsequently, EWP vendors can evaluate whether they have a continued interest in pursuing the potential contract.

Regarding individual vendors, the following factors will be reviewed:

1. Past Performance: The purpose of this factor is to evaluate overall performance as it relates to the contract in question and whether or not an EWP vendor demonstrates the ability to perform said contracts.

Aspects to be taken into account in the review of past performance are:

- a. Quality and quantity of current and previous contracts;
  - b. Size and scope of current and previous contracts (includes EWP contracts as well as contracts outside the program) of similar type performed;
  - c. State purchasers' confidence in EWP vendor's capabilities;
  - d. Whether there has been loss of contracts due to poor performance;
  - e. Ability to respond on contract matters within deadlines provided.
2. Management Capability: For example, whether the EWP vendor in pursuit of said contract has the ability to manage the development and implementation of said contracts.

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Aspects to be taken into account in the review of management capability are:

- a. Adequate staffing for indirect service;
- b. Ability to follow the EWP process;
- c. Ability to respond within deadlines provided;
- d. Competitiveness and completeness of costing proposal; and,
- e. Value added to individuals with disabilities.

3. Program Compliance: Factors that will be considered include whether the EWP vendor followed program policies as specified in the Provider Agreement as well as following the policies and procedures detailed in this Manual.

Aspects to be taken into account in the review of program compliance are:

- a. Timely completion and submission of outcome data;
- b. Timely and accurate invoicing to the state;
- c. Timely providing copies of State invoices to Maryland Works;
- d. Timely and accurate payment of Maryland Works invoices for the program administrative fees;
- e. Timely and accurate submission of the Employment Data Reports twice per year as required by the EWP to complete reporting required by the State;
- f. Timely and accurate submission of all other reporting requirements to remain in good standing with the EWP.

4. Marketing Effort: An individual vendor's marketing efforts may be taken into account in determining assignment of contracts pursuant to the Marketing Effort section above.

Please note that in addition to factors affecting specific vendors such as strength of an individual proposal, there are other aspects that are considered by the EWP in awarding contracts. Such influences include, but are not limited to, distribution of work in the program, geographical coverage, and type of industries/services.

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## **DISPUTES**

### **I. Policy**

EWP vendors have the right to dispute a decision made by the program.

### **II. Procedure**

All disputes and claims arising in connection with the EWP Policies and Procedures or EWP Vendor Agreement shall be settled by arbitration consisting of a review of all parties' circumstances by the EWP Advisory and Vendor Selection Committee, which will make a recommendation to a sub-committee of the Maryland Works Executive Committee. The Executive Committee will review the EWP Advisory and Vendor Selection Committee's recommendation and make a determination.

If this determination is unsatisfactory to either the EWP vendor or Maryland Works staff, the dispute may be forwarded to the Pricing and Selection Committee. The decision on any arbitration award, including consequential damages or penalties, made by the Pricing and Selection Committee, shall be final and binding on all parties.

In the event that the Pricing and Selection Committee is unwilling or unable to arbitrate any dispute, the same shall be arbitrated before an arbitrator agreed upon by the parties, in accordance with the governing rules of the American Arbitration Association. Any arbitration award, including consequential damages or penalties made by the arbitrator shall be final and binding on all parties.

Any arbitration fees will be shared equally by the parties in such a dispute.

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## NOTIFICATION OF AVAILABLE CONTRACTS

### I. Policy

The EWP will notify program vendors of available contract opportunities after careful review by the EWP staff. In making a determination whether or not to send out an opportunity, the EWP staff will weigh a number of factors, including but not limited to: geographic area of the opportunity and available vendors in that area; type of industry and/or service; distribution of contracts within the program; benefit to qualified vendors as well as to the EWP as a whole.

### II. Procedure

#### Individual Notification

Notification of appropriate contract opportunities will be made to potential vendors in writing by email. The notification will list general information about the contract, and where possible, the related specifications.

Deadline for provider response is three (3) business days from date the email is sent by EWP staff. By law, the EWP has limited time to respond to opportunities; therefore, the three-day turnaround is the maximum allowable time to respond to potential opportunities. Therefore, given State deadlines on the program, the EWP cannot make exceptions to this requirement of replying within the specified time-frame.

Generally, opportunity notifications are sent out to all vendors within the EWP. This is done to ensure fairness and timeliness. However, in certain cases, such as notification of an opportunity in an outlying area, the EWP may limit notification to a vendor or vendors in that location due to geographic limitations. Likewise, in certain emergent circumstances – such as the need to find a replacement vendor under tight timelines – a specific vendor or vendors might be notified individually rather than sending a general email to all program vendors. However, these are rare occasions.

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## Program Compliance and Consequences of Non-Compliance

It is critical that all EWP vendors remain in compliance with EWP policies and guidelines to ensure the quality and integrity of the program. Examples of compliance requirements include:

- A. Adhering to the mission and legislative intent of the EWP;
- B. Meeting performance, administrative, and legal requirements of each EWP contract;
- C. Meeting format and deadline requirements for submitting pricing and other information needed for contract processing;
- D. Completing mandated orientation, including the "Introduction to the EWP", for the EWP vendor staff members newly assigned to contracts;
- E. Timely and accurate submission of invoices to the State with copies to Maryland Works;
- F. Timely reimbursement of the pass-through program administrative fee to Maryland Works;
- G. Maintaining the required applicable ratio of individuals with disabilities to individuals without disabilities on contracts;
- H. Meeting obligations for purchasing BISM products;
- I. Timely reporting on on-site incidences (such as theft of property or on-site fighting) in relation to contracts assign under the EWP (notification of such incidences must be immediate but no later than 24-hours after the incidence);
- J. Timely and accurate submission of completed Employment Data Reports per EWP's stated deadline; and,
- K. Timely and accurate submission of any report required as part of the EWP.

Vendors not meeting EWP requirements may be considered in "non-compliance" and may be subject to any or all of the following actions. Depending on the seriousness and frequency of non-compliance, these actions may be applied individually or in order of increasing severity.

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I. Delay Caused by the Vendor in the Approval of a New or Renewed Contract with Possible Threat to Contract

This measure is normally the result of undue delays by the vendor in submitting pricing and other information needed for Pricing and Selection Committee approval of new and renewing contracts.

II. Unfavorable Evaluation During Vendor Selection

Multiple criteria are considered in selecting vendors for each EWP contract. Vendors with a history of compliance lapses can expect reduced evaluation ratings in at least some of the categories used to determine contract awards as already noted in this Manual.

Please note that, barring exceptional circumstances, application of the following five actions will be preceded by a probationary period of at least 30 days in which a non-compliant vendor will have the opportunity to avoid the actions by restoring and maintaining compliance.

- A. Failure to complete and submit the Employment Data Report (EDR), required by the state, on a timely basis.
- B. Poor performance and lack of sufficient and timely corrective action.
- C. Failure to provide Maryland Works with notice of any safety or serious performance issues within 24 hours of their occurrence.
- D. Failure to provide adequate qualified on-site supervision.
- E. Delayed response to complaints from the end-user/s and or purchaser/s.

III. Non-Consideration During Contract Selection

A vendor that is out of compliance may be removed from consideration for all future contracts.

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#### IV. Non-Renewal of Individual Contracts

A vendor will be denied renewal of one or more specific contracts as specified in Section XVII of the Maryland Works EWP Vendor Agreement. Maryland Works will reassign the contract(s) as set forth in the Criteria for Selection of EWP Contract Vendor.

#### V. Termination of Individual Contracts

One or more of a provider's contract(s) will be terminated with due notice as specified in Section XVII of Maryland Works EWP Provider Agreement, and Maryland Works will reassign the contract(s) as set forth in the Criteria for Selection of EWP Contract Provider.

#### VI. Termination of Maryland Works/EWP Provider Agreement

If a vendor's contractual agreement with Maryland Works is terminated, the vendor will lose all EWP contracts.

#### VII. Financial Reimbursement

The vendor may also be required to reimburse the State or Maryland Works for the cost necessary to rectify adverse situations. For example, if there is material damage involved or if Maryland Works staff are required to allocate inordinate time and resources as a result of vendor non-compliance, either entity can seek reimbursement for those costs.

Additionally, as already noted above, completion of the EWP cost analysis and approval by the Pricing and Selection Committee of the contract do not replace the vendor's responsibility regarding the accurate pricing of the costs.



## **APPENDICES**

**BASIC COST BREAKDOWN FORM INCLUDING  
TRANSPORTATION**

Supervisors	\$____/Hr.	__	Hrs/Day	____	Days/Year	\$_____
Workers	\$____/Hr.	__	Hrs/Day	____	Days/Year	\$_____
<b>TOTAL LABOR</b>						\$_____
Taxes and Benefits						\$_____
Overhead						\$_____
*Transportation						\$_____
Supplies						\$_____
Equipment						\$_____
<b>SUBTOTAL</b>						\$_____
3.2% Program Admin Fee						\$_____
Subcontracts						\$_____
<b>GRAND TOTAL</b>						\$_____

If transportation is not an allowable cost, delete this line item from the master cost breakdown

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APPENDIX B

(CONTRACT NAME)

Vendor:

Type of Services:

Contract Term:

**TRANSPORTATION\***

(Note that direct vehicle costs are calculated on the equipment depreciation worksheet)

DESCRIPTION	VEHICLE LIFE (YRS)	%	#	UNIT	TOTAL	ANNUAL
		USED	UNITS	PRICE	DEPR.	COST
Insurance						
Repairs/Maintenance						

FUEL:

Est. Mileage \_\_\_\_\_

Miles/gallon \_\_\_\_\_

# of gallons \_\_\_\_\_

Cost/gallon \$ \_\_\_\_\_

Total \$ \_\_\_\_\_

**Transportation Total \$**

\*If transportation is not an allowable cost, delete this line item from the master cost breakdown.

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APPENDIX C

**SUPPLIES**

ITEM	UNIT (items per unit)	# of UNITS	UNIT PRICE	TOTAL COST
BISM Items				
BISM Green Items				
Non-BISM Items				

TOTAL SUPPLIES

\_\_\_\_\_



**MARKETING EFFORT FORM**

DATE OF INITIAL CONTACT: \_\_\_\_\_

PERSON CONTACTED: \_\_\_\_\_ PHONE: (\_\_\_\_) \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TYPE OF SERVICE/COMMODITY: Janitorial: \_\_\_\_\_ Grounds: \_\_\_\_\_

Other: \_\_\_\_\_

CONTRACT NAME/ID #: \_\_\_\_\_

\_\_\_\_\_

RESULTS/FOLLOW-UP: (Give a brief description of action taken including dates. Be specific.)

DATE: \_\_\_\_\_ VENDOR NAME: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_ PHONE: (\_\_\_\_) \_\_\_\_\_

PLEASE RETURN TO MARYLAND WORKS

As noted in the EWP Vendor Policies and Procedures Manual, marketing effort by an individual vendor does not guarantee assignment to that vendor.

