



FIRST AMENDMENT TO CONTRACT NUMBER PS68678
BATES TROY, INC.
GROUP 79039 AWARD 23147

Laundry and Linen Services (Statewide)

THIS FIRST AMENDMENT, (hereinafter the "First Amendment") is made between the **People of the State of New York, acting by and through the Commissioner of General Services** (hereinafter the "State" or "OGS") whose principal place of business is the 36th Floor, Corning Tower, The Governor Nelson A. Rockefeller Empire State Plaza, Albany, New York 12242, pursuant to authority granted under New York State Finance Law §163, and **Bates Troy, Inc.** (hereinafter the "Contractor"), with its principal place of business at 151 Laurel Ave. Binghamton, NY 13905. The foregoing are collectively referred to as the "Parties."

WITNESSETH:

WHEREAS, OGS entered into a Centralized Contract for the acquisition of Laundry and Linen Services (Statewide), (hereinafter the "Contract" or "Contract No. PS68678") with Bates Troy, Inc. on August 19, 2019; and

WHEREAS, Contract No. PS68678 provided for an initial term of five (5) years from August 19, 2019 through and including August 18, 2024, and an option for an extension of the initial term was provided for in the following Sections:

1. Section 2.1 *Centralized Contract Term and Extensions* ("At the State's option, the Contract may be extended for five years, in increments as deemed to be in the best interest of the State. Whether the optional extensions are exercised is at the sole discretion of the State. A Contractor shall retain the right to decline a Contract extension offered under this section. Any Contract extension will be under the same terms and conditions, subject to any additional applicable statutory and policy requirements. Any extensions provided under this section shall apply in addition to any rights set forth in Appendix B, Contract Term – Extension.");
2. Section 2.4 *Short Term Extension* ("This section shall apply in addition to any rights set forth in Appendix B, *Contract Term – Extension*. In the event a replacement Contract has not been issued, this Contract may be extended unilaterally by the State for an additional period of up to 30 calendar days upon notice to the Contractor with the same terms and conditions as the original Contract and any approved modifications. With the concurrence of the Contractor, the extension may be for a period of up to 90 calendar days in lieu of 30 calendar days. However, this extension automatically terminates should a replacement Contract be issued in the interim.");
3. Appendix B *General Specifications*, Section 23 *Contract Term – Extension* ("In addition to any stated extension periods in the Contract, any Contract or portion thereof awarded by the Commissioner may be extended by mutual agreement of the Commissioner and the Contractor for an additional period of up to one year. Such extension for up to an additional one-year period may be exercised on a month-to-month basis or in other stated periods of time."); and

WHEREAS, the Parties now wish to amend the Contract to extend the Contract term through and including August 18, 2029, pursuant to Contract Section 2.1 *Centralized Contract Term and Extensions*, and to amend other terms of the Contract, as set forth below.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the Parties do hereby agree as follows:

1. TERM

Pursuant to Contract Section 2.1 *Centralized Contract Term and Extensions*, the term of the Contract is extended for five (5) years through and including August 18, 2029, or until a new contract for Laundry and Linen Services (Statewide) is awarded, whichever occurs first.

2. NYS COMPTROLLER APPROVAL

The Contract is amended to add the following new Section 1.6 *NYS Comptroller Approval*, to read as follows:

1.6 NYS COMPTROLLER APPROVAL

In accordance with Section 112 of the State Finance Law, this Contract shall not be valid, effective or binding upon the State until this Contract has been approved by the Office of the New York State Comptroller ("OSC"). Purchase orders or other procurement transactions under this Contract(s) may also be subject to OSC approval.

3. DEFINITIONS

Section 1.5 *Definitions* of the Contract is amended to delete the definition for "NYS Holidays" in its entirety and replace it with the following new definition:

1.5 DEFINITIONS

"NYS Holidays" refers to the legal holidays for State employees in the classified service of the executive branch, as more particularly specified on the website of the NYS Department of Civil Service. This includes the following: New Year's Day; Dr. Martin Luther King, Jr. Day; Washington's Birthday (observed); Memorial Day; Juneteenth; Independence Day; Labor Day; Columbus Day; Veterans' Day; Thanksgiving Day; and Christmas Day.

4. APPENDICES AND ATTACHMENTS

Section 2.2 *Appendices and Attachments* of the Contract is deleted in its entirety and replaced with the following new Section 2.2 *Appendices and Attachments*, to read as follows:

2.2 APPENDICES AND ATTACHMENTS

The following appendices and attachments are attached to this Contract and expressly made a part of this Contract:

Appendix A – Standard Clauses for NYS Contracts (June 2023)

Appendix B – General Specifications (April 2016)

Appendix C – Healthcare Laundry Accreditation Council's Accreditation Standards (2016), as the same may be amended and updated throughout the term of this Contract

Appendix D – Federal Funding Agency Mandatory Terms and Conditions (October 2023)

Attachment 1 – Pricing, as posted on the Contract landing page on the OGS website

Attachment 2 – Insurance Requirements

Attachment 3 – Report of Contract Usage

Contractor Information page, as revised from time to time by OGS and posted on the Contract landing page on the OGS website.

5. ORDER OF PRECEDENCE/CONFLICT OF TERMS

Section 2.3 *Order of Precedence/Conflict of Terms* of the Contract is deleted in its entirety and replaced with the following new Section 2.3 *Order of Precedence/Conflict of Terms*, to read as follows:

2.3 ORDER OF PRECEDENCE/ CONFLICT OF TERMS

In case of any conflict or inconsistency among the elements of this Contract, such conflict or inconsistency shall be resolved by giving precedence to the documents in the following order:

1. Appendix A, *Standard Clauses for New York State Contracts* (June 2023);
2. Appendix D, *Federal Funding Agency Mandatory Terms and Conditions* (October 2023);
3. The First Amendment
4. The Base Contract;
5. Appendix B, *General Specifications* (April 2016);
6. Appendix C, *Healthcare Laundry Accreditation Council's Accreditation Standards* (2016), as the same may be amended and updated throughout the term of this Contract;

7. Attachment 1, *Pricing*, as posted on the Contract landing page on the OGS website;
8. Attachment 2, *Insurance Requirements*;
9. Contractor Information page, as revised from time to time by OGS and posted on the Contract landing page on the OGS website; and
10. Attachment 3, *Report of Contract Usage*.

6. CONTRACTOR REQUIREMENTS AND PROCEDURES FOR PARTICIPATION BY NEW YORK STATE CERTIFIED MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISES AND EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND WOMEN

Section 3.31 *Contractor Requirements and Procedures For Participation by New York State Certified Minority- and Women-Owned Business Enterprises and Equal Employment Opportunities for Minority Group Members and Women*, of the Contract is deleted in its entirety and replaced with the following new Section 3.31 *Contractor Requirements and Procedures for Participation by New York State Certified Minority- And Women-Owned Business Enterprises and Equal Employment Opportunities For Minority Group Members and Women*, to read as follows:

3.31 CONTRACTOR REQUIREMENTS AND PROCEDURES FOR PARTICIPATION BY NEW YORK STATE CERTIFIED MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISES AND EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND WOMEN

I. NEW YORK STATE LAW

Pursuant to New York State Executive Law Article 15-A and Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations ("NYCRR"), the New York State Office of General Services ("OGS") is required to promote opportunities for the maximum feasible participation of New York State-certified Minority- and Women-Owned Business Enterprises ("MWBEs") and the employment of minority group members and women in the performance of OGS contracts.

II. GENERAL PROVISIONS

- A. OGS is required to implement the provisions of New York State Executive Law Article 15-A and 5 NYCRR Parts 140-145 ("MWBE Regulations") for all State contracts as defined therein, with a value (1) in excess of \$25,000 for labor, services, equipment, materials, or any combination of the foregoing or (2) in excess of \$100,000 for real property renovations and construction.
- B. The Contractor agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to OGS, to fully comply and cooperate with OGS in the implementation of New York State Executive Law Article 15-A and the regulations promulgated thereunder. These requirements include equal employment opportunities for minority group members and women ("EEO") and contracting opportunities for MWBEs. Contractor's demonstration of "good faith efforts" pursuant to 5 NYCRR § 142.8 shall be a part of these requirements. These provisions shall be deemed supplementary to, and not in lieu of, the nondiscrimination provisions required by New York State Executive Law Article 15 (the "Human Rights Law") or other applicable federal, State, or local laws.
- C. Failure to comply with all of the requirements herein may result in a finding of non-responsiveness, a finding of non-responsibility, breach of contract, withholding of funds, suspension or termination of the Contract, and/or such other actions or enforcement proceedings as allowed by the Contract and applicable law.

III. EQUAL EMPLOYMENT OPPORTUNITY (EEO)

- A. The provisions of Article 15-A of the Executive Law and the rules and regulations promulgated thereunder pertaining to equal employment opportunities for minority group members and women shall apply to all Contractors, and any subcontractors, awarded a subcontract over \$25,000 for labor, services, including legal, financial and other professional services, travel, supplies, equipment, materials, or any combination of the foregoing, to be performed for, or rendered or furnished to, the contracting State agency (the "Work") except where the Work is for the beneficial use of the Contractor.
 1. Contractor and subcontractors shall undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without

discrimination because of race, creed, color, national origin, sex, age, disability, or marital status. For these purposes, EEO shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff or termination, and rates of pay or other forms of compensation. This requirement does not apply to: (i) the performance of work or the provision of services or any other activity that is unrelated, separate, or distinct from the Contract; or (ii) employment outside New York State.

2. By entering into this Contract, Contractor certifies that the text set forth in clause 12 of Appendix A, attached hereto and made a part hereof, is Contractor's equal employment opportunity policy. In addition, Contractor agrees to comply with the Non-Discrimination Requirements set forth in clause 5 of Appendix A.

B. Form EEO 100 – Staffing Plan

To ensure compliance with this section, the Contractor agrees to submit, or has submitted with the Bid, a staffing plan on Form EEO 100 to OGS to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and federal occupational categories.

C. NYS Contract System Workforce Utilization Reporting Module (Commodities & Services)

1. The Contractor shall complete and shall require each of its subcontractors to complete a Workforce Audit on a quarterly basis throughout the term of this Contract, by the 10th day of April, July, October, and January. To report the actual workforce utilized in the performance of the Contract by the specified categories listed including ethnic background, gender, and Federal occupational categories. Contractor shall coordinate with its subcontractors to ensure that all workers associated with this Contract are properly counted and reported. To prepare the report, Contractor and its subcontractors shall use the NYS Contract System Workforce Audit Module found at the following website: <https://ny.newnycontracts.com>.
2. Separate audits shall be completed by Contractor and all subcontractors utilized on this contract and the Contractor is responsible for ensuring timely submission of the Workforce Audit by their subcontractors.
3. In limited instances, the Contractor or subcontractor may not be able to separate out the workforce utilized in the performance of the Contract from its total workforce. When a separation can be made, the Contractor or subcontractor shall complete the Workforce Audit and indicate that the information provided relates to the actual workforce utilized on the Contract. When the workforce to be utilized on the Contract cannot be separated out from the Contractor's or subcontractor's total workforce, the Contractor or subcontractor shall complete the Workforce Audit and indicate that the information provided is the Contractor's or subcontractor's total workforce during the subject time frame, not limited to work specifically performed under the Contract.

- D.** Contractor shall comply with the provisions of the Human Rights Law and all other State and federal statutory and constitutional non-discrimination provisions. Contractor and subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status, or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

IV. CONTRACT GOALS

- A.** For purposes of this procurement, OGS conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set goals for participation by MWBEs as subcontractors, service providers, or suppliers to Contractor. Contractor is, however, encouraged to make every good faith effort to promote and assist the participation of MWBEs on this Contract for the provision of services and materials. The directory of New York State Certified MWBEs can be viewed at: <https://ny.newnycontracts.com/>. Additionally, following Contract execution, Contractor is encouraged to

contact the Division of Minority and Women's Business Development ((518) 292-5250; (212) 803-2414; or (716) 846-8200) to discuss additional methods of maximizing participation by MWBEs on the Contract.

B. Good Faith Efforts

Pursuant to 5 NYCRR § 142.8, evidence of good faith efforts shall include, but not be limited to, the following:

1. A list of the general circulation, trade, and MWBE-oriented publications and dates of publications in which the Contractor solicited the participation of certified MWBEs as subcontractors/suppliers, copies of such solicitations, and any responses thereto.
2. A list of the certified MWBEs appearing in the Empire State Development ("ESD") MWBE directory that were solicited for this Contract. Provide proof of dates or copies of the solicitations and copies of the responses made by the certified MWBEs. Describe specific reasons that responding certified MWBEs were not selected.
3. Descriptions of the Contract documents/plans/specifications made available to certified MWBEs by the Contractor when soliciting their participation and steps taken to structure the scope of work for the purpose of subcontracting with, or obtaining supplies from, certified MWBEs.
4. A description of the negotiations between the Contractor and certified MWBEs for the purposes of complying with the MWBE goals of this Contract.
5. Dates of any pre-bid, pre-award, or other meetings attended by Contractor, if any, scheduled by OGS with certified MWBEs whom OGS determined were capable of fulfilling the MWBE goals set in the Contract.
6. Other information deemed relevant to the request.

V. Fraud

Any suspicion of fraud, waste, or abuse involving the contracting or certification of MWBEs shall be immediately reported to ESD's Division of Minority and Women's Business Development at (855) 373-4692.

ALL FORMS ARE AVAILABLE AT: <https://ogs.ny.gov/MWBE>.

Vendor must scroll down to the section titled COMMODITY & SERVICE CONTRACTS and use the appropriate forms under this section only.

7. PARTICIPATION OPPORTUNITIES FOR NEW YORK STATE CERTIFIED SERVICE-DISABLED VETERAN OWNED BUSINESSES

Section 3.32 *Participation Opportunities For New York State Certified Service-Disabled Veteran Owned Businesses*, of the Contract is deleted in its entirety and replaced with the following new Section 3.32 *Participation Opportunities For New York State Certified Service-Disabled Veteran Owned Businesses*, to read as follows:

3.32 PARTICIPATION OPPORTUNITIES FOR NEW YORK STATE CERTIFIED SERVICE-DISABLED VETERAN OWNED BUSINESSES

Article 3 of the New York State Veterans' Services Law provides for more meaningful participation in public procurement by certified Service-Disabled Veteran-Owned Businesses ("SDVOBs"), thereby further integrating such businesses into New York State's economy. OGS recognizes the need to promote the employment of service-disabled veterans and to ensure that certified service-disabled veteran-owned businesses have opportunities for maximum feasible participation in the performance of OGS contracts.

In recognition of the service and sacrifices made by service-disabled veterans and in recognition of their economic activity in doing business in New York State, Bidders/Contractors are strongly encouraged and

expected to consider SDVOBs in the fulfillment of the requirements of the Contract. Such participation may be as subcontractors or suppliers, as protégés, or in other partnering or supporting roles.

For purposes of this procurement, OGS conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set specific goals for participation by SDVOBs as subcontractors, service providers, and suppliers to Contractor. Nevertheless, Bidder/Contractor is encouraged to make good faith efforts to promote and assist in the participation of SDVOBs on the Contract for the provision of services and materials. The directory of New York State Certified SDVOBs can be viewed at: <https://ogs.ny.gov/Veterans/>.

Bidder/Contractor is encouraged to contact the Office of General Services' Division of Service-Disabled Veteran's Business Development at 518-474-2015 or VeteranDevelopment@ogs.ny.gov to discuss methods of maximizing participation by SDVOBs on the Contract.

ALL FORMS ARE AVAILABLE AT: <https://ogs.ny.gov/Veterans/>.

8. CONTRACT DOCUMENTS; ELECTRONIC FORMAT

The Contract is amended to add the following new Section 3.40 *Contract Documents; Electronic Format*, to read as follows:

3.40 CONTRACT DOCUMENTS; ELECTRONIC FORMAT

OGS encourages Contractor to submit all documents to OGS in an electronic format, including electronic copies of documents with original signatures. Documents requested by OGS should be submitted in the format specified by OGS. Contractor is responsible for retaining the original documents with original signatures that have been scanned and submitted electronically for the term of the contract and any extensions thereof, and for a period of six (6) years after the term of the contract has ended. Contractor shall submit such documents with original signatures to OGS upon request. If Contractor seeks to assign the contract during the term, Contractor shall provide all documents relating to the bid and contract that it has retained to the successor Contractor (assignee) upon OGS consent to the assignment.

9. APPENDIX A

Appendix A *Standard Clauses for New York State Contracts*, included in the original Contract, is deleted in its entirety and replaced with the Appendix A dated June 2023, attached hereto, which is expressly made a part of this Contract Amendment as fully as if set forth at length herein. All references in the Contract to Appendix A (except for the reference to "Appendix A: Glossary and Terminology" in Appendix C – Healthcare Laundry Accreditation Council's Accreditation Standards of the Contract) shall be deemed to reference Appendix A, *Standard Clauses for New York State Contracts* (June 2023).

10. APPENDIX D

The Contract is amended to add Appendix D – *Federal Funding Agency Mandatory Terms and Conditions* dated October 2023, attached hereto, which is expressly made a part of this Contract Amendment as fully as if set forth at length herein.

11. SEVERABILITY

In the event that any one or more of the provisions of this First Amendment shall for any reason be declared unenforceable under the laws or regulations in force, such provision will not have any effect on the validity of the remainder of this First Amendment, which shall then be construed as if such unenforceable provision had never been written or was never contained in this First Amendment.

12. Except as herein modified, all other terms of Contract PS68678 shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the date last written below. The Parties further hereby certify that original copies of this executed and approved signature page will be affixed, upon final approval, to exact copies of this First Amendment being executed simultaneously herewith. The acknowledgment must be fully and properly executed by an authorized person. By signing you certify your express authority to sign on behalf of yourself, your company, or other entity and full knowledge and acceptance of this First Amendment, Appendix A *Standard Clauses For New York State Contracts* (June 2023), Appendix B *General Specifications* (April 2016), and State Finance Law §139-j and §139-k (Procurement Lobbying), and that all information provided is complete, true and accurate. By signing, Contractor affirms that it understands and agrees to comply with the OGS procedures relative to permissible contacts as required by State Finance Law §139-j (3) and §139-j (6) (b).

CONTRACTOR

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Company Name: Bates Troy, Inc.

Federal ID: 16-0968856

NYS Vendor ID: 1000015104

THE PEOPLE OF THE STATE OF NEW YORK,
ACTING BY AND THROUGH THE COMMISSIONER
OF GENERAL SERVICES

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Office of General Services

NEW YORK STATE OFFICE OF THE STATE
COMPTROLLER

APPROVED

DEPT. OF AUDIT & CONTROL

Aug 14 2024
Priscilla Cassidy

FOR THE STATE COMPTROLLER

NOTICE: This First Amendment becomes effective upon OSC approval. OGS will then post a notification to its website in the form of a Contract Award Notification Update.

Contract PS68678, Bates Troy, Inc., First Amendment

INDIVIDUAL, CORPORATION, PARTNERSHIP, OR LLC ACKNOWLEDGMENT

STATE OF New York }
 : ss:
COUNTY OF Broome }

On the 11th day of July in the year 2024 , before me personally appeared Brian Kzedjian , known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that _he maintains an office at 151 Laurel Avenue, Binghamton NY 13905

and further that:

[Check One]

- ☐ If an individual): _he executed the foregoing instrument in his/her name and on his/her own behalf.
- ☒ If a corporation): _he is the President of Bates Troy, Inc. , the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.
- ☐ If a partnership): _he is the _____ of _____ , the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said partnership as the act and deed of said partnership.
- ☐ If a limited liability company): _he is a duly authorized member of _____ , LLC, the limited liability company described in said instrument; that, _he is authorized to execute the foregoing instrument on behalf of the limited liability company for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said limited liability company as the act and deed of said limited liability company.



SHAWN PETER BRENNAN
Notary Public, State of New York
NO. 01BR6398845
Qualified in Broome County
Commission Expires 10/07/2027

Signature of Notary Public
Notary Public Registration No. 01BR6398845 State New York

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**PLEASE RETAIN THIS DOCUMENT
FOR FUTURE REFERENCE.**

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STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, “the contract” or “this contract”) agree to be bound by the following clauses which are hereby made a part of the contract (the word “Contractor” herein refers to any party other than the State, whether a contractor, licenser, licensee, lessor, lessee or any other party):

1. EXECUTORY CLAUSE. In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the State’s previous written consent, and attempts to do so are null and void. Notwithstanding the foregoing, such prior written consent of an assignment of a contract let pursuant to Article XI of the State Finance Law may be waived at the discretion of the contracting agency and with the concurrence of the State Comptroller where the original contract was subject to the State Comptroller’s approval, where the assignment is due to a reorganization, merger or consolidation of the Contractor’s business entity or enterprise. The State retains its right to approve an assignment and to require that any Contractor demonstrate its responsibility to do business with the State. The Contractor may, however, assign its right to receive payments without the State’s prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. COMPTROLLER’S APPROVAL. In accordance with Section 112 of the State Finance Law, if this contract exceeds \$50,000 (or \$75,000 for State University of New York or City University of New York contracts for goods, services, construction and printing, and \$150,000 for State University Health Care Facilities) or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$25,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller’s approval of contracts let by the Office of General Services, either for itself or its customer agencies by the Office of General Services Business Services Center, is required when such contracts exceed \$85,000. Comptroller’s approval of contracts established as centralized contracts through the Office of General Services is required when such contracts exceed \$125,000, and when a purchase order or other procurement transaction issued under such centralized contract exceeds \$200,000.

4. WORKERS’ COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers’ Compensation Law.

5. NON-DISCRIMINATION REQUIREMENTS. To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment, nor subject any individual to harassment, because of age, race, creed, color, national origin, citizenship or immigration status, sexual orientation, gender identity or expression, military status, sex, disability, predisposing genetic characteristics, familial status, marital status, or domestic violence victim status or because the individual has opposed any practices forbidden under the Human Rights Law or has filed a complaint, testified, or assisted in any proceeding under the Human Rights Law. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor’s employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in

accordance with the Labor Law. Additionally, effective April 28, 2008, if this is a public work contract covered by Article 8 of the Labor Law, the Contractor understands and agrees that the filing of payrolls in a manner consistent with Subdivision 3-a of Section 220 of the Labor Law shall be a condition precedent to payment by the State of any State approved sums due and owing for work done upon the project.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2 NYCRR § 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, the "Records"). The Records

must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION. (a) Identification Number(s). Every invoice or New York State Claim for Payment submitted to a New York State agency by a payee, for payment for the sale of goods or services or for transactions (e.g., leases, easements, licenses, etc.) related to real or personal property must include the payee's identification number. The number is any or all of the following: (i) the payee's Federal employer identification number, (ii) the payee's Federal social security number, and/or (iii) the payee's Vendor Identification Number assigned by the Statewide Financial System. Failure to include such number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or Claim for Payment, must give the reason or reasons why the payee does not have such number or numbers.

(b) Privacy Notification. (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law. (2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in the Statewide Financial System by the Vendor Management Unit within the Bureau of State Expenditures, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN.

In accordance with Section 312 of the Executive Law and 5 NYCRR Part 143, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then the following shall apply and by signing this agreement the Contractor certifies and affirms that it is Contractor's equal employment opportunity policy that:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on State contracts and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "(a), (b) and (c)" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not

apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this clause. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Department of Economic Development's Division of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of Section 165 of the State Finance Law, (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this

law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in § 165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority- and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business and Technology Development
625 Broadway
Albany, New York 12245
Telephone: 518-292-5100

A directory of certified minority- and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
633 Third Avenue 33rd Floor
New York, NY 10017
646-846-7364
email: mwbebusinessdev@esd.ny.gov
<https://ny.newnycontracts.com/FrontEnd/searchcertifieddirectory.asp>

The Omnibus Procurement Act of 1992 (Chapter 844 of the Laws of 1992, codified in State Finance Law § 139-i and Public Authorities Law § 2879(3)(n)-(p)) requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority- and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS. Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively, codified in State Finance Law § 165(6) and Public Authorities Law § 2879(5)) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 2023, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii.

22. COMPLIANCE WITH BREACH NOTIFICATION AND DATA SECURITY LAWS. Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law §§ 899-aa and 899-bb and State Technology Law § 208).

23. COMPLIANCE WITH CONSULTANT DISCLOSURE LAW. If this is a contract for consulting services, defined for purposes of this requirement to include analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal or similar services, then, in accordance with Section 163 (4)(g) of the State Finance Law (as amended by Chapter 10 of the Laws of 2006), the Contractor shall timely, accurately and properly comply with the requirement to submit an annual employment report for the contract to the agency that awarded the contract, the Department of Civil Service and the State Comptroller.

24. PROCUREMENT LOBBYING. To the extent this agreement is a “procurement contract” as defined by State Finance Law §§ 139-j and 139-k, by signing this agreement the contractor certifies and affirms that all disclosures made in accordance with State Finance Law §§ 139-j and 139-k are complete, true and accurate. In the event such certification is found to be intentionally false or intentionally incomplete, the State may terminate the agreement by providing written notification to the Contractor in accordance with the terms of the agreement.

25. CERTIFICATION OF REGISTRATION TO COLLECT SALES AND COMPENSATING USE TAX BY CERTAIN STATE CONTRACTORS, AFFILIATES AND SUBCONTRACTORS.

To the extent this agreement is a contract as defined by Tax Law § 5-a, if the contractor fails to make the certification required by Tax Law § 5-a or if during the term of the contract, the Department of Taxation and Finance or the covered agency, as defined by Tax Law § 5-a, discovers that the certification, made under penalty of perjury, is false, then such failure to file or false certification shall be a material breach of this contract and this contract may be terminated, by providing written notification to the Contractor in accordance with the terms of the agreement, if the covered agency determines that such action is in the best interest of the State.

26. IRAN DIVESTMENT ACT. By entering into this Agreement, Contractor certifies in accordance with State Finance Law § 165-a that it is not on the “Entities Determined to be Non-Responsive Bidders/Offerers pursuant to the New York State Iran Divestment Act of 2012” (“Prohibited Entities List”) posted at: <https://ogs.ny.gov/iran-divestment-act-2012>

Contractor further certifies that it will not utilize on this Contract any subcontractor that is identified on the Prohibited Entities List. Contractor agrees that should it seek to renew or extend this Contract, it must provide the same certification at the time the Contract is renewed or extended. Contractor also agrees that any proposed Assignee of this Contract will be required to certify that it is not on the Prohibited Entities List before the contract assignment will be approved by the State.

During the term of the Contract, should the state agency receive information that a person (as defined in State Finance Law § 165-a) is in violation of the above-referenced certifications, the state agency will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then the state agency shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not limited to, imposing sanctions, seeking compliance, recovering damages, or declaring the Contractor in default.

The state agency reserves the right to reject any bid, request for assignment, renewal or extension for an entity that appears on the Prohibited Entities List prior to the award, assignment, renewal or extension of a contract, and to pursue a responsibility review with respect to any entity that is awarded a contract and appears on the Prohibited Entities list after contract award.

27. ADMISSIBILITY OF REPRODUCTION OF CONTRACT. Notwithstanding the best evidence rule or any other legal principle or rule of evidence to the contrary, the Contractor acknowledges and agrees that it waives any and all objections to the admissibility into evidence at any court proceeding or to the use at any examination before trial of an electronic reproduction of this contract, in the form approved by the State Comptroller, if such approval was required, regardless of whether the original of said contract is in existence.

APPENDIX D

Authorized users that may want to seek federal funds from the federal funding agencies for the purchase of goods or services during a declared disaster are advised that federal funding agencies require particular terms and conditions be included in the contract for those goods and services. For the convenience of authorized users, those terms and conditions are set out below and can also be found at the FEMA website.

Authorized users of statewide contracts should consider adding this language to future purchase orders and secondary level competitions (often referred to as RFQs or mini- bids), unless the language is already attached to the statewide contract. State agencies making purchases to respond to disasters through a vehicle other than a centralized contract are required by Section H.6. of [Budget Bulletin H-501R](#) to include these and other terms into their contracts using the Appendix set forth in the Budget Bulletin.

Federal Funding Agency Mandatory Terms and Conditions

The following provisions are required by federal funding agencies in order for expenditures by Authorized Users to be eligible for federal reimbursement in the event of a State declaration of disaster emergency pursuant to Section 28 of the Executive Law.

1. REMEDIES

Remedies for Contractor failure to observe or perform any term or condition shall be as provided in the OGS centralized contract (if applicable), including all appendices.

2. TERMINATION FOR CAUSE AND CONVENIENCE

Termination for cause and convenience will be in accordance with Termination, Appendix B, General Specifications, if a statewide centralized contract, and Section 5, Copeland Anti-Kickback Act, of this document and/or the rules and regulations of your governing authority.

3. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of the contract, OGS centralized contract (if applicable) or any purchase by an Authorized User, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- C. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the

compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

- D. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- E. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- F. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- G. In the event of the Contractor's noncompliance with the nondiscrimination clauses of the OGS centralized contract or with any of the said rules, regulations, or orders, the OGS centralized contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- H. The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

The Authorized User further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the Authorized User so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The Authorized User agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision

of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The Authorized User further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon Contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the Authorized User agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the Authorized User under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such Authorized User; and refer the case to the Department of Justice for appropriate legal proceedings.

4. DAVIS-BACON ACT. (Applicable to all construction contracts in excess of (\$2000)

- A. If applicable, all transactions regarding the OGS centralized contract or any purchase by an Authorized User shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The Contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- B. Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- C. Additionally, Contractors are required to pay wages not less than once a week.

5. COPELAND ANTI-KICKBACK ACT. (Applicable to all construction contracts in excess of (\$2000)

- A. Contractor. The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into the OGS centralized contract.
- B. Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as Federal funding agency may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- C. Breach. A breach of the clauses above may be grounds for termination of the OGS centralized contract, and for debarment as a Contractor and subcontractor as provided in 29 C.F.R. § 5.12.

6. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT. (Applicable to all contracts in excess of \$100,000 that involve employment of mechanics and laborers)

- A. Overtime requirements. No Contractor or subcontractor for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

- B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$26 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.
- C. Withholding for unpaid wages and liquidated damages. The Authorized User shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal Agreement with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.
- D. Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

7. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

All such rights shall be addressed in accordance with Ownership/Title to Project Deliverables, Appendix B, General Specifications.

8. CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT. (Applicable to all contracts in excess of \$150,000)

Clean Air Act

- A. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- B. The Contractor agrees to report each violation to the contract manager or the Office of General Services and the Authorized User if a statewide centralized contract and understands and agrees that the Office of General Services or the Authorized User will, in turn, report each violation as required to assure notification to the Federal funding agency, and the appropriate Environmental Protection Agency Regional Office.
- C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Federal funding agency.

Federal Water Pollution Control Act

- A. The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- B. The Contractor agrees to report each violation to the Office of General Services and Authorized User and understands and agrees that the Office of General Services or the Authorized User will, in turn, report each

violation as required to assure notification to the Federal funding agency, and the appropriate Environmental Protection Agency Regional Office.

- C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Federal funding agency.

9. DEBARMENT AND SUSPENSION

- A. This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- B. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- C. This certification is a material representation of fact relied upon by the State or Authorized User. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State or an Authorized User, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- D. The Contractor agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

10. BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. § 1352 (as amended)

If the OGS centralized contract or any purchase by an Authorized User has a value of \$100,000 or more, Contractor shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

- A. Required Certification. If applicable, Contractors must sign and submit to the State the following certification.

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements. The undersigned certifies, to the best of his or her knowledge and belief, that:

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- 3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, BATES TRAY, INC., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official [Signature] (Bates Tray, Inc.)

Name of Contractor's Authorized Official BARRY KADJIAN

Title of Official President Date: 7/11/12

11. PROCUREMENT OF RECOVERED MATERIALS

- A. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired —
 - Competitively within a timeframe providing for compliance with the contract performance schedule;
 - Meeting contract performance requirements; or
 - At a reasonable price.
- B. Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>
- C. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

12. ACCESS TO RECORDS

- A. The Contractor agrees to provide the Office of General Services or the Authorized User, the Federal funding agency, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor that are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- B. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

- C. The Contractor agrees to provide the Federal funding agency or its authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- D. The State and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the Federal funding agency or the Comptroller General of the United States.

13. CHANGES

Amendments to this contract shall be in accordance with the terms of the OGS centralized contract.

14. FEDERAL SEAL(S), LOGOS, AND FLAGS

The Contractor shall not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

15. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

This is an acknowledgement that Federal funding agency financial assistance may be used to fund all or a portion of the contract. The Contractor will comply with all applicable Federal law, regulations, executive orders, FEMA or other federal agency policies, procedures, and directives.

16. NO OBLIGATION BY FEDERAL GOVERNMENT

The Federal Government is not a party to this Contract or any purchase by an Authorized User and is not subject to any obligations or liabilities to the State, Contractor, or any other party pertaining to any matter resulting from the Contract or any purchase by an Authorized User.

17. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract or any purchase by an Authorized User.

18. FEDERAL DEBT

The Contractor certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

19. CONFLICTS OF INTEREST

The Contractor shall notify the Office of General Services and Authorized User as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Contractor shall explain the actual or potential conflict in writing in sufficient detail so that the Office of General Services and Authorized User is able to assess the actual or potential conflict. The Contractor shall provide any additional information necessary for the Office of General Services and Authorized User to fully assess and address the actual or potential conflict of interest.

20. U.S. EXECUTIVE ORDER 13224

Contractor, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.



**Office of
General Services**

**Procurement
Services**

Corning Tower, Empire State Plaza, Albany, NY 12242 | <https://ogs.ny.gov/procurement> | customer.service@ogs.ny.gov | 518-474-6717

AGREEMENT FOR

LAUNDRY AND LINEN SERVICES (STATEWIDE)

BETWEEN

THE NEW YORK STATE OFFICE OF GENERAL SERVICES

AND

BATES TROY INC.

CONTRACT NUMBER PS68678

THIS CENTRALIZED CONTRACT (hereinafter “Contract” or “Agreement”) for the acquisition of Laundry and Linen Services (Statewide) is made between the People of the State of New York, acting by and through the Commissioner of the Office of General Services (hereinafter “State” or “OGS”) with offices at the 41st Floor, Corning Tower, The Governor Nelson A. Rockefeller Empire State Plaza, Albany, New York 12242, and Bates Troy Inc. (hereinafter “Contractor”), with offices at 151 Laurel Ave., Binghamton, NY 13905. The State and Contractor shall also be individually referred to as “Party” and collectively as “Parties.”

WHEREAS, OGS issued Solicitation 23147 to establish Centralized Contracts for Laundry and Linen Services, for use by New York State Agencies and other Authorized Users, as that term is defined by State Finance Law Section 163(1)(k);

WHEREAS, Solicitation 23147 requested Bids for two classes of Products: 1. Contractor-owned Goods and 2. Customer-owned Goods, within nine Regions (nine groups of counties) in New York State;

WHEREAS, Solicitation 23147 permitted Bidders to offer any or all Contractor-owned Goods (as listed in Solicitation 23147), any or all Customer-owned Goods (as listed in Solicitation 23147), or any combination of the Contractor-owned Goods and Customer-owned Goods listed in Solicitation 23147;

WHEREAS, Contractor submitted a Bid for Regions 3,6,7,8,9

WHEREAS, OGS evaluated Contractor's proposal and determined that Contractor satisfied all of the Solicitation requirements for a contract award for Region 7 – Contractor & Customer Owned Goods; and

WHEREAS, Contractor agrees to the terms and conditions set forth in this Contract, referenced as PS68678.

NOW THEREFORE, in consideration of the terms hereinafter mentioned and also the mutual covenants and obligations moving to each Party from the other, the Parties hereby agree as follows:

1. INTRODUCTION

1.1 Overview

This Centralized Contract provides Authorized Users with a means to acquire Laundry and Linen Services (Statewide) for two classes of Products: 1. Contractor-owned Goods and 2. Customer-owned Goods. While this Contract is available for use by all Authorized Users, OGS anticipates that it will predominantly be used by healthcare facilities such as hospitals, mental health facilities, and nursing homes which may require delivery of clean Products and pickup of soiled Products up to seven times per week, Sunday through Saturday (including holidays).

1.2 Scope

The Laundry and Linen Services which may be provided by Contractor in Region(s) 7 of New York State are set forth on Attachment 1 – Pricing, as posted on the Contract landing page on the OGS website.

For purposes of the Price Updates process in Section 3.5 below, the overall scope of Products which may be approved by OGS for inclusion in the scope of this Contract are set forth below:

A. Contractor-owned Goods

Delivery of clean Contractor-owned Goods and pickup of soiled Contractor-owned Goods including, but not limited to, the following, in the amount, quality, types, sizes (including pediatric, maternity, and bariatric), and colors and/or patterns as specified by the Authorized User:

1. Towels (including wash cloths, shop towels, and huck or surgical towels)
2. Bibs, clothing protectors (Some Authorized Users require high quality patterned/plaid clothing protectors)
3. Lab coats
4. Scrubs (pants, tops)
5. Bed linens (all sizes, types (e.g., fitted, flat, pillow cases)
6. Patient gowns, including IV gowns, (Some Authorized Users require snap closures, colorful prints or patterns)
7. Blankets (including thermal)
8. Bedspreads (including thermal)
9. Underpads, Mattress Pads
10. Cloth diapers and liners
11. Environmental Services (EVS) Products (Mop heads (various types including, but not limited to, microfiber, wet, and dust), rags, pads, plastic bags, etc.)
12. Robes (Some Authorized Users require those without ties but with snap closures)
13. Cubicle curtains/drapes
14. Soil bags
15. Restraints
16. Aprons, Butcher Coats, Chef Uniforms
17. Positioning and lifting devices, including Dangle ROO positioning devices
18. Surgical/Operating Room packs
19. Tablecloths and Napkins
20. Entrance Mats
21. Fender Covers
22. Work Pants (including cargo pants)
23. Work Shirts (including polo shirts)
24. Outerwear (including jackets)

B. Customer-owned Goods

Delivery of clean Customer-owned Goods and pickup of soiled Customer-owned Goods including, but not limited to, the following in the amount, quality, types, sizes (including pediatric, maternity, and bariatric), and colors and/or patterns as specified by the Authorized User:

1. Towels (including wash cloths)
2. Clothing, including pajamas
3. Bibs, clothing protectors
4. Lab coats (including personalized doctor/lab coats)
5. Scrubs (including pants and tops)
6. Bed linens (including pillow cases)
7. Patient gowns, including IV, X-Ray, gowns, (different type of closures)
8. Blankets (including thermal)
9. Bedspreads (including thermal)
10. Uniforms (including lapel jackets)
11. Underpads, Mattress Pads
12. Cloth diapers and liners
13. Environmental Services (EVS) Products (Mop heads (various types including, but not limited to, microfiber, wet, and dust), rags, pads, plastic bags, etc.)
14. Robes (different type of closures)

15. Cubicle curtains/drapes
16. Soil bags
17. Restraints
18. Aprons, Butcher Coats, Chef Uniforms
19. Positioning and lifting devices, including Dandle ROO positioning devices
20. Surgical/Operating Room packs
21. Tablecloths and Napkins
22. Kitchen Items: oven mitts, pot holders
23. Entrance Mats

1.3 Regions

For the purpose of this Contract, the Regions and counties of New York State Contractor will be servicing are set forth in Attachment 1 – Pricing, as posted on the Contract landing page on the OGS website.

For the purposes of Section 3.5 - Price Updates, below is a listing of the Regions and the applicable counties that are included in each of the Regions.

Region Designation for Contract								
1	2	3	4	5	6	7	8	9
Bronx	Nassau	Dutchess	Albany	Clinton	Herkimer	Broome	Chemung	Allegany
Kings	Suffolk	Orange	Columbia	Essex	Jefferson	Cayuga	Monroe	Cattaraugus
New York		Putnam	Fulton	Franklin	Lewis	Chenango	Ontario	Chautauqua
Queens		Rockland	Greene	Hamilton	Madison	Cortland	Schuyler	Erie
Richmond		Sullivan	Montgomery	Saratoga	Oneida	Delaware	Seneca	Genesee
		Ulster	Rensselaer	Warren	Oswego	Onondaga	Steuben	Livingston
		Westchester	Schenectady	Washington	St. Lawrence	Otsego	Wayne	Niagara
			Schoharie			Tioga	Yates	Orleans
						Tompkins		Wyoming

1.4 Estimated Quantities

This Contract is an estimated quantity Contract. No specific quantities are represented or guaranteed, and the State provides no guarantee of individual Authorized User participation. The Contractor must furnish all quantities actually ordered at or below the Contract prices. The individual value of this Contract is indeterminate and will depend upon the number of Contracts resulting from Solicitation 23147 and the competitiveness of the pricing offered. Authorized Users will be encouraged to purchase from Contractors who offer the Products and pricing that best meet their needs in the most practical and economical manner. See Appendix B, Estimated/Specific Quantity Contracts and Participation in Centralized Contracts.

Numerous factors could cause the actual quantities of Products purchased under this Contract to vary substantially from the estimates in Solicitation 23147. Such factors include, but are not limited to, the following:

- a. This Contract is a non-exclusive Contract.
- b. There is no guarantee of quantities to be purchased, nor is there any guarantee that demand will continue in any manner consistent with previous purchases.
- c. The individual value of this Contract is indeterminate and will depend upon actual Authorized User demand and actual quantities ordered during the Contract period.
- d. The State reserves the right to terminate this Contract for cause or convenience prior to the end of the term pursuant to the terms and conditions of the Contract.

- e. Contract pricing that is lower than anticipated could result in a higher quantity of purchases by Authorized Users than anticipated.
- f. Contract pricing that is higher than anticipated could result in a lower quantity of purchases by Authorized Users than anticipated.

Contractor acknowledges the foregoing and agrees that actual good faith purchasing volumes during the term of this Contract could vary substantially from the estimates provided in Solicitation 23147.

1.5 Definitions

Capitalized terms used in this Contract shall be defined in accordance with Appendix B, Definitions, or as below.

“Authorized User” shall have the meaning set forth in State Finance Law Section 163(1)(k) and includes, but is not limited to, New York State Agencies, political subdivisions, local governments, public authorities, public school and fire districts, public and nonprofit libraries, and certain other nonpublic/nonprofit organizations.

“Authorized User Agreement” means the Purchase Order and/or such other documents memorializing the Contractor’s obligations with respect to a given transaction resulting from a request for quote by an Authorized User.

“Business Day” shall refer to Monday through Friday from 8:00 AM – 5:00 PM ET, excluding NYS Holidays and federal holidays.

“Centers for Medicare and Medicaid Services (CMS)” shall refer to the federal agency within the U.S. Department of Health and Human Services (HHS) that administers the Medicare program and works in partnership with state governments to administer Medicaid. CMS also establishes quality standards in long term care facilities through its survey and certification process.

“Contractor-owned Goods” shall refer to the Products belonging to the Contractor and whose ownership will not change during any of the pickup, laundering, and delivery processes unless purchased by an Authorized User.

“Customer-owned Goods” shall refer to the items or goods belonging to an Authorized User and whose ownership will not change during any of the pickup, laundering, and delivery processes.

“May” shall refer to the permissive in a contract clause or specification. “May” does not mean “required.” Also see “Shall” and “Must.”

“Must” shall refer to the imperative in a contract clause or specification. “Must” is synonymous with “required.” Also see “Shall” and “May.”

“MWBE” shall refer to a business certified with NYS Empire State Development (“ESD”) as a Minority- and/or Women-Owned Business Enterprise.

“n/a” shall refer to the common abbreviation for *not applicable* or *not available*, used to indicate when information in a certain field is not provided, either because it does not apply to a particular case in question or because it is not available.

“NYS Holidays” shall refer to the legal holidays for State employees in the classified service of the executive branch, as more particularly specified on the website of the NYS Department of Civil Service. This includes the following: New Year’s Day; Martin Luther King Day; Washington’s Birthday (observed);

Memorial Day; Independence Day; Labor Day; Columbus Day; Veteran's Day; Thanksgiving Day; and Christmas Day.

"NYS Vendor ID" shall refer to the unique ten-character identifier issued by the NYS Office of the State Comptroller (OSC) when the vendor is registered on the Vendor File System.

"Par Level" shall refer to the minimum level of inventory necessary to be on hand for a specified period and requires automatic replenishment if the level of inventory falls below that level.

"Preferred Source Products" shall refer to those Products that have been approved in accordance with New York State Finance Law § 162.

"Preferred Source Program" shall refer to the special social and economic goals set by New York State in State Finance Law § 162 that require a governmental entity purchase select Products from designated organizations when the Products meet the "form, function and utility" requirements of the governmental entity. Under State Finance Law § 163, purchases of Products from Preferred Sources are given the highest priority and are exempt from the competitive bidding requirements. The New York State Preferred Sources include: The Correctional Industries Program of the Department of Corrections and Community Supervision ("Corcraft"); New York State Preferred Source Program for People Who Are Blind ("NYSPSP"); and the New York State Industries for the Disabled ("NYSID"). These requirements apply to a state agencies, political subdivisions and public benefit corporations (including most public authorities).

"Procurement Services" shall refer to a business unit of OGS, formerly known as New York State Procurement ("NYSPRO") and Procurement Services Group ("PSG").

"Region" shall refer to one of the nine (9) regions composed of various counties of New York State, as referenced in section 1.3 Regions of this Contract.

"SDVOB" shall refer to a NYS-certified Service-Disabled Veteran-Owned Business.

"Shall" shall refer to the imperative in a contract clause or specification. "Shall" is synonymous with "required." Also see "Must" and "May."

2. CONTRACT INFORMATION

2.1 Centralized Contract Term and Extensions

The Contract will be in effect for a term of **five years**. The Contract term shall commence after all necessary approvals and shall become effective upon mailing or electronic communication of the final executed documents to the Contractor (see Appendix B, *Contract Creation/Execution*).

All OGS Group 79039 – Laundry and Linen Services (Statewide) Centralized Contracts shall have a co-terminus end date, including those Contracts awarded during any subsequent periodic recruitment. At the State's option, the Contract may be extended for **five years**, in increments as deemed to be in the best interest of the State. Whether the optional extensions are exercised is at the sole discretion of the State. A Contractor shall retain the right to decline a Contract extension offered under this section. Any Contract extension will be under the same terms and conditions, subject to any additional applicable statutory and policy requirements. Any extensions provided under this section shall apply in addition to any rights set forth in Appendix B, *Contract Term – Extension*.

The Contract term provided for in this section shall extend 6 months beyond its termination date only for Authorized Users whose contracts must be registered with the Office of the New York City Comptroller.

During the 6-month period the definition of Authorized User shall be deemed to refer only to Authorized Users whose contracts must be registered with the Office of the New York City Comptroller. This extension is in addition to any other extensions available under the Contract. The extension provided for in this paragraph shall be upon the then-existing terms and conditions; provided, however, during such extension an Authorized User, as defined in this paragraph, may agree to amend such terms and conditions solely to comply with changes in statutory requirements (e.g. changes in minimum, prevailing or living wages, or regulated services).

2.2 Appendices and Attachments

The following appendices and attachments are attached to this Contract and expressly made a part of this Contract:

Appendix A – *Standard Clauses for NYS Contracts* (January 2014)

Appendix B – *General Specifications* (April 2016)

Appendix C – *Healthcare Laundry Accreditation Council's Accreditation Standards* (2016), as the same may be amended and updated throughout the term of this Contract

Attachment 1 – Pricing, as posted on the Contract landing page on the OGS website

Attachment 2 – Insurance Requirements

Attachment 3 - Report of Contract Usage

Contractor Information page, as revised from time to time by OGS and posted on the Contract landing page on the OGS website.

2.3 Order of Precedence/ Conflict of Terms

In case of any conflict or inconsistency among the elements of this Contract, such conflict or inconsistency shall be resolved by giving precedence to the documents in the following order:

1. Appendix A, Standard Clauses for NYS Contracts (January 2014);
2. The Base Contract (this document);
3. Appendix B, General Specifications (April 2016);
4. Appendix C – Healthcare Laundry Accreditation Council's Accreditation Standards (2016), as the same may be amended and updated throughout the term of this Contract;
5. Attachment 1 – Pricing, as posted on the Contract landing page on the OGS website;
6. Attachment 2 – Insurance Requirements;
7. Contractor Information page, as revised from time to time by OGS and posted on the Contract landing page on the OGS website.;
8. Attachment 3 - Report of Contract Usage.

2.4 Short Term Extension

This section shall apply in addition to any rights set forth in Appendix B, *Contract Term – Extension*. In the event a replacement Contract has not been issued, this Contract may be extended unilaterally by the State for an additional period of up to 30 calendar days upon notice to the Contractor with the same terms and conditions as the original Contract and any approved modifications. With the concurrence of the Contractor, the extension may be for a period of up to 90 calendar days in lieu of 30 calendar days. However, this extension automatically terminates should a replacement Contract be issued in the interim.

2.5 Periodic Recruitment

This Contract allows for periodic recruitment of additional Contractors during the term of the Contract. Recruitment periods are optional at the discretion of the State.

Additional recruitment periods will be advertised in the NYS Contract Reporter. Bidder must register with the New York State Contract Reporter at <https://www.nyscr.ny.gov> in order to receive notifications regarding any periodic recruitments under the Periodic Recruitment Solicitation.

Contractor may not resubmit a Bid for future consideration for Regions already awarded to the Contractor under this Contract.

2.6 Procurement Instructions for Authorized Users

This Contract is issued under a multiple award structure. Contractor is strongly encouraged, but not required, to offer Laundry and Linen Services in all counties within an awarded Region. Authorized Users shall procure Products that best meet their form, function, and utility requirements. Such procurement may be referred to herein as an “engagement.” Authorized Users should follow the steps below before issuing a Purchase Order:

1. Authorized Users shall check the list of Preferred Source Product offerings and are reminded that they must comply with State Finance Law, particularly § 162, regarding commodities/services provided by preferred source suppliers. If the needed Laundry and Linen Services are available in the desired form, function and utility from a Preferred Source, the Authorized User shall engage the Preferred Source.
2. If the needed Laundry and Linen Services are not available in the desired form, function and utility from a Preferred Source, the Authorized User shall inquire of all awarded Contractors within the applicable Region whether such Contractors are able to provide the needed services.
3. The Authorized User shall review the responses from Contractors able to provide the necessary Laundry and Linen Services and shall select the most practical and economical alternative from among such responses.

2.7 Performance Bonds

There are no bonds for this Contract. The Commissioner of OGS has determined that no performance, payment or Bid bond, or negotiable irrevocable letter of credit or other form of security for the faithful performance of the Contract is required at any time during the term of this Contract.

3. CENTRALIZED CONTRACT TERMS AND CONDITIONS

3.1 Appendix A

Appendix A, Standard Clauses for NYS Contracts dated January 2014, attached hereto, is hereby incorporated in and made a part of this Contract.

3.2 Appendix B

Appendix B, Office of General Services General Specifications, Standard Clauses for NYS Contracts dated April 2016, attached hereto, is hereby incorporated in and made a part of this Contract.

3.3 Appendix C

Appendix C, Healthcare Laundry Accreditation Council's Standards (2016), as the same may be amended and updated throughout the term of this Contract, attached hereto, is hereby incorporated in and made a part of this Contract.

3.4 Centralized Contract Pricing

3.4.1 Price

Pricing shall be all-inclusive of detergents, chemicals, labor, bundling, delivery charges, fuel surcharges, utility rate surcharges, COGs surcharges, procurement or transportation surcharges, or other surcharges applied.

Contractor shall not charge Authorized Users additional fees of any kind including dock fees, permit fees, processing fees, fees for changes in quantities of Products or bundling or surgical/operating room packs, business fees, license fees, or any other fee.

Pricing shall be “price-per-pound” and/or “price-per piece” of Product.

Contractor’s rates for the Customer-owned Goods shall not exceed the rates of the Contractor-owned Goods for similarly named Products within a Region.

Contractor shall offer discounts for all Linen and Laundry Services offered New York State reserves the right in its sole discretion to remove Products from Attachment 1 – Pricing, as posted on the Contract landing page on the OGS website, during the term of the Contract for reasons including, but not limited to, Products being out of scope for the Contract, or Product pricing which is determined not to be reasonable.

Authorized Users may negotiate better pricing with Contractor at any time throughout the Contract period.

Should additional Products be required by the Authorized User to accommodate an exigent circumstance for a delivery at a non-standard delivery time, the Contractor shall provide additional Products at the Contract rates without additional sorting charge, special order charge, transportation charge, or other additional charges.

3.4.2 Additional Discounts

Information about additional discounts for this Contract is listed on the Contractor Information page, as revised from time to time by OGS and posted on the Contract landing page on the OGS website.

3.5 Price Updates

Contractor may update its pricelist as follows:

Given the health and safety nature of the Contract, Contractor may request OGS in writing to update the Base Contract pricelist to add new Products at any time during the Contract period based on a written request from an Authorized User. Such pricelist update requests must include the written request from the Authorized User and one electronic copy of the updated pricing. The State reserves the right to request copies of existing contracts or price lists to ensure that the prices offered to the State are reasonable and commensurate with similar purchasers.

Otherwise, the Contractor may update the Base Contract pricelist to reflect Contractor price changes and the addition/deletion of Products commencing with the first anniversary date of the Bid Opening (February 26, 2019), and annually thereafter.

Requests for Base Contract price adjustments and addition/deletion of Products not specifically requested by an Authorized User shall be submitted 30 days prior to the anniversary date of the Bid Opening (February 26, 2019), and annually thereafter. Requests from Contractor for such price increases on the Base Contract at any other time will not be granted. The Contractor shall provide OGS with one electronic copy of the updated Base Contract pricing. No annual Price Updates will be granted to Contractor if Contractor has outstanding Sales Reports (Attachment 3 – *Report of Contract Usage*), Proof of Insurance or any other documentation that is required under the resulting Contract.

OGS reserves the right to request Product additions at any time during the term of the Contract.

Contractor shall be permitted to reduce its pricing any time during the Contract term.

The discount offered on any new Products added to pricelists shall be no lower than the minimum established Product category discount. Contractor shall submit its updated pricelist to the OGS Procurement Services contract administrator pursuant to the requirements of this section for review and written approval prior to issuing to Authorized Users or posting to the Contractor's dedicated New York State website. The State reserves the right to request copies of existing contracts or price lists to ensure that the prices offered to the State are reasonable and commensurate with similar purchasers.

All approved Base Contract pricelist updates shall apply prospectively upon approval by OGS. Total price increases for pricelist updates in a single year of the Contract shall not exceed the escalation cap as set forth in the Maximum Price Increase subdivision, below. All percentage discounts shall either remain firm (unchanged) or they may increase for the duration of the Contract.

In addition, the Contractor may reduce fees at any time, by submitting a request to Procurement Services and/or the Authorized User.

Contractor may request a price adjustment from the Authorized User to the Authorized User Agreement Unit Prices. At no time during the term of an Authorized User Agreement may the Authorized User Agreement unit pricing exceed the prevailing Base Contract unit pricing. Requests for price adjustments to update the Authorized User Agreement pricelist shall be made commencing with the first anniversary date of the Authorized User Agreement start date, and annually thereafter. Requests for price adjustments shall be submitted 30 days prior to the anniversary date of the Authorized User Agreement start date. Total price increases for an Authorized User Agreement pricelist update in a single year of the Contract shall not exceed the escalation cap as set forth in the Maximum Price Increase subdivision, below.

If Contractor wishes to add a Region to its existing Contract, Contractor shall request a copy of the most recent Solicitation submission requirements from OGS. A request to add a Region must be submitted to OGS for review and approval and must be accompanied by all information required in the *Bidder Qualifications* section, *Method of Award* section and *Price* section in the most recent version of the solicitation for Laundry and Linen Services (Statewide). Contractor shall not quote or offer Product(s) that are the subject of a request to add a Region to an existing Contract until receipt of approval from OGS. If OGS approves the addition of a new Region, a Contract Amendment will be prepared and forwarded to the Contractor for signature and will become effective upon OGS execution.

3.5.1 Pricelist Format

Contractor is required to submit Contract pricelist updates electronically in an unprotected Microsoft Excel (2016 or lower version) spreadsheet either on USB thumb drive or via e-mail to the OGS Procurement Services contract administrator. The pricelist must be dated and the format shall be consistent with the format of the Contractor's approved Contract pricelist. The pricelist shall separately include and identify (e.g., by use of separate worksheets or by using highlighting, italics, bold and/or color fonts):

- Price increases;
- Price decreases;
- Products being added; and
- Products being deleted.

3.5.2 Contractor's Submission of Contract Updates

In connection with any Contract pricelist update, OGS reserves the right to:

- Request additional information;
- Reject Contract updates;
- Remove Products from Contracts;
- Remove Products from Contract updates; and
- Request additional discounts for new or existing Products.

3.5.3 Maximum Price Increase

In a single year of the Contract, the maximum price increase for each individual Product on Contract shall not exceed the percent increase in the latest available National Consumer Price Index - All Urban Consumers (CPIU), Not Seasonally Adjusted, Northeast Region, All Items (Series Id: CUUR0100SA0); as published by the U.S. Department of Labor, Bureau of Labor Statistics, Washington, D.C. 20212. CPI-U data may be obtained at www.bls.gov.

The following example illustrates the computation of percent change:

CPI for current period	230.000
Less CPI for previous period	225.000
Equals index point change	5.000
Divided by previous period CPI	225.000
Equals	0.022
Result multiplied by 100	<u>0.022 x 100</u>
Equals percent change	2.2

The "CPI for current period" shall be the index in effect at the time the Contract pricelist update request is received; "CPI for previous period" shall be the index in effect when the Contract pricelist was last updated. Increases are not cumulative. Price increases are limited to the prior year prices only.

3.5.4 Cover Letters

All Contract pricelist updates shall be accompanied by a cover letter describing the nature and purpose of the update (e.g., update requested by Authorized User to add Products, rate escalation, to add/delete Products, etc., subject to any applicable caps).

3.6. Performance Requirements

3.6.1 Performance Standards

The Contractor shall comply with the prevailing version of Healthcare Laundry Accreditation Council's (HLAC) Accreditation Standards in the provision of Laundry and Linen Services. The HLAC standards for processing reusable textiles are identified in Appendix C - Healthcare Laundry Accreditation Council's (HLAC) Accreditation Standards (2016) of this Solicitation. These standards cover the entire processing cycle from pickup of soiled Products, to in-plant processing, to delivery. Contractors will comply with all Federal and State laws, including those of OSHA, the Center for Disease Control (CDC), the Centers for Medicare and Medicaid Services (CMS), and the standards of the Joint Commission, the independent, not-for-profit organization that accredits and certifies nearly 21,000 health care organizations and programs in the United States, in the provision of Laundry and Linen Services.

3.6.2 Special Handling

The Authorized User reserves the right to request special handling of certain Products, as defined by the Authorized User, at such additional cost as is mutually agreed to between the Authorized User and the Contractor.

3.6.3 Bundling

Authorized Users may require the bundling of certain Products. There shall be no additional charge for bundled Products, regardless of the number of bundles or the quantity of Product in a bundle. There shall be no additional charge for changes in the quantity of bundled Products, regardless of the frequency of changes. The Contractor shall bundle Products in whatever quantity is requested in whatever cart is requested at no additional charge where request is made at least 24 hours before the next scheduled delivery.

3.6.4 Quality Assurance

Upon request by the Authorized User, the Contractor shall make a representation to the Authorized User of all wash formulas, including water level temperature, PH level and cycle time as well as the disinfecting program for the Contractor's trucks and transport carts. In addition, the Contractor shall make a representation to the Authorized User of all detergent/chemical quality assurance reports prior to commencement of work. Further, the Contractor shall make available to the Authorized User Material Safety Data Sheet (MSDS) sheets on all chemicals used in the laundering process and for all chemicals used in the disinfecting of the truck used for deliveries and pickups prior to commencement of work. The Contractor shall provide 48-hour prior written notice to the Authorized User of any pending changes to its detergents and chemicals and submit the MSDS sheets to the Authorized User before making any changes. The Authorized User reserves the right to approve all changes.

3.6.5 Universal Precaution Procedures

Upon request, the Contractor must demonstrate to the Authorized User and provide the Authorized User with certified documentation that all Contractor employees and other Contractor personnel have been instructed in the proper handling of health care linen and that the Contractor is employing the Universal Precaution Procedures as recommended by the CDC and adopted by OSHA.

3.6.6 Product Condition

Contractor shall deliver Products to the Authorized User that are clean, free of holes, tears, wrinkles, stains, discolorations, hair, and debris. Linens shall have no more than two patches to cover holes and must be patched such that debris and lint do not accumulate by or on the patch. Patches shall not exceed 3.5 square inches, each, in area.

3.6.7 Culture Report

Contractor shall provide a culture report of tested laundered Products when requested by the Authorized User, but not less than quarterly. The laundered Products shall be tested for the presence of blood, urine, feces, other bodily fluids and tissues, and foreign pathogens as may be required by the Authorized User. The Authorized User will determine the sample to be tested. There shall be no additional charge for a culture report and it shall be due to the Authorized User within 15 calendar days of the request.

3.6.8 Disposable Products

Authorized Users reserve the right to use disposable Products at any time.

Authorized Users shall make reasonable efforts to ensure that disposable Products used by the Authorized User do not enter the soiled linen stream.

The removal of disposable Products entering the soiled linen stream is the responsibility of the Contractor, who shall remove and dispose of such Products at no additional charge. Damage to Contractor equipment or Contractor-owned Goods, third party property or equipment, or Customer-owned Goods or Authorized User equipment, caused by disposable Products in the soiled linen stream shall be the responsibility of the Contractor and shall not result in an additional charge to the Authorized User.

3.6.9 Purchasing of Products

Authorized User(s) shall not be required to purchase Products of any kind from the Contractor. Authorized Users reserve the right to purchase any Product from any vendor of their choosing.

3.6.10 Contractor's Employees

All work under this Contract shall be performed by skilled, competent employees directly employed and/or supervised by Contractor, except where a backup service provider is being utilized in accordance with Section 3.14 Continuous Operation. Direct supervision shall mean working under constant guidance or simultaneously with another employee with five (5) years of professional experience. Subcontracting is not permitted, except as to backup service provider arrangements referenced in Section 3.14, Continuous Operation.

3.6.11 Contract Meetings

Routine Contract meetings with Contractor, as scheduled by the Authorized User, will be held at the Authorized User's premises to review issues such as recent work performed, quality of work, adherence to Authorized User requirements, past performance, and invoicing and payment issues. The Contractor will not receive additional compensation to attend these meetings.

3.7 Surgical/ Operating Room Packs

The Contractor shall provide Surgical/Operating Room packs with an internal sterilizing indicator and external sterilizing indicator. Packs without such indicators shall be rejected.

The Contractor shall protect all packs individually from the environment by means of an impervious cover. Packs without such protection shall be rejected.

This section shall apply to Contractor-Owned Goods and, unless otherwise directed by the Authorized User, to Customer-Owned Goods.

3.8 Anti-Ligature Products

Authorized Users may request that Contractor provide certain Products, e.g. patient gowns and robes, without ties, strings, ropes, etc. to reduce the risk of self-harm to clients and patients. If the Contractor offers these Products, Contractor must provide such Products at no additional cost to the Authorized User.

3.9 Accreditations

OGS is identifying accredited Contractors because Authorized Users may prefer to conduct business only with accredited/certified Contractors. If Contractor has been accredited by HLAC and/or another accrediting/certifying body by the start of the Contract term for any facility or becomes so accredited at any time during the Contract term for any facility, Contractor shall retain such accreditation for the entire Contract term or the remainder of the Contract term, as applicable, for that facility. An explanation of the HLAC accreditation process can be found at <http://www.hlacnet.org>. Authorized Users reserve the right to choose Contractors who are accredited by HLAC and/or other accrediting/certifying body based on their form, function, and utility.

3.10 Delivery

Contractor shall pick up soiled laundry and deliver clean laundry in accordance with the Authorized User's specifications and schedule. Authorized Users reserve the right to add or delete pickup/delivery locations (including buildings) as needed with at least one (1) week notice to the Contractor. Pickups and deliveries shall be conducted separately so that soiled and clean laundry do not occupy a truck at the same time.

The Contractor shall provide a daily detailed packing slip of Products delivered via email to the Authorized User prior to the delivery and a hard copy securely attached to the transport cart(s).

The truck used to deliver and pick up Products should be of sufficient height to allow easy transfer of transport carts onto and from the Authorized User's loading dock, thereby minimizing the number of times the Products must be handled.

The Contractor's delivery vehicles must be sanitized between each use for pickup of soiled Products and delivery of clean Products. Authorized Users reserve the right to perform bacterial culture testing on Contractor's delivery vehicles at random, and without notice.

3.11 Rejected Products

The Authorized User reserves the right to reject bundled Products, full carts of Products or any portion thereof, or individual pieces of Products, based solely upon a visual inspection of a reasonable sample, as determined by Authorized User. The Contractor shall apply full credit at the Contract rates for rejected Products. Any credit or refund shall be applied against the next bill/invoice submitted by the Contractor to the Authorized User. If no credit or refund, or only a partial credit or refund, is made in such fashion, the Contractor shall pay to the Authorized User the amount of such credit or refund or portion thereof still outstanding, within 30 calendar days of demand.

3.12 Inventory

1. If Contractor is providing Laundry and Linen service for the first time for an Authorized User, Contractor must provide the Authorized User with an initial supply of all Products as agreed upon between the Authorized User and the Contractor. The initial supply will be used to replace the previous Contractor's Products if applicable. Subsequent to this initial supply, the Contractor will be required to provide the Authorized User with its defined Par Level requirements. The Authorized User shall work with the Contractor to determine acceptable deviations from the Authorized User's Par Level requirements. Authorized Users shall be responsible to maintain established inventory control procedures to ensure that appropriate inventory is being maintained. Authorized Users shall not, however, be liable for the loss of Contractor-owned Goods that is due to no fault of the Authorized User. The Authorized User will return all remaining available supply of Contractor-owned Goods to the Contractor at the end of the engagement.
2. Contractor may maintain an online delivery/order/management system for Authorized Users to access.
3. Authorized Users reserve the right to change Product quantities, increase or decrease, at any time and for any period, with 24-hour notice. Increases or decreases in the total charges for service will be based solely on the Contract rates. Authorized Users do not guarantee any minimum or maximum quantities for any Contractor Product, nor shall Contractor impose any additional charge beyond the contract rates as a result of a change in the quantities requested.
4. The Authorized User and Contractor shall jointly conduct an inventory of Contractor-owned Goods at least twice annually. It is the responsibility of the Authorized User to schedule the inventory of Contractor-owned Goods with the Contractor at a mutually convenient time.

3.13 Emergency Inventory

The Contractor shall provide, at no charge to the Authorized User, additional on-site Contractor-owned inventory not part of the regular deliveries at a level to be determined by the Authorized User; this additional inventory shall be known as the "on-site emergency inventory." Should the Authorized User draw from the on-site emergency inventory, the Contractor shall replace the inventory within 24 hours after notification by the Authorized User via email or via telephone.

3.14 Continuous Operation

The Contractor shall have a written contingency plan for providing service in the event that the Contractor's designated plant cannot operate. The Contractor shall provide the Authorized User with its written contingency plan upon request and the Authorized User reserves the right to reject the backup service provider presented in Contractor's contingency plan. Should Authorized User reject such backup service provider, then Contractor shall submit a replacement backup service provider acceptable to the Authorized User.

3.15 Labels

Any "Property of" markings on Contractor-owned Goods, if required, will be placed in an inconspicuous location on the Contractor-owned Goods. Authorized Users shall be responsible for labels on Customer-owned Goods.

3.16 Transport Carts

1. The Contractor shall provide transport carts, hampers, containers, etc. and an additional number of transport carts, hampers, containers, etc. in a sufficient number and of sufficient quality, approved by the Authorized User, at all times. Additional transport carts, hampers, containers, etc. shall be provided, as requested by the Authorized User, at no additional charge. Contractor shall provide catalogs and pictures of transport carts, hampers, containers, etc. to be utilized upon request by the Authorized User.
2. All transport carts, hampers, containers, etc. must be effectively cleaned, deodorized, sanitized and dried by the Contractor at its plant before refilling with clean linen. The Contractor's delivery vehicles must be sanitized between each use for pickup of soiled Products and delivery of clean Products. Authorized Users reserve the right to perform bacterial culture testing on transport carts, hampers, containers, etc. and vehicles at random, and without notice.
3. All transport carts, hampers, containers, etc. must be lined with sheets or a suitable sized disposable plastic bag after being sanitized at the Contractor's plant and prior to refilling with clean linens. All carts, hampers, containers, etc. of clean Products must also be completely covered with sheets or a second bag during delivery to the Authorized User.
4. All transport carts, hampers, containers, etc. must be in working order (e.g. wheels are intact and move freely). The Contractor is responsible for preventive maintenance of all Contractor-owned transport carts, hampers, containers, etc.

3.17 Return of Property

Any non-textile property of an Authorized User or its residents, clients, or patients discovered in laundry processing shall be returned to the Authorized User by Contractor as soon as possible. There shall be no additional charges for the location and return of wrongfully sent non-textile property of an Authorized User or its residents, clients, or patients.

3.18 Medical Waste

Authorized Users will make reasonable efforts to ensure that medical waste in red bags does not enter the soiled linen stream.

Should such a red bag be found in the soiled linen stream, the Contractor shall either set aside the bag and return it to the Authorized User at the next scheduled delivery or dispose of the red bag according to the State and Federal guidelines. There shall be no additional charge to the Authorized User for this service.

Damage to Contractor equipment or Contractor-owned Goods, third party property or equipment, or Customer-owned Goods or Authorized User equipment, caused by medical waste in red bags in the soiled linen stream shall be the responsibility of the Contractor and shall not result in an additional charge to the Authorized User.

3.19 Reports

Contractor shall provide the Authorized User a monthly report of deliveries and pickups at each Authorized User location. The monthly report, in a form proposed by the Contractor and approved by the Authorized User, and in electronic and hard copy formats, shall be submitted with the invoice. The invoice shall not be considered complete and shall be returned to the Contractor should the monthly laundry report not be included with the invoice.

As well, the Contractor shall produce, upon request by the Authorized User, other routine reports typical of the industry within 15 calendar days of the request (special reports). There shall be no additional charges for routine or special request reports.

3.20 Liquidated Damages

Liquidated damages shall not be applied during the first 90 days of the Authorized User's engagement, but may be applied at the sole and absolute discretion of the Authorized User thereafter. Multiple liquidated damages may be applied to the same event; for example, should a delivery be late and also be incomplete, then multiple liquidated damages may be applied. Liquidated damages are as follows:

1. For a complete but late delivery, arriving less than 2 hours after the delivery date and time specified by the Authorized User - \$50
2. For a complete but late delivery arriving more than 2 hours late but less than 4 hours after the delivery date and time specified by the Authorized User - \$100
3. For a complete but late delivery arriving more than 4 hours after the delivery date and time specified, but before the close of business, by the Authorized User - \$200
4. For a delivery not arriving on the scheduled day, or not arriving before the close of business, as originally determined by the Authorized User, on the scheduled day - \$400
5. For an incomplete but timely delivery whereby one or more shortages of Products exists - \$100 for each day the shortage is not resolved to the Authorized User's satisfaction.
6. For an inaccurately packed cart - \$100 for each inaccurate cart
7. For a missing cart - \$100 for each missing cart
8. For delivering "clean" Products in an unsanitary cart, as determined by the Authorized User - \$100 per cart
9. For failure to haul away dirty Products each day the Contractor is required by the Authorized User to do so- \$50 for each cart or container per day
10. Where the Authorized User has given notice to the Contractor that all or a portion of the on-site inventory of emergency inventory was used, Contractor shall be liable for Liquidated Damages of \$250 for each full or partial day that such inventory remains un-replenished beyond 24 hours after notification by the Authorized User via email or telephone.
11. For missing a regular or special Surgical/Operating Room pack - \$100/pack

12. For a rejected Surgical/Operating Room pack - \$100/pack
13. For failure to produce a special request report or quality assurance report, including MSDS, (Section 3.6.4, *Quality Assurance*) within 15 calendar days of the request - \$25 for each day past 5 calendar days.
14. For failure to produce a culture report within 30 calendar days of the request by the Authorized User- \$25/day for each day past 30 calendar days

In order to assert a claim for liquidated damages, the Authorized User shall notify the Contractor of such claim within 90 calendar days of the date liquidated damages accrue. The Authorized User shall have the sole discretion to decide the form in which the payment of any liquidated damages is to be made (i.e., cash payment, credit against a future bill, or other method) and to establish the timeframe for such payment. If the Authorized user fails to assert liquidated damages within 90 calendar days of accrual, such liquidated damages shall be deemed waived.

3.21 Ordering

Before issuing a Purchase Order, the Authorized User shall inquire of all awarded Contractors within the applicable Region whether such Contractors are able to provide the needed services. Purchase Orders shall be made in accordance with the terms set forth in Appendix B, *Purchase Orders*. Authorized Users may submit orders over the phone, and, if available, may submit orders electronically via web-based ordering, e-mail, or facsimile at any time. Orders submitted shall be deemed received by Contractor on the date submitted.

All orders shall reference Contract number, requisition, and/or Purchase Order number (if applicable). Upon Contractor's receipt of an order, confirmation is to be provided to the Authorized User electronically or via facsimile. Order confirmation should be sufficiently detailed, and include, at a minimum, purchase price, date of order, delivery information (if applicable), Authorized User name, and sales representative (if applicable).

3.22 Purchasing Card Orders

If the Contractor accepts orders using the State's Purchasing Card (see Appendix B, *Purchasing Card*), also referred to as the Procurement Card, the Contractor shall not charge or bill the Authorized User for any additional charges related to the use of the Purchasing Card, including but not limited to processing charges, surcharges or other fees.

3.23 Minimum Order

There is no minimum order for this Contract.

3.24 Invoicing and Payment

Invoicing and payment shall be made in accordance with the terms set forth in Appendix B, *Contract Invoicing*. Invoices must include, at a minimum, the following information:

1. Contractor Name
2. Contractor Billing Address
3. Contractor Federal ID Number
4. NYS Vendor ID Number
5. Account Number
6. NYS Contract Number
7. Name of Authorized User indicated on the Purchase Order
8. NYS Agency Unit ID (if applicable)
9. Authorized User's Purchase Order Number

10. Pickup Date
11. Delivery Date
12. Invoice Date
13. Invoice Number
14. Invoice Amount
15. Type(s) of Product delivered (e.g. flat sheet, gown, mop head, etc.) and whether it is Contractor-owned or Customer-owned
16. Contract Price
17. Pricing per pound or by pieces
18. Service location

Authorized Users reserve the right to require additional detail be included on the invoice. Cost centers or branch offices within an Authorized User may require separate invoicing as specified by each Authorized User. The Contractor's billing system shall be flexible enough to meet the needs of varying ordering systems in use by different Authorized Users. Visit the following link for further guidance for Contractors on invoicing State agencies: <https://bsc.ogs.ny.gov/content/vendor-information>.

The invoice shall not be considered complete and shall be returned to the Contractor should the monthly laundry report as required by Section 3.19, *Reports*, not be included with the invoice.

3.25 Contract Administration

The Contractor shall provide a sufficient number of Customer Service employees who are knowledgeable and responsive to Authorized User needs and who can effectively service the Contract. Contractor shall also provide an Emergency Contact in the event of an emergency occurring after business hours or on weekend/holidays.

Contractor shall provide a dedicated Contract Administrator to support the updating and management of the Contract on a timely basis. Information regarding Contractor's Customer Service, Emergency Contact, and Contract Administrator shall be set forth on the Contractor Information page, as revised from time to time by OGS and posted on the Contract landing page on the OGS website. Contractor must notify OGS within five Business Days if it's Contract Administrator, Emergency Contact, or Customer Service employees change, and provide an interim contact person until the position is filled. Changes shall be submitted electronically via e-mail to the individual listed on the front page of the Contract Award Notification on the OGS website .

3.26 NYS Financial System (SFS)

New York State is currently operating on an Enterprise Resource Planning (ERP) system, Oracle PeopleSoft software, referred to as the Statewide Financial System (SFS). SFS is currently on PeopleSoft Financials version 9.2. SFS supports requisition-to-payment processing and financial management functions.

The State is also implementing an eProcurement application that supports the requisitioning process for State Agencies to procure Products in SFS. This application provides catalog capabilities. Contractors with Centralized Contracts have the ability to provide a "hosted" or "punch-out" catalog that integrates with SFS and is available to Authorized Users via a centralized eMarketplace website. Additional information may be found at: <https://nyspro.ogs.ny.gov/content/nys-emarketplace-1>.

There are no fees required for a Contractor's participation in the catalog site development or management. Upon completion and activation of an on-line catalog, State Agencies will process their orders through the SFS functionality and other Authorized Users can access the catalog site to fulfill orders directly.

The State may be implementing additional PeopleSoft modules in the near future. Further information regarding business processes, interfaces, and file layouts currently in place may be found at:

<http://www.sfs.ny.gov> and <http://www.osc.state.ny.us/agencies/guide/MyWebHelp/>.

3.27 Accessibility of Information Communication Technology

Contractor is solely responsible for administration, content, intellectual property rights and all materials at Contractor's website. Contractor is solely responsible for its actions and those of its agents, employees, resellers, Subcontractors or assigns, and agrees that neither Contractor nor any of the foregoing has any authority to act or speak on behalf of the State. As applicable, Contractor agrees to comply with the Office of Information Technology Services policy NYS-P08-005 Accessibility of Web-Based Information and Applications, as may be amended, the stated purpose of which is to make State Agency web-based intranet and internet information accessible for persons with disabilities. The following language is incorporated into this Contract:

Any network--based information and applications development, or programming delivered to or by the State pursuant to this contract or procurement, will comply with Section 508 of the Rehabilitation Act of 1973, as amended, and be consistent with New York State Enterprise IT Policy NYS-P08-005, Accessibility of Information Communication Technology, as such policy may be amended, modified or superseded (the "Accessibility Policy"). The Accessibility Policy requires that State Entity Information Communication Technology shall be accessible to persons with disabilities as determined by accessibility compliance testing. Such accessibility compliance testing will be conducted by the State and any report on the results of such testing must be satisfactory to the State.

3.28 Americans with Disabilities Act (ADA)

The federal ADA bars employment discrimination and requires all levels of government to provide necessary and reasonable accommodations to qualified workers with disabilities. Contractor is required to identify on its Pricelist any Products it manufactures or adapts that may be used or adapted for use by persons with visual, hearing, or any other physical disabilities. It is necessary to identify any such Products offered that fall into the above category.

3.29 Insurance

The Contractor shall maintain in force at all times during the terms of the Contract, policies of insurance pursuant to the requirements outlined in Attachment 2 – *Insurance Requirements*.

3.30 Report of Contract Usage

Contractor shall submit Attachment 3 – *Report of Contract Usage* including total sales to Authorized Users of this Contract by Contractor, and all authorized resellers, dealers and distributors, if any, no later than 10 days after the close of each calendar quarter. If the Contract period begins or ends in a fractional portion of a reporting period, only the actual Contract sales for this fractional period should be included in the quarterly report.

Contractors shall specify if any authorized resellers, dealers or distributors are NYS Certified Minority- and/or Women-Owned Business Enterprises (MWBES), small business enterprises (SBEs), or Service-Disabled Veteran-Owned Businesses (SDVOBs).

The report shall be submitted electronically via e-mail in Microsoft Excel to OGS Procurement Services, to the attention of the individual listed on the front page of the Contract Award Notification on the OGS

website and shall reference the Contract Group Number, Award Number, Contract Number, Sales Period, and Contractor's name.

The report in Attachment 3 – *Report of Contract Usage* contains the minimum information required. Additional related sales information, such as detailed user purchases may be required by OGS and must be supplied upon request. Failure to submit reports on a timely basis may result in Contract cancellation and designation of Contractor as non-responsible.

3.31 Contractor Requirements and Procedures for Participation by New York State Certified Minority- and Women-Owned Business Enterprises and Equal Employment Opportunities for Minority Group Members and Women

I. New York State Law

Pursuant to New York State Executive Law Article 15-A and Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations (“NYCRR”), the New York State Office of General Services (“OGS”) is required to promote opportunities for the maximum feasible participation of New York State-certified Minority- and Women-Owned Business Enterprises (“MWBEs”) and the employment of minority group members and women in the performance of OGS contracts.

II. General Provisions

- A. OGS is required to implement the provisions of New York State Executive Law Article 15-A and 5 NYCRR Parts 140-145 (“MWBE Regulations”) for all State contracts as defined therein, with a value (1) in excess of \$25,000 for labor, services, equipment, materials, or any combination of the foregoing or (2) in excess of \$100,000 for real property renovations and construction.
- B. The Contractor agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to OGS, to fully comply and cooperate with OGS in the implementation of New York State Executive Law Article 15-A and the regulations promulgated thereunder. These requirements include equal employment opportunities for minority group members and women (“EEO”) and contracting opportunities for MWBEs. Contractor’s demonstration of “good faith efforts” pursuant to 5 NYCRR § 142.8 shall be a part of these requirements. These provisions shall be deemed supplementary to, and not in lieu of, the nondiscrimination provisions required by New York State Executive Law Article 15 (the “Human Rights Law”) or other applicable federal, State, or local laws.
- C. Failure to comply with all of the requirements herein may result in a finding of non-responsiveness, a finding of non-responsibility, breach of contract, withholding of funds, suspension or termination of the Contract, and/or such other actions or enforcement proceedings as allowed by the Contract and applicable law.

III. Equal Employment Opportunity (EEO)

- A. The provisions of Article 15-A of the Executive Law and the rules and regulations promulgated thereunder pertaining to equal employment opportunities for minority group members and women shall apply to all Contractors, and any subcontractors, awarded a subcontract over \$25,000 for labor, services, including legal, financial and other professional services, travel, supplies, equipment, materials, or any combination of the

foregoing, to be performed for, or rendered or furnished to, the contracting State agency (the "Work") except where the Work is for the beneficial use of the Contractor.

1. Contractor and subcontractors shall undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability, or marital status. For these purposes, EEO shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff or termination, and rates of pay or other forms of compensation. This requirement does not apply to: (i) the performance of work or the provision of services or any other activity that is unrelated, separate, or distinct from the Contract; or (ii) employment outside New York State.
 2. By entering into this Contract, Contractor certifies that the text set forth in clause 12 of Appendix A, attached hereto and made a part hereof, is Contractor's equal employment opportunity policy. In addition, Contractor agrees to comply with the Non-Discrimination Requirements set forth in clause 5 of Appendix A.
- B. Form EEO 100 – Staffing Plan
- To ensure compliance with this section, the Contractor agrees to submit, or has submitted with the Bid, a staffing plan on Form EEO 100 to OGS to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and federal occupational categories.
- C. Form EEO - 101 - Workforce Utilization Reporting Form (Commodities and Services) ("Form EEO101-Commodities and Services")
1. The Contractor shall submit, and shall require each of its subcontractors to submit, a Form EEO-101-Commodities and Services to OGS to report the actual workforce utilized in the performance of the Contract by the specified categories listed including ethnic background, gender, and Federal occupational categories. The Form EEO-101-Commodities and Services must be submitted electronically to OGS at EEO_CentCon@ogs.ny.gov on a quarterly basis during the term of the Contract by the 10th day of April, July, October, and January.
 2. Separate forms shall be completed by Contractor and all subcontractors.
 3. In limited instances, the Contractor or subcontractor may not be able to separate out the workforce utilized in the performance of the Contract from its total workforce. When a separation can be made, the Contractor or subcontractor shall submit the Form EEO-101Commodities and Services and indicate that the information provided relates to the actual workforce utilized on the Contract. When the workforce to be utilized on the Contract cannot be separated out from the Contractor's or subcontractor's total workforce, the Contractor or subcontractor shall submit the Form EEO-101-Commodities and Services and indicate that the information provided is the Contractor's or subcontractor's total workforce during the subject time frame, not limited to work specifically performed under the Contract.
- D. Contractor shall comply with the provisions of the Human Rights Law and all other State and federal statutory and constitutional non-discrimination provisions. Contractor and subcontractors shall not discriminate against any employee or applicant for employment

because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status, or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal and conviction and prior arrest.

IV. Contract Goals

- A. For purposes of this procurement, OGS conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set goals for participation by MWBEs as subcontractors, service providers, or suppliers to Contractor. Contractor is, however, encouraged to make every good faith effort to promote and assist the participation of MWBEs on this Contract for the provision of services and materials. The directory of New York State Certified MWBEs can be viewed at: <https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp?TN=ny&XID=2528>. Additionally, following Contract execution, Contractor is encouraged to contact the Division of Minority and Women's Business Development ((518) 292-5250; (212) 803-2414; or (716) 8468200) to discuss additional methods of maximizing participation by MWBEs on the Contract.
- B. Good Faith Efforts
Pursuant to 5 NYCRR § 142.8, evidence of good faith efforts shall include, but not be limited to, the following:
1. A list of the general circulation, trade, and MWBE-oriented publications and dates of publications in which the Contractor solicited the participation of certified MWBEs as subcontractors/suppliers, copies of such solicitations, and any responses thereto.
 2. A list of the certified MWBEs appearing in the Empire State Development ("ESD") MWBE directory that were solicited for this Contract. Provide proof of dates or copies of the solicitations and copies of the responses made by the certified MWBEs. Describe specific reasons that responding certified MWBEs were not selected.
 3. Descriptions of the Contract documents/plans/specifications made available to certified MWBEs by the Contractor when soliciting their participation and steps taken to structure the scope of work for the purpose of subcontracting with, or obtaining supplies from, certified MWBEs.
 4. A description of the negotiations between the Contractor and certified MWBEs for the purposes of complying with the MWBE goals of this Contract.
 5. Dates of any pre-bid, pre-award, or other meetings attended by Contractor, if any, scheduled by OGS with certified MWBEs whom OGS determined were capable of fulfilling the MWBE goals set in the Contract.
 6. Other information deemed relevant to the request.

V. Fraud

Any suspicion of fraud, waste, or abuse involving the contracting or certification of MWBEs shall be immediately reported to ESD's Division of Minority and Women's Business Development at (855) 3734692.

ALL FORMS ARE AVAILABLE AT: <https://ogs.ny.gov/MWBE/forms>

3.32 Participation Opportunities For New York State Certified Service-Disabled Veteran Owned Businesses

Article 17-B of the New York State Executive Law provides for more meaningful participation in public procurement by certified Service-Disabled Veteran-Owned Businesses (“SDVOBs”), thereby further integrating such businesses into New York State’s economy. OGS recognizes the need to promote the employment of service-disabled veterans and to ensure that certified service-disabled veteran-owned businesses have opportunities for maximum feasible participation in the performance of OGS contracts.

In recognition of the service and sacrifices made by service-disabled veterans and in recognition of their economic activity in doing business in New York State, Contractor is strongly encouraged and expected to consider SDVOBs in the fulfillment of the requirements of the Contract. Such participation may be as subcontractors or suppliers, as protégés, or in other partnering or supporting roles.

For purposes of this procurement, OGS conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set specific goals for participation by SDVOBs as subcontractors, service providers, and suppliers to Contractor. Nevertheless, Contractor is encouraged to make good faith efforts to promote and assist in the participation of SDVOBs on the Contract for the provision of services and materials. The directory of New York State Certified SDVOBs can be viewed at:

<https://online.ogs.ny.gov/SDVOB/search>

Contractor is encouraged to contact the Division of Service-Disabled Veteran’s Business Development at (518) 474-2015 to discuss methods of maximizing participation by SDVOBs on the Contract.

ALL FORMS ARE AVAILABLE AT: <https://ogs.ny.gov/veterans/division-service-disabled-veterans-business-development-compliance-and-reporting>

3.33 Preferred Source Products

Section 162 of the State Finance Law requires that Authorized Users afford first priority to the Products of Preferred Source suppliers such as Corcraft (the marketplace name for the NYS Department of Corrections and Community Supervision, Division of Industries), New York State Preferred Source Program for People who are Blind (NYSPSP), and New York State Industries for the Disabled (NYSID), and others determined by law, when such Products meet the form, function and utility of the Authorized User. Some Products in this Contract may be available from one or more Preferred Sources. An Authorized User must determine if a particular Product is approved for a Preferred Source and follow the requirements of State Finance Law § 162(3) or (4)(b), respectively, before engaging the Contractor.

3.34 NYS Vendor Responsibility

The Contractor shall at all times during the Contract term remain responsible. The Contractor agrees, if requested by the Commissioner of OGS, to present evidence of its continuing legal authority to do business in New York State, integrity, experience, ability, prior performance, and organizational and financial capacity.

The Commissioner of OGS, in his or her sole discretion, reserves the right to suspend any or all activities under this Contract, at any time, when he or she discovers information that calls into question the responsibility of the Contractor. In the event of such suspension, the Contractor will be given written notice outlining the particulars of such suspension. Upon issuance of such notice, the Contractor must comply with the terms of the suspension order. Contract activity may resume at such time as the Commissioner of OGS issues a written notice authorizing a resumption of performance under the Contract.

The Contractor agrees that if it is found by the State that Contractor's responses to the Questionnaire were intentionally false or intentionally incomplete, on such finding, the Commissioner may terminate the Contract.

Upon written notice to the Contractor, and a reasonable opportunity to be heard with appropriate OGS officials or staff, the Contract may be terminated by the Commissioner of OGS at the Contractor's expense where the Contractor is determined by the Commissioner of OGS to be non-responsible. In such event, the Commissioner of OGS may complete the contractual requirements in any manner he or she may deem advisable and pursue available legal or equitable remedies for breach.

In no case shall such termination of the Contract by the State be deemed a breach thereof, nor shall the State be liable for any damages for lost profits or otherwise, which may be sustained by the Contractor as a result of such termination.

3.35 Non-State Agencies Participation in Centralized Contracts

New York State political subdivisions and others authorized by New York State law may participate in Centralized Contracts. These include, but are not limited to, local governments, public authorities, public school and fire districts, public and nonprofit libraries, and certain other nonpublic/nonprofit organizations. See Appendix B, *Participation in Centralized Contracts*. For Purchase Orders issued by the Port Authority of New York and New Jersey (or any other authorized entity that may have delivery locations adjacent to New York State), the terms of the *Price* clause shall be modified to include delivery to locations adjacent to New York State.

Upon request, all eligible non-State agencies must furnish Contractors with the proper tax exemption certificates and documentation certifying eligibility to use State contracts. A list of categories of eligible entities is available on the OGS web site (<https://www.ogs.ny.gov/purchase/snt/othersuse.asp>). Questions regarding an organization's eligibility to purchase from New York State Contracts may also be directed to NYS Procurement Services Customer Services at 518-474-6717.

3.36 Extension of Use

This Contract may be extended to additional States or governmental jurisdictions upon mutual written agreement between New York State and the Contractor. Political subdivisions and other authorized entities within each participating state or governmental jurisdiction may also participate in this Contract if such state normally allows participation by such entities. New York State reserves the right to negotiate additional discounts based on any increased volume generated by such extensions.

3.37 Drug and Alcohol Use Prohibited

For reasons of safety and public policy, the use of alcoholic beverages or illegal drugs by the Contractor's personnel shall not be permitted in performance of this Contract.

3.38 Traffic Infractions

Neither the State nor Authorized Users will be liable for any expense incurred by the Contractor's personnel for any parking fees or as a consequence of any traffic infraction or parking violation attributable to employees of the Contractor in performance of the Contract.

3.39 Formal Disputes During an Engagement

Formal disputes arising during the course of an engagement shall be decided in accordance with the Authorized User's dispute resolution procedures.

4. GENERAL PROVISIONS

4.1 Notices

Any notice or communication by any Party to the other required or permitted hereunder shall be in writing and shall be deemed duly served as of (a) the date it is delivered by hand or by fax (with appropriate acknowledgement of receipt), (b) three Business Days after having been mailed by certified mail, postage prepaid, return receipt requested, or (c) the next Business Day after having been sent for delivery on the next Business Day, shipping prepaid, by a nationally recognized overnight courier, in each case to the receiving Party and addressed to the Party's address identified on the contract landing page at www.ogs.ny.gov or such other address as a Party may designate by written notice to the other Party sent in the manner set forth herein.

4.2 Captions

The captions contained in this Contract are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.

4.3 Severability

In the event that any one or more of the provisions of this Contract shall for any reason be declared unenforceable under the laws or regulations in force, such provision will have no effect on the validity of the remainder of this Contract, which shall then be construed as if such unenforceable provision had never been written or was never contained in this Contract.

4.4 Counterparts

This Contract may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute the same Contract. Any signature page of any such counterpart may be attached or appended to any counterpart to complete a fully executed counterpart of this Contract, and shall bind such Party.

4.5 Entire Agreement

This Contract and any referenced appendices and attachments constitute the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings of the Parties, whether written or oral, with respect to the subject matter hereof. No statement, promise, condition, understanding, inducement or representation, oral or written, express or implied, which is not contained herein shall be binding or valid and the Contract may not be changed, modified or altered in any manner except by an instrument in writing executed by the State and the Contractor.

[Signatures appear on next page]

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Contract as of the date last written below. The Parties further hereby certify that original copies of this executed and approved signature page will be affixed, upon final approval, to exact copies of this Contract being executed simultaneously herewith. The acknowledgment must be fully and properly executed by an authorized person. By signing you certify your express authority to sign on behalf of yourself, your company, or other entity and full knowledge and acceptance of this agreement, Appendix A (Standard Clauses For New York State Contracts), Appendix B (General Specifications), and State Finance Law §139-j and §139-k (Procurement Lobbying), and that all information provided is complete, true and accurate. By signing, Contractor affirms that it understands and agrees to comply with the procedures relative to permissible contacts as required by State Finance Law §139-j (3) and §139-j (6) (b).

CONTRACTOR**THE PEOPLE OF THE STATE OF
NEW YORK**

Signature:

Printed
Name:Brian Kadoshian

Title:

PresidentCompany
Name:Bates Troy Inc.Federal ID: 16-0968856NYS Vendor
ID:1000015104

Date:

8/8/19

Signature:



Printed Name:

Terri Allen
Assistant Director
Procurement Services

Title:

Date:

8/19/19

INDIVIDUAL, CORPORATION, PARTNERSHIP, OR LLC ACKNOWLEDGMENT

STATE OF New York }
 } SS.:
COUNTY OF Broome }

On the 8th day of August in the year 2019, before me personally appeared _____, known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that he maintains an office at Bates Troy, Inc, and further that:

[Check One]

☐ (If an individual):

he executed the foregoing instrument in his/her name and on his/her own behalf.

☒ If a corporation):

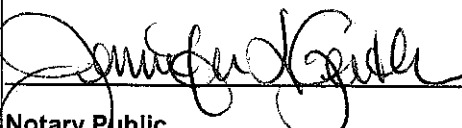
he is the President of Bates Troy, Inc., the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

☐ If a partnership):

he is the _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, he is authorized to execute the foregoing instrument on behalf of the partnership for purposes set forth therein; and that, pursuant to that authority, he executed the foregoing instrument in the name of and on behalf of said partnership as the act and deed of said partnership.

☐ If a limited liability company):

he is a duly authorized member of _____ LLC, the limited liability company described in said instrument; that he is authorized to execute the foregoing instrument on behalf of the limited liability company for purposes set forth therein; and that, pursuant to that authority, he executed the foregoing instrument in the name of and on behalf of said limited liability company as the act and deed of said limited liability company.


Notary Public

Registration No. JENNIFER L. STARCHOK-GERTH
Notary Public, State of New York
Qualified in Broome County
Reg. No. 01ST6224282
My Commission Expires 06/28/2022

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**PLEASE RETAIN THIS DOCUMENT
FOR FUTURE REFERENCE.**

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STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licenser, licensee, lessor, lessee or any other party):

1. EXECUTORY CLAUSE. In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the State's previous written consent, and attempts to do so are null and void. Notwithstanding the foregoing, such prior written consent of an assignment of a contract let pursuant to Article XI of the State Finance Law may be waived at the discretion of the contracting agency and with the concurrence of the State Comptroller where the original contract was subject to the State Comptroller's approval, where the assignment is due to a reorganization, merger or consolidation of the Contractor's business entity or enterprise. The State retains its right to approve an assignment and to require that any Contractor demonstrate its responsibility to do business with the State. The Contractor may, however, assign its right to receive payments without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. COMPTROLLER'S APPROVAL. In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6-a). However, such pre-approval shall not be required for any contract established as a centralized contract through the Office of General Services or for a purchase order or other transaction issued under such centralized contract.

4. WORKERS' COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this

contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. NON-DISCRIMINATION REQUIREMENTS. To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex (including gender identity or expression), national origin, sexual orientation, military status, age, disability, predisposing genetic characteristics, marital status or domestic violence victim status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law. Additionally, effective April 28, 2008, if this is a public work contract covered by Article 8 of the Labor Law, the Contractor understands and agrees that the filing of payrolls in a manner consistent with Subdivision 3-a of Section 220 of the Labor Law shall be a condition precedent to payment by the State of any State approved sums due and owing for work done upon the project.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is

available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION.

(a) Identification Number(s). Every invoice or New York State Claim for Payment submitted to a New York State agency by a payee, for payment for the sale of goods or services or for transactions (e.g., leases, easements, licenses, etc.) related to real or personal property must include the payee's identification number. The number is any or all of the following: (i) the payee's Federal employer identification number, (ii) the payee's Federal social security number, and/or (iii) the payee's Vendor Identification Number assigned by the Statewide Financial System. Failure to include such number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or Claim for Payment, must give the reason or reasons why the payee does not have such number or numbers.

(b) Privacy Notification. (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law. (2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in the Statewide Financial System by the Vendor Management Unit within the Bureau of State Expenditures, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN.

In accordance with Section 312 of the Executive Law and 5 NYCRR 143, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed

for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then the following shall apply and by signing this agreement the Contractor certifies and affirms that it is Contractor's equal employment opportunity policy that:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on State contracts and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict

exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Department of Economic Development's Division of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of Section 165 of the State Finance Law, (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and

provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
Albany, New York 12245
Telephone: 518-292-5100
Fax: 518-292-5884
email: opa@esd.ny.gov

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
633 Third Avenue
New York, NY 10017
212-803-2414
email: mwbecertification@esd.ny.gov
<https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS.

Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. COMPLIANCE WITH NEW YORK STATE INFORMATION SECURITY BREACH AND NOTIFICATION ACT.

Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208).

23. COMPLIANCE WITH CONSULTANT DISCLOSURE LAW.

If this is a contract for consulting services, defined for purposes of this requirement to include analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal or similar services, then, in accordance with Section 163 (4-g) of the State Finance Law (as amended by Chapter 10 of the Laws of 2006), the Contractor shall timely, accurately and properly comply with the requirement to submit an annual employment report for the contract to the agency that awarded the contract, the Department of Civil Service and the State Comptroller.

24. PROCUREMENT LOBBYING. To the extent this agreement is a "procurement contract" as defined by State Finance Law Sections 139-j and 139-k, by signing this agreement the contractor certifies and affirms that all disclosures made in accordance with State Finance Law

Sections 139-j and 139-k are complete, true and accurate. In the event such certification is found to be intentionally false or intentionally incomplete, the State may terminate the agreement by providing written notification to the Contractor in accordance with the terms of the agreement.

a contract and appears on the Prohibited Entities list after contract award.

25. CERTIFICATION OF REGISTRATION TO COLLECT SALES AND COMPENSATING USE TAX BY CERTAIN STATE CONTRACTORS, AFFILIATES AND SUBCONTRACTORS.

To the extent this agreement is a contract as defined by Tax Law Section 5-a, if the contractor fails to make the certification required by Tax Law Section 5-a or if during the term of the contract, the Department of Taxation and Finance or the covered agency, as defined by Tax Law 5-a, discovers that the certification, made under penalty of perjury, is false, then such failure to file or false certification shall be a material breach of this contract and this contract may be terminated, by providing written notification to the Contractor in accordance with the terms of the agreement, if the covered agency determines that such action is in the best interest of the State.

26. IRAN DIVESTMENT ACT. By entering into this Agreement, Contractor certifies in accordance with State Finance Law §165-a that it is not on the “Entities Determined to be Non-Responsive Bidders/Offerers pursuant to the New York State Iran Divestment Act of 2012” (“Prohibited Entities List”) posted at : <https://ogs.ny.gov/list-entities-determined-be-non-responsive-biddersofferers-pursuant-nys-iran-divestment-act-2012>

Contractor further certifies that it will not utilize on this Contract any subcontractor that is identified on the Prohibited Entities List. Contractor agrees that should it seek to renew or extend this Contract, it must provide the same certification at the time the Contract is renewed or extended. Contractor also agrees that any proposed Assignee of this Contract will be required to certify that it is not on the Prohibited Entities List before the contract assignment will be approved by the State.

During the term of the Contract, should the state agency receive information that a person (as defined in State Finance Law §165-a) is in violation of the above-referenced certifications, the state agency will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then the state agency shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not limited to, imposing sanctions, seeking compliance, recovering damages, or declaring the Contractor in default.

The state agency reserves the right to reject any bid, request for assignment, renewal or extension for an entity that appears on the Prohibited Entities List prior to the award, assignment, renewal or extension of a contract, and to pursue a responsibility review with respect to any entity that is awarded

APPENDIX B

GENERAL SPECIFICATIONS

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GENERAL

1. ETHICS COMPLIANCE All Bidders/Contractors and their employees must comply with the requirements of Sections 73 and 74 of the Public Officers Law, other State codes, rules, regulations and executive orders establishing ethical standards for the conduct of business with New York State. In signing the Bid, Bidder certifies full compliance with those provisions for any present or future dealings, transactions, sales, contracts, services, offers, relationships, etc., involving New York State and/or its employees. Failure to comply with those provisions may result in disqualification from the bidding process, termination of contract, and/or other civil or criminal proceedings as required by law.

2. DEFINITIONS Terms used herein shall have the following meanings:

a. AUTHORIZED USER Authorized User shall have the meaning set forth in State Finance Law Section 163(1)(k) and includes, but is not limited to, New York State Agencies, political subdivisions, local governments, public authorities, public school and fire districts, public and nonprofit libraries, and certain other nonpublic/nonprofit organizations.

b. BID A response to the Solicitation submitted by a Bidder to provide Products.

c. BIDDER Any person or entity who submits a response to the Solicitation. At the time that a Bidder executes a Contract with the State, the Bidder shall become a "Contractor." See also "Contractor."

d. BID SPECIFICATIONS A written description drafted by OGS or an Authorized User setting forth the specific terms of the intended procurement, which may include: physical or functional characteristics, the nature of a Product, any description of the work to be performed, Products to be provided, the necessary qualifications of the Bidder, the capacity and capability of the Bidder to successfully carry out the proposed Contract, or the process for achieving specific results and/or anticipated outcomes or any other requirement necessary to perform work. Where this Appendix B is incorporated in negotiated Contracts that have not been competitively solicited, the term "Bid Specifications" shall be deemed to refer to the terms and conditions set forth in the negotiated Contract and associated documentation.

e. COMMISSIONER The Commissioner of OGS or his or her designee, or, in the case of Bid Specifications issued by an Authorized User, the head of such Authorized User or his or her authorized representative.

f. CONTRACT The writings that contain the agreement of the Commissioner and the Contractor setting forth the total legal obligation between the parties as determined by applicable rules of law, and which most typically include the following classifications of public procurements:

- 1. Agency Specific Contracts** Contracts where the written description for a Product or a particular scope of work is described and defined to meet the needs of one or more Authorized Users.
- 2. Centralized Contracts** Single- or multiple-award Contracts where the written description for a Product or general scope of work is described and defined by OGS to meet the needs of Authorized Users. Centralized Contracts may be awarded through multiple awards or through adoption of another

jurisdiction's contract or on a sole source, single source, emergency, or competitive basis. Once established, procurements may be made from the selected Contractors without further competition or Mini-Bid unless otherwise required by the Contract.

3. Back-Drop Contracts Multiple-award Centralized Contracts where OGS provides a written description for a Product or general scope of work to meet the needs of Authorized Users. Bids may be submitted either at a date and time certain or may be accepted on a continuous or periodic recruitment basis, as set forth in the Solicitation. Selection of a Contractor from among Back-Drop contract holders for an actual Product, project or particular scope of work may be subsequently made as set forth in the Contract.

4. Piggyback Contract A Contract let by any department, agency or instrumentality of the United States government, or any department, agency, office, political subdivision or instrumentality of any state or group of states that is adopted and extended for use by OGS in accordance with the requirements of the State Finance Law.

5. Contract Award Letter A letter to the successful Bidder indicating acceptance of its Bid in response to a Solicitation. Unless otherwise specified, the issuance of a letter of acceptance forms a Contract but is not an order for Product, and the Contractor should not take any action with respect to actual Contract deliveries except on the basis of Purchase Orders sent from Authorized Users.

g. CONTRACT AWARD NOTIFICATION An announcement to Authorized Users that a Contract has been established.

h. CONTRACTOR Any successful Bidder to whom a Contract has been awarded by the Commissioner.

i. DOCUMENTATION The complete set of manuals (e.g., user, installation, instruction or diagnostic manuals) in either hard or electronic copy, that are necessary to enable an Authorized User to properly test, install, operate and enjoy full use of the Product.

j. ENTERPRISE The total business operations in the United States of an Authorized User without regard to geographic location where such operations are performed or the entity actually performing such operations on behalf of the Authorized User.

k. ENTERPRISE LICENSE A license grant of unlimited rights to deploy, access, use and execute Product anywhere within the Enterprise up to the maximum capacity stated on the Purchase Order or in the Contract.

l. ERROR CORRECTIONS Machine executable software code furnished by Contractor which corrects the Product so as to conform to the applicable warranties, performance standards and/or obligations of the Contractor.

m. GROUP A classification of a Product that is designated by OGS.

n. INVITATION FOR BIDS (IFB) A type of Solicitation that is most typically used for procurements where requirements can be stated and award will be made based on lowest price to the responsive and responsible Bidder or Bidders.

o. LICENSED SOFTWARE Software transferred upon the terms and conditions set forth in the Contract. "Licensed Software" includes Error Corrections, upgrades, or enhancements, and any deliverables due under a technical support/maintenance or service contract (e.g., Patches, programs, code or data conversion, or custom programming).

p. LICENSEE An Authorized User who acquires Product from Contractor by issuing a Purchase Order in accordance with the terms and conditions of the Contract; provided that, for purposes of compliance with an individual license, the term "Licensee" shall be deemed to refer separately to the individual Authorized User who took receipt of and who is executing the Product, and who shall be solely responsible for performance and liabilities incurred. In the case of acquisitions by State Agencies, the Licensee shall be the State of New York.

q. LICENSE EFFECTIVE DATE The date Product is delivered to an Authorized User. Where a License involves Licensee's right to copy a previously licensed and delivered master copy of a program, the License Effective Date for additional copies shall be deemed to be the date on which the Purchase Order is executed.

r. LICENSOR A Contractor who transfers rights in proprietary Product to Authorized Users in accordance with the rights and obligations specified in the Contract.

s. MINI-BID A document used by an Authorized User containing transaction-specific requirements soliciting responses from Contractors previously qualified under a Centralized Contract for such Products.

t. OGS The New York State Office of General Services.

u. PATCH Software designed to update, fix, or improve the Product or its supporting data. This includes fixing security vulnerabilities and other bugs, including hot fixes, to improve usability or performance.

v. PRODUCTS Items or deliverables under any Solicitation or Contract and may include commodities, services and/or technology.

w. PURCHASE ORDER The Authorized User's fiscal form or format that is used when making a purchase (e.g., formal written Purchase Order, Purchasing Card, electronic Purchase Order, or other authorized instrument).

x. REQUEST FOR PROPOSALS (RFP) A type of Solicitation that is used for procurements where factors in addition to cost are considered and weighted in awarding the contract and where the award will be made based on "best value," as defined by the State Finance Law, to one or more responsive and responsible Bidders.

y. REQUEST FOR QUOTATION (RFQ) A procurement method that can be used in situations such as discretionary, sole source, single source, or emergency purchases and certain Centralized Contracts.

z. RESPONSIBLE BIDDER A Bidder that is determined to have financial and organizational capacity, legal authority, satisfactory previous performance, skill, judgment and integrity, and that is found to be competent, reliable and experienced, as determined by the Commissioner. For purposes of being deemed responsible, a Bidder must also be determined to be in compliance with Sections 139-j and 139-k of the State Finance Law relative to restrictions on contacts during the procurement process and disclosure of contacts and prior findings of non-responsibility under these statutes.

aa. RESPONSIVE BIDDER A Bidder meeting the specifications or requirements prescribed in the Solicitation, as determined by the OGS Commissioner.

bb. SINGLE SOURCE A procurement where two or more Bidders can supply the required Product, and the Commissioner may award the contract to one Bidder over the other.

cc. SITE The location (street address) where Product will be delivered or executed.

dd. SOLE SOURCE A procurement where only one Bidder is capable of supplying the required Product.

ee. SOLICITATION Writings by the State setting forth the scope, terms, conditions and technical specifications for a procurement of Product. The procurement may be undertaken on a competitive or non-competitive basis. Such writings typically include, but are not limited to: Invitation for Bids (IFB), Request for Quotations (RFQ), Request for Proposals (RFP), addenda or amendments thereto, and terms and conditions that are incorporated by reference, including but not limited to Appendix A (Standard Clauses for NYS Contracts), Appendix B (General Specifications), and identified attachments. Where the procurement is undertaken on a non-competitive basis, the term "Solicitation" shall be deemed to refer to all the terms and conditions identified by the State.

ff. SOURCE CODE The programming statements or instructions written and expressed in any language understandable by a human being skilled in the art which are translated by a language compiler to produce executable machine object code.

gg. STATE State of New York.

hh. STATE AGENCY OR AGENCIES The State of New York, acting by or through one or more departments, boards, commissions, offices or institutions of the State of New York.

ii. SUBCONTRACTOR Any individual or legal entity (including but not limited to sole proprietor, partnership, limited liability company, firm or corporation) who has entered into a contract, express or implied, for the performance of a portion of a Contract with a Contractor.

jj. TERMS OF LICENSE The terms and conditions set forth in the Contract that are in effect and applicable to a Purchase Order at the time of order placement.

kk. THIRD-PARTY SOFTWARE Any software that is developed independently of Contractor and which may be governed by a separate license.

ll. VIRUS Any computer code, whether or not written or conceived by Contractor, that disrupts, disables, harms, or otherwise impedes in any manner the operation of the Product, or any other associated software, firmware, hardware, or computer system (such as local area or wide-area networks), including aesthetic disruptions or distortions, but does not include security keys or other such devices installed by Product manufacturer. Virus shall also include any malware, adware, or other computer code, whether or not written or conceived by Contractor, that allows data or metrics to be copied, redirected, or modified without the express consent of the Authorized User.

BID SUBMISSION

3. INTERNATIONAL BIDDING All Bids, including all information and Product required by the Solicitation or provided as explanation thereof, shall be submitted in English. All prices shall be expressed, and all payments shall be made, in United States Dollars (US\$). Any Bids submitted which do not meet the above criteria will be rejected.

4. BID OPENING Bids may, as applicable, be opened publicly. The Commissioner reserves the right at any time to postpone or cancel a scheduled Bid opening.

5. LATE BIDS Bids must be received at the location designated in the Solicitation at or before the date and time established in the Solicitation for the Bid opening or receipt of Bids.

Any Bid received at the designated location after the established time will be considered a Late Bid. A Late Bid may be rejected and disqualified from award. Notwithstanding the foregoing, a Late Bid may be accepted in the Commissioner's sole discretion where (i) no timely Bids meeting the requirements of the Solicitation are received, (ii) in the case of a multiple award, an insufficient number of timely Bids are received to satisfy the multiple award, or (iii) the Bidder has demonstrated to the satisfaction of the Commissioner that the Late Bid was caused solely by factors outside the control of the Bidder. However, in no event shall the Commissioner be under any obligation to accept a Late Bid.

The basis for any determination to accept a Late Bid shall be documented in the procurement record.

6. CONFIDENTIAL/TRADE SECRET MATERIALS

a. BIDDER/CONTRACTOR Confidential, trade secret or proprietary materials as defined by the laws of the State of New York must be clearly marked and identified as such upon submission by the Bidder/Contractor. Marking the Bid as "confidential" or "proprietary" on its face or in the document header or footer shall not be considered by the Commissioner or Authorized User to be sufficient without specific justification as to why disclosure of particular information in the Bid would cause substantial injury to the competitive position of the Bidder/Contractor. Bidders/Contractors intending to seek an exemption from disclosure of these materials under the Freedom of Information Law must request the exemption in writing, setting forth the reasons for the claimed exemption. The Commissioner's or Authorized User's receipt/acceptance of the claimed materials does not constitute a determination on the exemption request, which determination will be made in accordance with statutory procedures. Properly identified information that has been designated confidential, trade secret, or proprietary by the Bidder/Contractor will not be disclosed except as may be required by the Freedom of Information Law or other applicable State and federal laws.

b. COMMISSIONER OR AUTHORIZED USER Contractor warrants, covenants and represents that any confidential information obtained by Contractor, its agents, Subcontractors, officers, distributors, resellers or employees in the course of performing its obligations, including without limitation, security procedures, business operations information, or commercial proprietary information in the possession of the State or any Authorized User hereunder or received from another third party, will not be divulged to any third parties without the written consent of the Commissioner or Authorized User. Contractor shall not be required to keep confidential any such material that is publicly available through no fault of Contractor, independently developed by Contractor without reliance on confidential information

of the Authorized User, or otherwise obtained under the Freedom of Information Law or other applicable New York State laws and regulations. This warranty shall survive termination of this Contract. Contractor further agrees to take commercially reasonable steps to inform its agents, Subcontractors, officers, distributors, resellers or employees of the obligations arising under this clause to ensure such confidentiality.

7. PREVAILING WAGE RATES - PUBLIC WORKS AND BUILDING SERVICES CONTRACTS If any portion of work being solicited is subject to the prevailing wage rate provisions of the Labor Law, the following shall apply:

a. PREVAILING WAGE RATE APPLICABLE TO BIDS A copy of the applicable prevailing wage rate schedule is incorporated into the Solicitation and may also be obtained by visiting www.labor.ny.gov and typing in the search box: Prevailing Wage Schedule Request. Bidders must submit Bids which are based upon the prevailing hourly wages, and supplements in cash or equivalent benefits (e.g., fringe benefits and any cash or non-cash compensation which are not wages, as defined by law) that equal or exceed the applicable prevailing wage rates for the location where the work is to be performed. Bidders may not submit Bids based upon hourly wage rates and supplements below the applicable prevailing wage rates as established by the New York State Department of Labor. Bids that fail to comply with this requirement will be disqualified.

b. WAGE RATE PAYMENTS/CHANGES DURING CONTRACT TERM The wages to be paid under any resulting Contract shall not be less than the prevailing rate of wages and supplements as set forth by law. It is required that the Contractor keep informed of all changes in the prevailing wage rates during the Contract term that apply to the classes of individuals supplied by the Contractor on any projects resulting from this Contract, subject to the provisions of the Labor Law. Contractor is solely liable for and must pay such required prevailing wage adjustments during the Contract term for its employees as required by law and is responsible for ensuring any Subcontractors utilized on the Contract also comply with the prevailing wage provisions of the New York State Labor Law.

c. ARTICLE 8 CONSTRUCTION/PUBLIC WORKS CONTRACTS In compliance with Article 8, Section 220 of the New York State Labor Law:

i. Posting The Contractor must publicly post on the work Site, in a prominent and accessible place, a legible schedule of the prevailing wage rates and supplements.

ii. Payroll Records Contractors and Subcontractors must keep original payrolls or transcripts subscribed and affirmed as true under the penalties of perjury as required by law. For public works contracts over \$25,000 where the Contractor maintains no regular place of business in the State, such records must be kept at the work Site. For building services contracts, such records must be kept at the work Site while work is being performed.

iii. Submission of Certified Payroll Transcripts for Public Works Contracts Only Contractors and Subcontractors on public works Contracts must submit monthly payroll transcripts to the Authorized User issuing the Purchase Order for the work. This provision does not apply to Article 9 of the Labor Law building services contracts.

iv. Day's Labor No laborers, workmen or mechanics in the employ of the Contractor, Subcontractor or other person doing or

contracting to do all or part of the work contemplated by the Contract shall be permitted or required to work more than eight hours in any one calendar day or more than five calendar days in any one week except in cases of extraordinary emergency including fire, flood or danger to life or property. "Extraordinary emergency" shall be deemed to include situations in which sufficient laborers, workers and mechanics cannot be employed to carry on public work expeditiously as a result of such restrictions upon the number of hours and days of labor and the immediate commencement or prosecution or completion without undue delay of the public work is necessary in the judgment of the NYS Commissioner of Labor for the preservation of the Contract Site or for the protection of the life and limb of the persons using the Contract Site.

d. ARTICLE 9 BUILDING SERVICES CONTRACTS In compliance with Article 9, Section 230 of the New York State Labor Law:

i. Payroll Records Contractors and Subcontractors must keep original payrolls or transcripts subscribed and affirmed as true under the penalties of perjury as required by law. Where the Contractor or Subcontractor maintains no regular place of business in New York State, such records must be kept at the work Site while work is being performed.

ii. Overtime Employees of Contractors and Subcontractors who work in excess of eight hours in a day or forty hours in a week shall be paid at the overtime rate identified by the New York State Department of Labor.

8. TAXES

a. Unless otherwise specified in the Solicitation, Bid Specifications or Contract, the quoted Bid price includes all taxes applicable to the transaction.

b. Purchases made by the State of New York and certain non-State Authorized Users are exempt from New York State and local sales taxes and, with certain exceptions, federal excise taxes. To satisfy the requirements of the New York State sales tax exemption, either the Purchase Order issued by a State Agency or the invoice forwarded to authorize payment for such purchases will be sufficient evidence that the sale by the Contractor was made to the State, an exempt organization under Section 1116(a)(1) of the Tax Law. Non-State Authorized Users must offer their own proof of exemption upon request. No person, firm or corporation is, however, exempt from paying the State Truck Mileage and Unemployment Insurance or Federal Social Security taxes, which remain the sole responsibility of the Bidder/Contractor.

c. Purchases by Authorized Users other than the State of New York may be subject to certain taxes which were not included in the Bid price, and in those instances the tax should be computed based on the Contract price and added to the invoice submitted to such entity for payment.

9. EXPENSES PRIOR TO CONTRACT EXECUTION The Commissioner and any Authorized Users are not liable for any costs incurred by a Bidder or Contractor in the preparation and production of a Bid, Mini-Bid, cost proposal revision, or for any work performed prior to Contract execution.

10. PRODUCT REFERENCES

a. "Or Equal" In all Solicitations or Bid Specifications, the words "or equal" are understood to apply where a copyrighted, brand name, trade name, catalog reference, or patented Product is referenced.

References to such specific Product are intended as descriptive, not restrictive, unless otherwise stated. Comparable Product will be considered if proof of compatibility is provided, including appropriate catalog excerpts, descriptive literature, specifications and test data, etc. The Commissioner's decision as to acceptance of the Product as equal shall be final.

b. Discrepancies in References In the event of a discrepancy between the model number referenced in the Solicitation or Bid Specifications and the written description of the Products that cannot be reconciled, then the written description shall prevail.

11. REMANUFACTURED, RECYCLED, RECYCLABLE, OR RECOVERED MATERIALS Upon the conditions specified in the Solicitation and in accordance with the laws of the State of New York, Contractors are encouraged to use recycled, recyclable, or recovered materials in the manufacture of Products and packaging to the maximum extent practicable without jeopardizing the performance or intended end use of the Product or packaging unless such use is precluded due to health, welfare, safety requirements, or in the Solicitation. Contractors are further encouraged to offer remanufactured Products to the maximum extent practicable without jeopardizing the performance or intended end use of the Product unless such use is precluded due to health, welfare, safety requirements, or by the Solicitation. Where such use is not practical, suitable, or permitted by the Solicitation, Contractor shall deliver new materials in accordance with the "Warranties" set forth below.

Items with recycled, recyclable, recovered, refurbished, or remanufactured content must be identified in the Bid or Bidder will be deemed to be offering new Product.

12. PRODUCTS MANUFACTURED IN PUBLIC INSTITUTIONS

Bids offering Products that are manufactured or produced in public institutions will be rejected.

13. PRICING

a. Unit Pricing If required by the Solicitation, the Bidder should insert the price per unit specified and the price extensions in decimals, not to exceed four places, for each item unless otherwise specified in the Solicitation. In the event of a discrepancy between the unit price and the extension, the unit price shall govern unless, in the sole judgment of the Commissioner, such unit pricing is obviously erroneous.

b. Net Pricing Unless otherwise required by the Solicitation, prices shall be net, including transportation, customs, tariff, delivery and other charges fully prepaid by the Contractor to the destination indicated in the Solicitation or Purchase Order.

c. "No Charge" Bid When Bids are requested on a number of Products as a Group or lot, a Bidder desiring to Bid "no charge" on a Product in the Group or lot must clearly indicate such. Otherwise, such Bid may be considered incomplete and be rejected, in whole or in part, at the discretion of the Commissioner.

d. Educational Pricing All Products to be supplied for educational purposes that are subject to educational discounts shall be identified in the Bid and such discounts shall be made available to qualifying institutions.

e. Third Party Financing If Product acquisitions are financed through any third party financing, Contractor may be required as a condition of Contract award to agree to the terms and conditions of a

“Consent & Acknowledgment Agreement” in a form acceptable to the Commissioner.

f. Specific price decreases:

(i) GSA Changes: Where net pricing under the Contract is based on an approved GSA schedule, price decreases shall take effect automatically during the Contract term and apply to Purchase Orders submitted on or after the date the approved GSA schedule pricing decreases during the Contract term; or

(ii) Commercial Price List Reductions: Where net pricing under the Contract is based on a discount from Contractor’s list prices, price decreases shall take effect automatically during the Contract term and apply to Purchase Orders submitted on or after the date Contractor lowers its pricing on its commercial price lists during the Contract term; or

(iii) Special Offers/Promotions Generally: Where Contractor generally offers more advantageous special price promotions or special discount pricing to other customers during the Contract term for a similar quantity, and the maximum price or discount associated with such offer or promotion is better than the discount or net pricing otherwise available under this Contract, such better price or discount shall apply for similar quantity transactions under this Contract for the life of such general offer or promotion; and

(iv) Special Offers/Promotions to Authorized Users: Contractor may offer Authorized Users, under either this Contract or any other contracting vehicle, competitive pricing which is lower than the net pricing set forth herein at any time during the Contract term and such lower pricing shall not be applied as a global price reduction under the Contract pursuant to the foregoing paragraph (iii).

Unless otherwise specified in the Solicitation, Contractor may offer lower prices or better terms (see Modification of Contract Terms) on any specific Purchase Order from any Authorized User without being in conflict with, or having any obligation to comply on a global basis with, the terms of this clause.

g. Cost Proposal Revisions A Contractor may be solicited prior to Contract award to propose the best possible offer for the Product being bid on, in accordance with State Finance Law Section 163(9)(c). A cost proposal revision must be a lower price than the initial price.

14. SITE INSPECTION Where a Site inspection is required, Bidder shall be required to inspect the Site, including environmental or other conditions, for pre-existing deficiencies that may affect the installed Product or that may affect Bidder’s ability to properly deliver, install or otherwise provide the required Product. All inquiries regarding such conditions shall be made in writing. Bidder shall be deemed to have knowledge of any deficiencies or conditions that such inspection or inquiry might have disclosed. Bidder must provide a detailed explanation with its Bid if additional work is required under this clause in order to properly provide the required Product.

15. PURCHASING CARD The State’s Purchasing Card program is designed to be an efficient and cost effective way to expedite purchases. The Purchasing Card (also referred to as the Procurement Card) is a credit card that enables Authorized Users to make authorized purchases directly from a Contractor without processing formal Purchase Orders. Purchasing Cards are issued to selected employees who are authorized to make purchases for the Authorized

User. Cardholders can make purchases directly from any Contractor that accepts the Purchasing Card.

BID EVALUATION

16. BID EVALUATION The Commissioner reserves the right to accept or reject any and all Bids, or separable portions of Bids, and waive technicalities, irregularities, and omissions if the Commissioner determines the best interests of the State will be served. The Commissioner, in his or her sole discretion, may accept or reject illegible, incomplete or vague Bids, and the Commissioner’s decision shall be final. A conditional or revocable Bid which clearly communicates the terms or limitations of acceptance may be considered, and Contract award may be made in compliance with the Bidder’s conditional or revocable terms in the Bid.

17. TIE BIDS In the event two Bids are found to be substantially equivalent, price shall be the basis for determining the award recipient. While prompt payment discounts will not be considered in determining the low Bid, the Commissioner may consider any prompt payment discount in resolving Bids which are otherwise tied. If two or more Bidders submit substantially equivalent Bids as to pricing or other factors, the decision of the Commissioner to award a Contract to one or more of such Bidders shall be final.

18. QUANTITY CHANGES PRIOR TO AWARD The Commissioner reserves the right, at any time prior to the award of a specific quantity Contract, to alter in good faith the quantities listed in the Solicitation. In the event such right is exercised, the lowest responsible Bidder meeting the Solicitation requirements will be advised of the revised quantities and afforded an opportunity to extend or reduce its Bid price in relation to the changed quantities. Refusal by the low Bidder to so extend or reduce its Bid price may result in the rejection of its Bid and the award of such Contract to the lowest responsible Bidder who accepts the revised qualifications.

19. TIMEFRAME FOR OFFERS The Commissioner reserves the right to make awards within 60 days after the date of the Bid opening or such other period of time as set forth in the Solicitation. The Bids must remain firm until a Contract is awarded, but if a Contract is not awarded within 60 days or other time period set forth in the Solicitation, the Bidder may withdraw its Bid any time thereafter by delivering to the Commissioner written notice of the withdrawal of its Bid.

20. DEBRIEFINGS Pursuant to Section 163(9)(c) of the State Finance Law, any unsuccessful Bidder may request a debriefing regarding the reasons that the Bid submitted by the Bidder was not selected for award. Requests for a debriefing must be made within 15 calendar days of notification by OGS that the Bid submitted by the Bidder was not selected for award. Requests should be submitted in writing to a designated contact identified in the Solicitation.

21. CONTRACT PUBLICITY Any Contractor press or media releases, advertisements, or promotional literature, regardless of the medium, referring to an awarded Contract must be reviewed and approved by the Commissioner prior to issuance. In addition, Contractor shall not use, for any purpose, the New York State of Opportunity registered trademark or the New York State coat of arms without prior written approval from the State.

TERMS & CONDITIONS

22. CONTRACT CREATION/EXECUTION Except for contracts governed by Article 11-B of the State Finance Law, subject to and upon receipt of all required approvals as set forth in the Solicitation, a Contract shall be deemed executed and created with the successful Bidders upon the Commissioner's mailing or electronic communication to the address on the Bid/Contract of: (i) the final Contract Award Notice; (ii) a fully executed Contract; or (iii) a Purchase Order authorized by the Commissioner.

23. CONTRACT TERM - EXTENSION In addition to any stated extension periods in the Contract, any Contract or portion thereof awarded by the Commissioner may be extended by mutual agreement of the Commissioner and the Contractor for an additional period of up to one year. Such extension for up to an additional one-year period may be exercised on a month-to-month basis or in other stated periods of time.

24. OFFICIAL USE ONLY/NO PERSONAL USE The Contract is only for official use by Authorized Users. Use of the Contract for personal or private purposes is strictly prohibited.

25. PARTICIPATION IN CENTRALIZED CONTRACTS

a. State Agencies All State Agencies may utilize and purchase under any Centralized Contract let by the Commissioner, unless the Solicitation limits purchases to specific State Agencies.

b. Non-State Agency Authorized Users Authorized Users other than State Agencies are permitted to make purchases through Centralized Contracts where permitted by law, the Contract or the Commissioner.

c. Voluntary Extension Purchase Orders issued against a Centralized Contract by any Authorized User not provided for in the Contract shall be honored by the Contractor at its discretion and only with the approval of the OGS Commissioner and any other approvals required by law.

d. Responsibility for Performance Participation in Centralized Contracts by Authorized Users is permitted upon the following conditions: (i) the responsibility with regard to performance of any contractual obligation, covenant, condition or term thereunder by any Authorized User other than State Agencies shall be borne and is expressly assumed by such Authorized User and not by the State; (ii) a breach of the Contract by any particular Authorized User shall neither constitute nor be deemed a breach of the Contract as a whole which shall remain in full force and effect, and shall not affect the validity of the Contract nor the obligations of the Contractor thereunder respecting non-breaching Authorized Users, whether State or otherwise; (iii) for a breach by an Authorized User other than a State Agency, the State specifically and expressly disclaims any and all liability for such breach; and (iv) each non-State Agency Authorized User and Contractor guarantees to hold the State, its officers, agents and employees harmless from any liability that may be or is imposed by the non-State Agency Authorized User's or Contractor's failure to perform in accordance with its obligations under the Contract.

e. Contract Migration Authorized Users holding individual Contracts with a Contractor at the time that Contractor is awarded a Centralized Contract for the same Products shall be permitted to migrate to that Centralized Contract effective with its commencement date. Such migration shall not operate to diminish, alter or eliminate

any right that the Authorized User otherwise had under the terms and conditions of their individual Contract.

26. MODIFICATION OF CONTRACT TERMS The terms and conditions set forth in the Contract shall govern all transactions by Authorized Users under this Contract. The Contract may only be modified or amended upon mutual written agreement of the Commissioner and Contractor.

The Contractor may, however, offer any Authorized User more advantageous pricing, payment, or other terms and conditions than those set forth in the Contract. In such event, a copy of such terms shall be furnished to the Authorized User and Commissioner by the Contractor at the time of such offer.

Other than where such terms are more advantageous for the Authorized User than those set forth in the Contract, no alteration or modification of the terms of the Contract, including substitution of Product, shall be valid or binding against an Authorized User unless authorized by the Commissioner or specified in the Contract Award Notification. No such alteration or modification shall be made by unilaterally affixing such terms to Product upon delivery (including, but not limited to, attachment or inclusion of standard pre-printed order forms, product literature, "shrink wrap" terms accompanying software upon delivery, or other documents) or by incorporating such terms onto order forms, Purchase Orders or other documents forwarded by the Contractor for payment, notwithstanding Authorized User's subsequent acceptance of Product, or that Authorized User has subsequently processed such document for approval or payment.

27. SCOPE CHANGES The Commissioner reserves the right to require, by written order, changes to the scope of the Contract, provided that such changes do not materially alter the general scope of the Contract. If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under the Contract, whether or not changed by the order, the Commissioner shall, upon notice from Contractor as hereafter stated, make an equitable adjustment in the Contract price, the delivery schedule or both and shall modify the Contract. The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Commissioner decides that the facts justify it, the Commissioner may provide an adjustment without receipt of a notice from Contractor. In the event of a dispute between the Contractor and the Commissioner, such dispute shall be resolved in accordance with the OGS Dispute Resolution Procedures; provided, however, that nothing in this clause shall excuse the Contractor from proceeding with the Contract as changed.

28. ESTIMATED/SPECIFIC QUANTITY CONTRACTS

Estimated quantity contracts, also referred to as indefinite delivery/indefinite quantity contracts, are expressly agreed and understood to be made for only the quantities, if any, actually ordered during the Contract term. No guarantee of any quantity is implied or given.

With respect to any specific quantity stated in the Contract, the Commissioner reserves the right after award to order up to 20% more or less (rounded to the next highest whole number) than the specific quantities called for in the Contract. Notwithstanding the foregoing, the Commissioner may purchase greater or lesser percentages of Contract quantities should the Commissioner and Contractor so agree. Such agreement may include an equitable price adjustment.

29. EMERGENCY CONTRACTS In the event that a disaster emergency is declared by Executive Order under Section 28 of Article

2-B of the Executive Law, or the Commissioner determines pursuant to his or her authority under Section 163(10)(b) of the State Finance Law that an emergency exists requiring the prompt and immediate delivery of Product, the Commissioner reserves the right to obtain such Product from any source, including but not limited to this Contract, as the Commissioner in his or her sole discretion determines will meet the needs of such emergency. Contractor shall not be entitled to any claim for lost profits for Product procured from other sources pursuant to this clause. The reasons underlying the finding that an emergency exists shall be included in the procurement record.

30. PURCHASE ORDERS Unless otherwise authorized in writing by the Commissioner, no Product is to be delivered or furnished by Contractor until transmittal of an official Purchase Order from the Authorized User. Unless terminated or cancelled pursuant to the authority vested in the Commissioner, Purchase Orders shall be effective and binding upon the Contractor (i) in the case of formal written Purchase Orders, when placed in the mail prior to the termination of the Contract and addressed to the Contractor at the address for receipt of orders set forth in the Contract or in the Contract Award Notification or (ii) in the case of electronic Purchase Orders or Purchasing Card purchases, when electronically transmitted to the Contractor prior to the termination of the Contract.

All Purchase Orders issued pursuant to a Contract let by the Commissioner must be identified with the appropriate Contract number and, if necessary, required State approvals. As deemed necessary, the Authorized User may confirm pricing and other Product information with the Contractor prior to placement of the Purchase Order. The State reserves the right to require any other information from the Contractor which the State deems necessary in order to complete any Purchase Order placed under the Contract. Unless otherwise specified, all Purchase Orders against Centralized Contracts will be placed by Authorized Users directly with the Contractor and any discrepancy between the terms stated on the Contractor's order form, confirmation or acknowledgment, and the Contract terms shall be resolved in favor of the terms most favorable to the Authorized User. Should an Authorized User add written terms and conditions to the Purchase Order that conflict with the terms and conditions of the Contract, the Contractor has the option of rejecting the Purchase Order within five business days of its receipt but shall first attempt to negotiate the additional written terms and conditions in good faith with the Authorized User, or fulfill the Purchase Order. Notwithstanding the above, the Authorized User reserves the right to dispute any discrepancies arising from the presentation of additional terms and conditions with the Contractor.

If, with respect to an Agency Specific Contract let by the Commissioner, a Purchase Order is not received by the Contractor within two weeks after the issuance of a Contract Award Notification, it is the responsibility of the Contractor to request in writing that the appropriate Authorized User forward a Purchase Order. If, thereafter, a Purchase Order is not received within a reasonable period of time, the Contractor shall promptly notify in writing the appropriate purchasing officer in OGS. Failure to timely notify such officer may, in the discretion of the OGS Commissioner and without cost to the State, result in the cancellation of such requirement by the OGS Commissioner with a corresponding reduction in the Contract quantity and price.

31. PRODUCT DELIVERY Delivery must be made as ordered to the address specified on the Purchase Order and in accordance with the terms of the Contract. Delivery shall be made within 30 calendar days after receipt of a Purchase Order by the Contractor, unless otherwise agreed to by the Authorized User and the Contractor. The decision of

the Commissioner as to compliance with delivery terms shall be final. The burden of proof for delay in receipt of a Purchase Order shall rest with the Contractor. In all instances of a potential or actual delay in delivery, the Contractor shall immediately notify the Commissioner and the Authorized User, and confirm in writing the explanation of the delay, and take appropriate action to avoid any subsequent late deliveries. Any extension of time for delivery must be requested in writing by the Contractor and approved in writing by the Authorized User. If compliance with the delivery time schedule is a material term of the Contract, failure to meet such delivery time schedule may be grounds for cancellation of the order or, in the Commissioner's discretion, the Contract.

32. WEEKEND AND HOLIDAY DELIVERIES Unless otherwise specified in the Contract or by an Authorized User, deliveries will be scheduled for ordinary business hours, Monday through Friday (excluding legal holidays observed by the State of New York). Deliveries may be scheduled by mutual agreement for Saturdays, Sundays or legal holidays observed by the State of New York where the Product is for daily consumption, an emergency exists, the delivery is a replacement, delivery is late, or other reasonable circumstance in which event the convenience of the Authorized User shall govern.

33. SHIPPING/RECEIPT OF PRODUCT

a. Packaging Product shall be securely and properly packed for shipment, storage and stocking in appropriate, clearly labeled shipping containers and according to accepted commercial practice, without any extra charges for packing materials, cases or other types of containers. The container shall become and remain the property of the Authorized User unless otherwise specified in the Contract documents.

b. Shipping Charges Unless otherwise stated in the Contract, all deliveries shall be deemed to be freight on board (F.O.B.) destination tailgate delivery at the dock of the Authorized User. Unless otherwise agreed, items purchased at a price F.O.B. shipping point plus transportation charges shall not relieve the Contractor from responsibility for safe and proper delivery notwithstanding the Authorized User's payment of transportation charges. Contractor shall be responsible for ensuring that the bill of lading states "charges prepaid" for all shipments.

c. Receipt of Product The Contractor shall be solely responsible for assuring that deliveries are made to the locations and/or personnel specified by the Authorized User in the Purchase Order. Any losses or delays resulting from the Contractor's failure to deliver Product to the specified locations or personnel shall be borne exclusively by the Contractor.

34. TITLE AND RISK OF LOSS FOR PRODUCTS OTHER THAN TECHNOLOGY PRODUCTS

Notwithstanding the form of shipment, title or other property interest, risk of loss for Products other than technology Products shall not pass from the Contractor to the Authorized User until the Products have been received, inspected and accepted by the receiving entity. Acceptance shall occur within a reasonable time or in accordance with such other defined acceptance period as may be specified in the Contract or Purchase Order. Mere acknowledgment by Authorized User personnel of the delivery or receipt of goods (e.g., signed bill of lading) shall not be deemed or construed as acceptance of the Products received. Any delivery of Product that is substandard or does not comply with the Contract may be rejected or accepted on an adjusted price basis, as determined by the Commissioner. Title, risk of loss, and acceptance for technology Products shall be governed by the Product Acceptance clause.

35. PRODUCT SUBSTITUTION In the event a specified Product listed in the Contract becomes unavailable or cannot be supplied by the Contractor for any reason (except as provided for in the Savings/Force Majeure clause), a Product deemed in writing by the Commissioner to be equal to or better than the specified Product must be substituted by the Contractor at no additional cost or expense to the Authorized User. Unless otherwise specified, any substitution of Product prior to the Commissioner's written approval may be cause for termination of Contract.

36. REJECTED PRODUCT When Product is rejected, it must be removed by the Contractor from the premises of the Authorized User within ten calendar days of notification of rejection by the Authorized User. Upon notification of rejection, risk of loss of rejected or non-conforming Product shall remain with Contractor. Rejected items not removed by the Contractor within ten calendar days of notification shall be regarded as abandoned by the Contractor, and the Authorized User shall have the right to dispose of Product as its own property. The Contractor shall promptly reimburse the Authorized User for any and all costs and expenses incurred in storage or effecting removal or disposition after the ten-calendar-day period.

37. INSTALLATION Where installation is required, Contractor shall be responsible for placing and installing the Product in the required locations. All materials used in the installation shall be of good quality and shall be free from any and all defects that would mar the Product or render it unsound. Installation includes the furnishing of any equipment, rigging and materials required to install or place the Product in the proper location. The Contractor shall protect the Site from damage for all its work and shall repair damages or injury of any kind caused by the Contractor, its employees, officers or agents. If any alteration, dismantling or excavation, etc. is required to effect installation, the Contractor shall thereafter promptly restore the structure or Site. Work shall be performed to cause the least inconvenience to the Authorized User and with proper consideration for the rights of other Contractors or workers. The Contractor shall promptly perform its work and shall coordinate its activities with those of other Contractors. The Contractor shall clean up and remove all debris and rubbish from its work as required or directed. Upon completion of the work, the building and surrounding area of work shall be left clean and in a neat, unobstructed condition, and everything in satisfactory repair and order.

38. REPAIRED OR REPLACED PRODUCTS, PARTS, OR COMPONENTS Where the Contractor is required to repair, replace or substitute Product or parts or components of the Product under the Contract, the repaired, replaced or substituted Products shall be subject to all terms and conditions for new parts and components set forth in the Contract including warranties, as set forth in the Warranties clause herein. Replaced or repaired Product or parts and components of such Product shall be new and shall, if available, be replaced by the original manufacturer's component or part. Remanufactured parts or components meeting new Product standards may be permitted by the Commissioner or Authorized User. Before installation, all proposed substitutes for the original manufacturers' installed parts or components must be approved by the Authorized User. The part or component shall be equal to or of better quality than the original part or component being replaced.

39. EMPLOYEES, SUBCONTRACTORS AND AGENTS All employees, Subcontractors, or agents of the Contractor performing work under the Contract must be trained staff or technicians who meet or exceed the professional, technical, and training qualifications set forth in the Contract or the Purchase Order, and must comply with all security and administrative requirements of the Authorized User that are communicated to the Contractor. The Commissioner and the Authorized

User reserve the right to conduct a security background check or otherwise approve any employee, Subcontractor, or agent furnished by Contractor and to refuse access to or require replacement of any personnel for cause based on professional, technical or training qualifications, quality of work or change in security status or non-compliance with Authorized User's security or other requirements. Such approval shall not relieve the Contractor of the obligation to perform all work in compliance with the Contract or the Purchase Order. The Commissioner and the Authorized User reserve the right to reject and/or bar from any facility for cause any employee, Subcontractor, or agent of the Contractor.

40. ASSIGNMENT In accordance with Section 138 of the State Finance Law, the Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of the Contract or its right, title or interest therein, or its power to execute such Contract to any other person, company, firm or corporation in performance of the Contract without the prior written consent of the Commissioner or Authorized User (as applicable); provided, however, any consent shall not be unreasonably withheld, conditioned, delayed or denied. The Commissioner may waive the requirement that such consent be obtained in advance where the Contractor verifies that the assignment, transfer, conveyance, sublease, or other disposition is due to, but not necessarily limited to, a reorganization, merger, or consolidation of the Contractor's business entity or enterprise.

Notwithstanding the foregoing, the State shall not hinder, prevent or affect assignment of money by a Contractor for the benefit of its creditors. Prior to a consent to assignment of monies becoming effective, the Contractor shall file a written notice of such monies assignments with the State Comptroller. Prior to a consent to assignment of a Contract, or portion thereof, becoming effective, the Contractor shall submit the request for assignment to the Commissioner and seek written agreement from the Commissioner which will be filed with the State Comptroller. Commissioner shall use reasonable efforts to promptly respond to any request by Contractor for an assignment, provided that Contractor supplies sufficient information about the party to whom the Contractor proposes to assign the Contract.

Upon notice to the Contractor, the Contract may be assigned without the consent of the Contractor to another State Agency or subdivision of the State pursuant to a governmental reorganization or assignment of functions under which the functions are transferred to a successor Agency or to another Agency that assumes OGS responsibilities for the Contract.

41. SUBCONTRACTORS AND SUPPLIERS The Commissioner reserves the right to reject any proposed Subcontractor or supplier for bona fide business reasons, including, but not limited to: the company failed to solicit New York State certified minority- and women-owned business enterprises as required in prior OGS Contracts; the fact that such Subcontractor or supplier is on the New York State Department of Labor's list of companies with which New York State cannot do business; the Commissioner's determination that the company is not qualified or is not responsible; or the fact that the company has previously provided unsatisfactory work or services.

42. SUSPENSION OF WORK The Commissioner, in his or her sole discretion, reserves the right to suspend any or all activities under the Contract, at any time, in the best interests of the Authorized User. In the event of such suspension, the Contractor will be given a formal written notice outlining the particulars of such suspension. Examples of the reason for such suspension include, but are not limited to, a budget freeze or reduction in State spending, declaration of emergency, contract compliance issues or other circumstances. Upon

issuance of such notice, the Contractor is not to accept any Purchase Orders, and shall comply with the suspension order. Activity may resume at such time as the Commissioner issues a formal written notice authorizing a resumption of performance under the Contract.

An Authorized User may issue a formal written notice for the suspension of work for which it has engaged the Contractor for reasons specified in the above paragraph. The written notice shall set forth the reason for such suspension and a copy of the written notice shall be provided to the Commissioner.

43. TERMINATION

a. For Cause For a material breach that remains uncured for more than 30 calendar days or other longer period as specified by written notice to the Contractor, the Contract or Purchase Order may be terminated by the Commissioner or Authorized User respectively. Neither the State nor an Authorized User shall be liable for any of Contractor's costs arising from the failure to perform or the termination, including without limitation costs incurred after the date of termination. Such termination shall be upon written notice to the Contractor. In such event, the Commissioner or Authorized User may complete the contractual requirements in any manner it may deem advisable and pursue available legal or equitable remedies for breach.

b. For Convenience This Contract may be terminated at any time by the Commissioner for convenience upon 60 calendar days or other longer period as specified by written notice, without penalty or other early termination charges due. Such termination of the Contract shall not affect any project or Purchase Order that has been issued under the Contract prior to the date of such termination. If the Contract is terminated pursuant to this subdivision, the Authorized User shall remain liable for all accrued but unpaid charges incurred through the date of the termination. Contractor shall use due diligence and fulfill any outstanding Purchase Orders.

c. For Violation of Sections 139-j and 139-k of the State Finance Law The Commissioner reserves the right to terminate the Contract in the event it is found that the certification filed by the Bidder in accordance with Section 139-k of the State Finance Law was intentionally false or intentionally incomplete. Upon such finding, the Commissioner may exercise his or her termination right by providing written notification to the Contractor in accordance with the written notification terms of the Contract.

d. For Violation of Section 5-a of the New York State Tax Law The Commissioner reserves the right to terminate the Contract in the event it is found that the certification filed by the Contractor in accordance with Section 5-a of the Tax Law is not timely filed during the term of the Contract or the certification furnished was intentionally false or intentionally incomplete. Upon such finding, the Commissioner may exercise his or her termination right by providing written notification to the Contractor in accordance with the written notification terms of the Contract.

e. For Non-Responsibility The Bidder agrees that if it is found by the State that the Bidder's responses to the Vendor Responsibility Questionnaire were intentionally false or intentionally incomplete, on such finding, the Commissioner may terminate the Contract.

Upon written notice to the Contractor, and a reasonable opportunity to be heard with appropriate OGS officials or staff, the Contract may be terminated by the Commissioner at the Contractor's expense where the Contractor is determined by the Commissioner to be non-responsible. In such event, the Commissioner may complete the contractual

requirements in any manner he or she may deem advisable and pursue available legal or equitable remedies for breach.

In no case shall such termination of the Contract by the State be deemed a breach thereof, nor shall the State be liable for any damages for lost profits or otherwise, which may be sustained by the Contractor as a result of such termination.

f. Upon Conviction of Certain Crimes The Commissioner reserves the right to terminate the Contract in the event it is found that a member, partner, director or officer of Contractor is convicted of one or more of the following: Bribery Involving Public Servants and Related Offenses as defined in Article 200 of the New York State Penal Law; Corrupting the Government as defined in Article 496 of the New York State Penal Law; or Defrauding the Government as defined in Section 195.20 of the New York State Penal Law.

44. SAVINGS/FORCE MAJEURE A force majeure occurrence is an event or effect that cannot be reasonably anticipated or controlled and is not due to the negligence or willful misconduct of the affected party. Force majeure includes, but is not limited to, acts of God, acts of war, acts of public enemies, terrorism, strikes, fires, explosions, actions of the elements, floods, or other similar causes beyond the control of the Contractor or the Commissioner in the performance of the Contract where non-performance, by exercise of reasonable diligence, cannot be prevented.

The affected party shall provide the other party with written notice of any force majeure occurrence as soon as the delay is known and provide the other party with a written contingency plan to address the force majeure occurrence, including, but not limited to, specificity on quantities of materials, tooling, people, and other resources that will need to be redirected to another facility and the process of redirecting them. Furthermore, the affected party shall use its commercially reasonable efforts to resume proper performance within an appropriate period of time. Notwithstanding the foregoing, if the force majeure condition continues beyond 30 days, the parties to the Contract shall jointly decide on an appropriate course of action that will permit fulfillment of the parties' objectives under the Contract.

The Contractor agrees that in the event of a delay or failure of performance by the Contractor under the Contract due to a force majeure occurrence:

- a. The Commissioner may purchase from other sources (without recourse to and by the Contractor for the costs and expenses thereof) to replace all or part of the Products which are the subject of the delay, which purchases may be deducted from the Contract quantities without penalty or liability to the State, or
- b. The Contractor will provide Authorized Users with access to Products first in order to fulfill orders placed before the force majeure event occurred. The Commissioner agrees that Authorized Users shall accept allocated performance or deliveries during the occurrence of the force majeure event.

Neither the Contractor nor the Commissioner shall be liable to the other for any delay in or failure of performance under the Contract due to a force majeure occurrence. Any such delay in or failure of performance shall not constitute default or give rise to any liability for damages. The existence of such causes of such delay or failure shall extend the period for performance to such extent as determined by the Contractor and the Commissioner to be necessary to enable complete performance by the Contractor if reasonable diligence is exercised after the cause of delay or failure has been removed.

Notwithstanding the above, at the discretion of the Commissioner where the delay or failure will significantly impair the value of the Contract to the State or to Authorized Users, the Commissioner may terminate the Contract or the portion thereof which is subject to delays, and thereby discharge any unexecuted portion of the Contract or the relative part thereof.

In addition, the Commissioner reserves the right, in his or her sole discretion, to make an equitable adjustment in the Contract terms and/or pricing should extreme and unforeseen volatility in the marketplace affect pricing or the availability of supply. "Extreme and unforeseen volatility in the marketplace" is defined as market circumstances which meet the following criteria: (i) the volatility is due to causes outside the control of Contractor; (ii) the volatility affects the marketplace or industry, not just the particular Contract source of supply; (iii) the effect on pricing or availability of supply is substantial; and (iv) the volatility so affects Contractor's performance that continued performance of the Contract would result in a substantial loss to the Contractor. In the event of a dispute between the Contractor and the Commissioner, such dispute shall be resolved in accordance with the OGS Dispute Resolution Procedures; provided, however, that nothing in this clause shall excuse the Contractor from performing in accordance with the Contract as changed.

45. **CONTRACT INVOICING**

a. Invoicing Contractor and the dealers/distributors/resellers designated by the Contractor, if any, shall provide complete and accurate billing invoices to each Authorized User in order to receive payment. Billing invoices submitted to an Authorized User must contain all information required by the Contract and the State Comptroller or other appropriate fiscal officer.

Contractor shall provide, upon request of the Commissioner, any and all information necessary to verify the accuracy of the billings. Such information shall be provided in a commercially reasonable manner as requested by the Commissioner. The Commissioner may direct the Contractor to provide the information to the State Comptroller or to any Authorized User of the Contract.

b. Payment of Contract Purchases made by an Authorized User when the State Comptroller is responsible for issuing such payment The Authorized User and Contractor agree that payments for invoices submitted by the Contractor shall only be rendered electronically unless payment by paper check is expressly authorized by the Commissioner, in the Commissioner's sole discretion, due to extenuating circumstances. Such electronic payments shall be made in accordance with ordinary State procedures and practices. The Contractor shall comply with the State Comptroller's procedures to authorize electronic payments. Authorization forms are available at the State Comptroller website at www.osc.state.ny.us, by e-mail at HelpDesk@sfs.ny.gov, or by telephone at (518) 457-7737 or toll free (877) 737-4185. Contractor acknowledges that it will not receive payment on any invoices submitted under this Contract that are payable by the State Comptroller if it does not comply with the State Comptroller's electronic payment procedures, except where the Commissioner has expressly authorized payment by paper check as set forth above.

c. Payment of Contract Purchases made by an Authorized User when the State Comptroller is not responsible for issuing such payment The Authorized User and Contractor agree that payments for such Contract purchases shall be billed directly by Contractor on invoices/vouchers, together with complete and accurate supporting documentation as required by the Authorized User. Such payments shall be as mandated by the appropriate governing law from the receipt

of a proper invoice. Such Authorized User and Contractor are strongly encouraged to establish electronic payments.

46. **DEFAULT – AUTHORIZED USER**

a. Breach by Authorized User An Authorized User's breach shall not be deemed a breach of the Centralized Contract; rather, it shall be deemed a breach of the Authorized User's performance under the terms and conditions of the Centralized Contract.

b. Failure to Make Payment In the event a participating Authorized User fails to make payment to the Contractor for Products delivered, accepted and properly invoiced, within 30 calendar days of such delivery and acceptance, the Contractor may, upon five business days advance written notice to both the Commissioner and the Authorized User's purchasing official, suspend additional provision of Products to such entity until such time as reasonable arrangements have been made and assurances given by such entity for current and future Contract payments.

c. Notice of Breach Notwithstanding the foregoing, the Contractor shall, at least 10 business days prior to declaring a breach of Contract by any Authorized User, by certified or registered mail, notify both the Commissioner and the purchasing official of the breaching Authorized User of the specific facts, circumstances and grounds upon which a breach will be declared.

d. Insufficient basis If the Contractor's basis for declaring a breach is insufficient, the Contractor's declaration of breach and failure to provide Products to an Authorized User may constitute a breach of the Contract, and the Authorized User may thereafter seek any remedy available at law or equity.

47. **PROMPT PAYMENTS**

a. By State Agencies Upon acceptance of Product or as otherwise provided by Contract, Contractor may invoice for payment. The required payment date shall be 30 calendar days, excluding legal holidays, from the receipt of a proper invoice, as determined in accordance with State Finance Law Section 179-f(2) and 2 NYCRR Part 18. The payment of interest on certain payments due and owed by the State Agency may be made in accordance with State Finance Law Sections 179-d et seq. and the implementing regulations (2 NYCRR § 18.1 et seq.).

b. By Non-State Agencies Upon acceptance of Product or as otherwise provided by Contract, Contractor may invoice for payment. The required payment date shall be 30 calendar days, excluding legal holidays, or as mandated by the appropriate governing law from the receipt of a proper invoice. The terms of Article 11-A of the State Finance Law apply only to procurements by and the consequent payment obligations of State Agencies. Neither expressly nor by any implication is the statute applicable to non-State agency Authorized Users. Neither OGS nor the State Comptroller is responsible for payments on any purchases made by a non-State agency Authorized User.

c. By Contractor Should the Contractor be liable for any payments to the State hereunder, interest, late payment charges and collection fee charges will be determined and assessed pursuant to Section 18 of the State Finance Law.

48. REMEDIES FOR BREACH Unless otherwise specified by the Authorized User in a Mini-Bid or Purchase Order, in the event that Contractor fails to observe or perform any term or condition of the Contract and such failure remains uncured after 15 calendar days following written notice by the Commissioner or an Authorized User,

the Commissioner or an Authorized User may exercise all rights and remedies available at law or in equity. Notwithstanding the foregoing, if such failure is of a nature that it cannot be cured completely within 15 calendar days and Contractor shall have commenced its cure of such failure within such period and shall thereafter diligently prosecute all steps necessary to cure such failure, such 15-day period may, in the sole discretion of the Commissioner or the Authorized User, be extended for a reasonable period in no event to exceed 60 calendar days. It is understood and agreed that the rights and remedies available to the Commissioner and Authorized Users in the event of breach shall include but not be limited to the following:

a. Cover/Substitute Performance In the event of Contractor's material, uncured breach, the Commissioner or Authorized User may, with or without issuing a formal Solicitation: (i) purchase from other sources; or (ii) if the Commissioner or Authorized User is unsuccessful after making reasonable attempts, under the circumstances then-existing, to timely obtain acceptable replacement Product of equal or comparable quality, the Commissioner or Authorized User may acquire acceptable replacement Product of lesser or greater quality. Such purchases may be deducted from the Contract quantity without penalty or liability to the State.

b. Withhold Payment In any case where a reasonable question of material, uncured non-performance by Contractor arises, payment may be withheld in whole or in part at the discretion of the Authorized User.

c. Bankruptcy In the event that the Contractor files, or there is filed against Contractor, a petition under the U.S. Bankruptcy Code during the term of this Centralized Contract, Authorized Users may, at their discretion, make application to exercise their right to set-off against monies due the debtor or, under the doctrine of recoupment, be credited the amounts owed by the Contractor arising out of the same transactions.

d. Reimbursement of Costs Incurred The Contractor agrees to reimburse the Authorized User promptly for any and all additional costs and expenses incurred for acquiring acceptable replacement Product. Should the cost of cover be less than the Contract price, the Contractor shall have no claim to the difference. The Contractor covenants and agrees that in the event suit is successfully prosecuted for any default on the part of the Contractor, all costs and expenses, including reasonable attorney's fees, shall be paid by the Contractor.

Where the Contractor fails to timely deliver pursuant to the guaranteed delivery terms of the Contract, the ordering Authorized User may obtain replacement Product temporarily and the cost of the replacement Product shall be deducted from the Contract quantity without penalty or liability to the State.

e. Deduction/Credit Sums due as a result of these remedies may be deducted or offset by the Authorized User from payments due, or to become due, the Contractor on the same or another transaction. If no deduction or only a partial deduction is made in such fashion the Contractor shall pay to the Authorized User the amount of such claim or portion of the claim still outstanding, on demand. The Commissioner reserves the right to determine the disposition of any rebates, settlements, restitution, damages, etc., that arise from the administration of the Contract.

49. ASSIGNMENT OF CLAIM Contractor hereby assigns to the State any and all claims for overcharges associated with this Contract that may arise under the antitrust laws of the United States, 15 USC

Section 1, et seq. and the antitrust laws of the State of New York, General Business Law Section 340, et seq.

50. TOXIC SUBSTANCES Each Contractor furnishing a toxic substance, as defined by Section 875 of the Labor Law, shall provide such Authorized User with not less than two copies of a Safety Data Sheet, which sheet shall include for each such substance the information outlined in Section 876 of the Labor Law.

Before any chemical product is used or applied on or in any building, a copy of the product label and Safety Data Sheet must be provided to and approved by the Authorized User.

51. INDEPENDENT CONTRACTOR It is understood and agreed that the legal status of the Contractor, its Subcontractors, agents, officers and employees under this Contract is that of an independent contractor, and in no manner shall they be deemed employees of the Authorized User, and therefore are not entitled to any of the benefits associated with such employment.

52. SECURITY Contractor warrants, covenants and represents that, in the performance of the Contract, Contractor, its agents, Subcontractors, officers, distributors, resellers and employees will comply fully with all security procedures of the Authorized User set forth in the Contract or Purchase Order or otherwise communicated in advance to the Contractor including but not limited to physical, facility, documentary and cyber security rules, procedures and protocols.

53. COOPERATION WITH THIRD PARTIES The Contractor shall be responsible for fully cooperating with any third party, including but not limited to other Contractors or Subcontractors of the Authorized User, as necessary to ensure delivery or performance of Product.

54. WARRANTIES

a. Product Performance Contractor hereby warrants and represents that the Products acquired by the Authorized User under this Contract conform to the manufacturer's specifications, performance standards and Documentation and that the Documentation fully describes the proper procedure for using the Products.

b. Title and Ownership Contractor warrants and represents that it has (i) full ownership, clear title free of all liens, or (ii) the right to transfer or deliver specified license rights to any Products acquired by Authorized User under this Contract. Contractor shall be solely liable for any costs of acquisition associated therewith. Contractor shall indemnify Authorized Users and hold Authorized Users harmless from any damages and liabilities (including reasonable attorneys' fees and costs) arising from any breach of Contractor's warranties as set forth herein.

c. Product Warranty Contractor further warrants and represents that Products, components or parts specified and furnished by or through Contractor, whether specified and furnished individually or as a system, shall be substantially free from defects in material and workmanship and will conform to all requirements of the Contract for the manufacturer's standard commercial warranty period, if applicable, or for a minimum of one year from the date of acceptance, whichever is longer (the "Product warranty period").

During the Product warranty period, defects in the materials or workmanship of Products, components, or parts specified and furnished by or through Contractor, whether specified and furnished

individually or as a system, shall be repaired or replaced by Contractor at no cost or expense to the Authorized User. Contractor shall extend the Product warranty period for individual Products, or for the system as a whole, as applicable, by the cumulative periods of time, after notification, during which an individual Product, or the system as a whole, requires repairs or replacement resulting in down time or is in the possession of the Contractor, its agents, officers, Subcontractors, distributors, resellers or employees (“extended warranty”).

Any component or part replaced by the Contractor under the Contract warranties shall be guaranteed for the greater of: (i) the Product warranty period set forth herein; or (ii) the manufacturer’s standard commercial warranty period offered for the component or part, if applicable.

All costs for materials, labor, and transportation incurred to repair or replace Products, parts, components, or systems as a whole during the warranty period shall be borne solely by the Contractor, and the State or Authorized User shall in no event be liable or responsible therefor.

Where Contractor, the Third-Party Software vendor, or other third-party manufacturer markets any Product delivered by or through Contractor with a standard commercial warranty, such standard warranty shall be in addition to, and not relieve the Contractor from, Contractor’s warranty obligations during the Product warranty and extended warranty periods. Where such standard commercial warranty covers all or some of the Product warranty or extended warranty periods, Contractor shall be responsible for the coordination during the Product warranty or extended warranty periods with Third-Party Software vendor or other third-party manufacturers for warranty repair or replacement of Third-Party Software vendor or other third-party manufacturer’s Product.

Where Contractor, Third-Party Software vendor, or other third-party manufacturer markets any Product with a standard commercial warranty that goes beyond the Product warranty or extended warranty periods, Contractor shall notify the Authorized User and pass through the standard commercial warranty to Authorized User at no additional charge; provided, however, that Contractor shall not be responsible for coordinating services under the standard commercial warranty after expiration of the Product warranty and extended warranty periods.

Unless recycled, recyclable, or recovered materials are available in accordance with the Remanufactured, Recycled, Recyclable, or Recovered Materials clause, Product offered shall be standard new equipment, current model or most recent release of regular stock product with all parts regularly used with the type of equipment offered. Contractor further warrants and represents that no component or part has been substituted or applied contrary to the manufacturer’s recommendations and standard practice.

Contractor shall not be responsible for any modification of the Products made by an Authorized User without Contractor’s approval.

d. Virus Warranty The Contractor represents and warrants that any Product acquired under the Contract by the Authorized User does not contain any known Viruses. Contractor is not responsible for Viruses introduced at an Authorized User’s Site.

e. Date/Time Warranty Contractor warrants that Product furnished pursuant to this Contract shall, when used in accordance with the Product Documentation, be able to accurately process date/time data (including, but not limited to, calculating, comparing, and sequencing) transitions, including leap year calculations. Where a Contractor proposes or an

acquisition requires that specific Products must perform as a package or system, this warranty shall apply to the Products as a system.

Where Contractor is providing ongoing services, including but not limited to: (i) consulting, integration, code or data conversion, (ii) maintenance or support services, (iii) data entry or processing, or (iv) contract administration services (e.g., billing, invoicing, claim processing), Contractor warrants that services shall be provided in an accurate and timely manner without interruption, failure or error due to the inaccuracy of Contractor’s business operations in processing date/time data (including, but not limited to, calculating, comparing, and sequencing) various date/time transitions, including leap year calculations. Contractor shall be responsible for damages resulting from any delays, errors or untimely performance resulting therefrom, including but not limited to the failure or untimely performance of such services.

f. Workmanship Warranty Contractor warrants that the services acquired under this Contract will be provided in a professional and workmanlike manner in accordance with the applicable industry standards, if any. The Authorized User must notify Contractor of any services warranty deficiencies within 90 calendar days from performance of the services that gave rise to the warranty claim.

g. Survival of Warranties All warranties contained in this Contract shall survive the termination of this Contract.

h. Prompt Notice of Breach The Authorized User shall promptly notify the Contractor and the Commissioner in writing of any claim of breach of any warranty provided herein.

i. Additional Warranties Where Contractor, Product manufacturer or service provider generally offers additional or more advantageous warranties than those set forth herein, Contractor shall offer or pass through any such warranties to Authorized Users.

j. No Limitation of Rights The rights and remedies of the State and the Authorized Users provided in this clause are in addition to and do not limit any rights afforded to the State and the Authorized Users by any other clause of the Contract.

55. LEGAL COMPLIANCE Contractor represents and warrants that it shall secure all notices and comply with all applicable laws, ordinances, rules and regulations of any governmental entity in conjunction with the performance of obligations under the Contract. Prior to award and during the Contract term and any extensions thereof, Contractor must establish to the satisfaction of the Commissioner that it meets or exceeds all requirements of the Solicitation and Contract and any applicable laws, including but not limited to, permits, licensing, and shall provide such proof as required by the Commissioner. Failure to comply or failure to provide proof may constitute grounds for the Commissioner to terminate or suspend the Contract, in whole or in part, or to take any other action deemed necessary by the Commissioner. Contractor also agrees to disclose information and provide affirmations and certifications to comply with Sections 139-j and 139-k of the State Finance Law.

56. INDEMNIFICATION Contractor shall be fully liable for the actions of its agents, employees, partners or Subcontractors and shall fully defend, indemnify and hold the Authorized Users harmless from suits, actions, proceedings, claims, losses, damages, and costs (including reasonable attorney fees) of every name and description relating to personal injury and damage to real or personal tangible property caused by any intentional act or negligence of Contractor, its agents, employees, partners or Subcontractors, which shall arise from or result directly or indirectly from this Contract, without limitation;

provided, however, that the Contractor shall not be obligated to indemnify an Authorized User for any claim, loss or damage arising hereunder to the extent caused by the negligent act, failure to act, gross negligence or willful misconduct of the Authorized User.

The Authorized User shall give Contractor: (i) prompt written notice of any action, claim or threat of suit, or other suit for which Contractor is required to fully indemnify an Authorized User, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action, claim or suit at the expense of Contractor. Notwithstanding the foregoing, the State reserves the right to join such action, at its sole expense, if it determines there is an issue involving a significant public interest.

In the event that an action or proceeding at law or in equity is commenced against the Authorized User arising out of a claim for death, personal injury or damage to real or personal tangible property caused by any intentional or willful act, gross negligence, or negligence of Contractor, its agents, employees, partners or Subcontractors, which shall arise from or result directly or indirectly from the Products supplied under this Contract, and Contractor is of the opinion that the allegations in such action or proceeding in whole or in part are not covered by the indemnification and defense provisions set forth in the Contract, Contractor shall immediately notify the Authorized User and the New York State Office of the Attorney General in writing and shall specify to what extent Contractor believes it is obligated to defend and indemnify under the terms and conditions of the Contract and to what extent it is not so obligated to defend and indemnify. Contractor shall in such event protect the interests of the Authorized User and attempt to secure a continuance to permit the State and the Authorized User to appear and defend their interests in cooperation with Contractor, as is appropriate, including any jurisdictional defenses the State and Authorized User may have. In the event of a dispute regarding the defense, the Contractor and the Attorney General shall try to reach an amicable resolution, but the Attorney General shall have the final determination on such matters.

57. INDEMNIFICATION RELATING TO INFRINGEMENT

The Contractor shall also defend, indemnify and hold the Authorized Users harmless from all suits, actions, proceedings, claims, losses, damages, and costs of every name and description (including reasonable attorney fees), relating to a claim of infringement of a patent, copyright, trademark, trade secret or other proprietary right provided such claim arises solely out of the Products as supplied by the Contractor, and not out of any modification to the Products made by the Authorized User or by someone other than Contractor at the direction of the Authorized User without Contractor's approval; provided, however, that the Contractor shall not be obligated to indemnify an Authorized User for any claim, loss or damage arising hereunder to the extent caused by the negligent act, failure to act, gross negligence or willful misconduct of the Authorized User.

The Authorized User shall give Contractor: (i) prompt written notice of any action, claim or threat of suit alleging infringement, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action, claim or suit at the expense of Contractor. Notwithstanding the foregoing, the State reserves the right to join such action, at its sole expense, if it determines there is an issue involving a significant public interest.

If usage of a Product shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its

own expense and sole discretion to take action in the following order of precedence: (i) to procure for the Authorized User the right to continue usage (ii) to modify the service or Product so that usage becomes non-infringing, and is of at least equal quality and performance; or (iii) to replace such Product or parts thereof, as applicable, with non-infringing Product of at least equal quality and performance. If the above remedies are not available, the parties shall terminate the Contract, in whole or in part as necessary and applicable, provided that the Authorized User is given a refund for any amounts paid for the period during which usage was not feasible.

In the event that an action or proceeding at law or in equity is commenced against the Authorized User arising out of a claim that the Authorized User's use of the Product under the Contract infringes any patent, copyright, trademark, trade secret or proprietary right, and Contractor is of the opinion that the allegations in such action or proceeding in whole or in part are not covered by the indemnification and defense provisions set forth in the Contract, Contractor shall immediately notify the Authorized User and the New York State Office of the Attorney General in writing and shall specify to what extent Contractor believes it is obligated to defend and indemnify under the terms and conditions of the Contract and to what extent it is not so obligated to defend and indemnify. Contractor shall in such event protect the interests of the Authorized User and attempt to secure a continuance to permit the State and the Authorized User to appear and defend their interests in cooperation with Contractor, as is appropriate, including any jurisdictional defenses the State and Authorized User may have. In the event of a dispute regarding the defense, the Contractor and the Attorney General shall try to reach an amicable resolution, but the Attorney General shall have the final determination on such matters. This constitutes the Authorized User's sole and exclusive remedy for infringement of a patent, copyright, trademark, trade secret, or other proprietary right.

58. LIMITATION OF LIABILITY Except as otherwise set forth in the Indemnification clause and the Indemnification Relating to Infringement clause, the limit of liability shall be as follows:

a. Contractor's liability for any claim, loss or liability arising out of, or connected with the Products provided, and whether based upon default, or other liability such as breach of contract, warranty, negligence, misrepresentation or otherwise, shall in no case exceed direct damages in: (i) an amount equal to two (2) times the charges specified in the Purchase Order for the Products forming the basis of the Authorized User's claim or (ii) five hundred thousand dollars (\$500,000), whichever is greater.

b. The Authorized User may retain such monies from any amount due Contractor as may be necessary to satisfy any claim for damages, costs and the like asserted against the Authorized User unless Contractor at the time of the presentation of claim shall demonstrate to the Authorized User's satisfaction that sufficient monies are set aside by the Contractor in the form of a bond or through insurance coverage to cover associated damages and other costs.

c. Notwithstanding the above, neither the Contractor nor the Authorized User shall be liable for any consequential, indirect or special damages of any kind which may result directly or indirectly from such performance, including, without limitation, damages resulting from loss of use or loss of profit by the Authorized User, the Contractor, or by others.

59. DISPUTE RESOLUTION PROCEDURES

It is the policy of OGS to provide interested parties, as defined in the OGS Dispute Resolution Procedures, with an opportunity to

administratively resolve disputes, complaints or inquiries related to Solicitations, contract awards and contract administration. OGS encourages interested parties to seek resolution of disputes through consultation with OGS staff. All such matters shall be accorded impartial and timely consideration. Interested parties may also file formal written disputes. A copy of the OGS Dispute Resolution Procedures may be obtained by contacting the designated contact for the Solicitation, the Contract manager, or at the OGS website. OGS reserves the right to change the procedures set forth in the Dispute Resolution Procedures without seeking a Contract amendment.

To the extent the scope of the Solicitation or Contract includes the sale, development, maintenance, or use of information technology Products such as software, computer components, systems, or networks for the processing, and distribution, or storage, or storage of data, the following clauses shall govern, as applicable.

60. SOFTWARE LICENSE GRANT Where Product is acquired on a licensed basis the following shall constitute the license grant:

a. License Scope Licensee is granted a non-exclusive, perpetual license to use, execute, reproduce, display, perform, or merge the Product within its business enterprise in the United States up to the maximum licensed capacity stated on the Purchase Order. Product may be accessed, used, executed, reproduced, displayed or performed up to the capacity measured by the applicable licensing unit stated on the Purchase Order (e.g., payroll size, number of employees, CPU, MIPS, MSU, concurrent user, workstation, virtual partition). Licensee shall have the right to use those modifications or customizations of the Product that have been purchased by Licensee and to distribute such modifications or customizations for use by any Authorized Users otherwise licensed to use the Product, provided that any modifications or customizations, however extensive, shall not diminish Licensor's proprietary title or interest. No license, right or interest in any trademark, trade name, or service mark is granted hereunder.

Licensee and Contractor may agree to alternative licensing rights (e.g., subscription, term, virtual) for specific Products used by the Contractor in performing the services, provided such agreement is reached prior to Bid, Mini-Bid, RFQ, or Contract award, as applicable. Such licensing rights will be specified in an applicable Purchase Order or other document approved by Licensee and Contractor.

b. License Term The license term shall commence upon the License Effective Date, provided, however, that where an acceptance or trial period applies to the Product, the license term shall be extended by the time period for testing, acceptance or trial.

c. Product Documentation Contractor shall provide Product Documentation electronically to Licensee at no charge. If Product Documentation is made available to customers in hard copy, Contractor shall provide at no charge one hard copy.

Contractor hereby grants to Licensee a non-exclusive, fully paid-up, royalty-free perpetual license in the Product Documentation to make, reproduce, and distribute, either electronically or otherwise, copies of the Product Documentation as necessary to enjoy full use of the Product in accordance with the Contract.

d. Product Technical Support & Maintenance Licensee shall have the option of electing the Product technical support and maintenance ("maintenance") set forth in the Contract by giving written notice to Contractor any time during the Centralized Contract term. Contractor shall fully disclose all terms and conditions of maintenance available to Licensee, including the extent to which updates, upgrades, revisions, and new releases are included in maintenance. Maintenance terms and any renewals thereof are independent of the expiration of the Centralized Contract term and shall not automatically renew.

Unless otherwise provided by written agreement between the Contractor and Licensee, maintenance offered shall include, at a minimum, (i) the provision of Error Corrections, updates, enhancements, revisions, Patches, and upgrades to Licensee, and (ii) help desk assistance at no additional cost, either by toll-free telephone

or on-line functionality. Contractor shall maintain the Product so as to provide Licensee with the ability to utilize the Product in accordance with the Product Documentation without significant functional downtime to its ongoing business operations during the maintenance term.

Licensee shall not be required to purchase maintenance for use of Product, and may discontinue maintenance at the end of any current maintenance term upon notice to Contractor. In the event that Licensee does not initially acquire or discontinues maintenance of licensed Product, it may, at any time thereafter, reinstate maintenance for Product without any additional penalties or other charges, by paying Contractor the amount that would have been due under the Contract for the period of time that such maintenance had lapsed, at then current NYS net maintenance rates. Contractor shall submit written notification to Licensees of the upcoming maintenance end date no later than 60 calendar days prior to such maintenance end date.

e. Permitted License Transfers As Licensee's business operations may be altered, expanded or diminished, licenses granted hereunder may be transferred or combined for use at an alternative or consolidated Site not originally specified in the license, including transfers within Agencies, between Agencies, and pursuant to governmental restructuring or reorganization ("permitted license transfers"). Licensees do not have to obtain the approval of Contractor for permitted license transfers, but must give 30 days prior written notice to Contractor of such moves and certify in writing that the Product is not in use at the prior Site. There shall be no additional license or other transfer fees due Contractor, provided that: (i) the maximum capacity of the consolidated machine is equal to the combined individual license capacity of all licenses running at the consolidated or transferred Site (e.g., named users, seats, or MIPS); or (ii) if the maximum capacity of the consolidated machine is greater than the individual license capacity being transferred, a logical or physical partition or other means of restricting access will be maintained within the computer system so as to restrict use and access to the Product to that unit of licensed capacity solely dedicated to beneficial use for Licensee. In the event that the maximum capacity of the consolidated machine is greater than the combined individual license capacity of all licenses running at the consolidated or transferred Site, and a logical or physical partition or other means of restricting use is not available, the fees due Contractor shall not exceed the fees otherwise payable for a single license for the upgrade capacity.

f. Restricted Use By Third Parties Third parties retained by Licensee shall have the right to use the Product to maintain Licensee's business operations, including data processing, for the time period that they are engaged in such activities, provided that: (i) Licensee gives notice to Contractor of such third party, Site of intended use of the Product, and means of access; and (ii) such third party has executed, or agrees to execute, the Product manufacturer's standard nondisclosure or restricted use agreement, which executed agreement shall be accepted by the Contractor ("Non-Disclosure Agreement"); and (iii) such third party maintains a logical or physical partition within its computer system so as to restrict use and access to the program to that portion solely dedicated to beneficial use for Licensee. In no event shall Licensee assume any liability for third party's compliance with the terms of the Non-Disclosure Agreement, nor shall the Non-Disclosure Agreement create or impose any liabilities on the State or Licensee.

g. Archival Back-Up and Disaster Recovery Licensee may use and copy the Product and related Documentation in connection with: (i) reproducing a reasonable number of copies of the Product for

archival backup and disaster recovery procedures; (ii) reproducing a reasonable number of copies of the Product and related Documentation for cold site storage; (iii) reproducing a back-up copy of the Product to run for a reasonable period of time in conjunction with a documented consolidation or transfer otherwise allowed herein. The phrase "cold site storage" means a restorable back-up copy of the Product not to be installed until the need for disaster recovery arises. The phrase "disaster recovery" means the installation and storage of Product in ready-to-execute, back-up computer systems prior to disaster or breakdown which is not used for active production or development. Contractor shall fully disclose all archival back-up and disaster recovery options available to Licensee (e.g., cold, warm, and hot back-up), including all terms and conditions, additional charges, or use authorizations associated with such options.

h. Confidentiality Restrictions If any portion of the Product or Product Documentation contains confidential, proprietary, or trade secret information, the Contractor shall identify such information in writing to the Licensee. The terms of Licensee's use and disclosure of such information shall be governed by a written agreement between the Contractor and the Licensee, which, in the case of Licensees that are State or local governmental entities, recognizes that they are subject to the New York Freedom of Information Law.

i. Restricted Use by Licensee Except as expressly authorized by the Terms of License, Licensee shall not: (i) copy the Product; (ii) cause or permit reverse compilation or reverse assembly of all or any portion of the Product; or (iii) export the Licensed Software in violation of the Export Administration Regulations (EAR) or the International Traffic in Arms Regulations (ITAR).

61. PRODUCT ACCEPTANCE Unless otherwise provided by mutual agreement of the Authorized User and the Contractor, an Authorized User shall have 30 days from the date of delivery to accept hardware Products and 60 days from the date of delivery to accept all other Product. Where the Contractor is responsible for installation, acceptance shall be from completion of installation. Title or other property interest and risk of loss shall not pass from Contractor to the Authorized User until the Products have been accepted. Failure to provide notice of acceptance or rejection or a deficiency statement to the Contractor by the end of the period provided for under this clause constitutes acceptance by the Authorized User as of the expiration of that period. The license term shall be extended by the time periods allowed for trial use, testing and acceptance.

Unless otherwise provided by mutual agreement of the Authorized User and the Contractor, Authorized User shall have the option to run testing on the Product prior to acceptance, such tests and data to be specified by Authorized User. Where using its own data or tests, Authorized User must have the tests or data available upon delivery. This demonstration will take the form of a documented installation test, capable of observation by the Authorized User, which shall be made part of the Contractor's standard documentation and shall be covered by the Product warranty. The test data shall remain accessible to the Authorized User after completion of the test.

In the event that the documented installation test cannot be completed successfully within the specified acceptance period, and the Contractor or Product is responsible for the delay, Authorized User shall have the option to cancel the order in whole or in part, or to extend the testing period for an additional 30 day increment. Authorized User shall notify Contractor of acceptance upon successful completion of the documented installation test. Such cancellation shall not give rise to any cause of action against the Authorized User for damages, loss of profits, expenses, or other remuneration of any kind.

Unless otherwise provided by mutual agreement of the Authorized User and the Contractor, if the Authorized User elects to provide a deficiency statement specifying how the Product fails to meet the specifications within the testing period, Contractor shall have 30 days to correct the deficiency, and the Authorized User shall have an additional 60 days to evaluate the Product as provided herein.

If the Product does not meet the specifications at the end of the extended testing period, Authorized User, upon prior written notice to Contractor, may then reject the Product and return all defective Product to Contractor, and Contractor shall refund any monies paid by the Authorized User to Contractor therefor. Costs and liabilities associated with a failure of the Product to perform in accordance with the functionality tests or product specifications during the acceptance period shall be borne fully by Contractor to the extent that said costs or liabilities shall not have been caused by negligent or willful acts or omissions of the Authorized User's agents or employees. Said costs shall be limited to the amounts set forth in the Limitation of Liability clause for any liability for costs incurred at the direction or recommendation of Contractor. When Product is not accepted, it must be removed by the Contractor from the premises of the Authorized User within ten calendar days of notification of non-acceptance by the Authorized User. Rejected items not removed by the Contractor within the ten calendar day period shall be regarded as abandoned by the Contractor and the Authorized User shall have the right to dispose of Product as its own property. The Contractor shall promptly reimburse the Authorized User for any costs incurred in storage or effecting removal or disposition after the ten calendar day period.

62. AUDIT OF LICENSED PRODUCT USAGE Contractor shall have the right to periodically audit, no more than annually, at Contractor's expense, use of licensed Product at any Site where a copy of the Product resides. Contractor may conduct such audits remotely or on Site. If conducted remotely and if Contractor makes a license management program available, the Licensee agrees to install such program and use it within a reasonable period of time, provided such program meets Licensee's security or other requirements. If conducted on Site: (i) Contractor shall give Licensee at least 30 days advance written notice, (ii) such audit shall be conducted during Licensee's normal business hours, (iii) the audit shall be conducted by an independent auditor chosen on mutual agreement of the parties. Contractor shall recommend a minimum of three auditing/accounting firms from which the Licensee will select one; and (iv) Contractor and Licensee are each entitled to designate a representative who shall be entitled to participate, and who shall mutually agree on audit format, and simultaneously review all information obtained by the audit. Such representatives also shall be entitled to copies of all reports, data or information obtained from the audit. If the audit shows that such party is not in compliance, Licensee shall be required to purchase additional licenses or capacities necessary to bring it into compliance and shall pay for the unlicensed capacity at the net pricing in effect under the Contract at time of audit, or if none, then at the Contractor's U.S. commercial list price. Once such additional licenses or capacities are purchased, Licensee shall be deemed to have been in compliance retroactively, and Licensee shall have no further liability of any kind for the unauthorized use of the software.

In the event of an on-Site audit, the Software Alliance, Software Publishers Association (SPA), Software and Industry Information Association (SIIA) or Federation Against Software Theft (FAST) may not be used directly or indirectly to conduct such audit, nor may such entities be recommended by Contractor.

63. NO HARDSTOP OR PASSIVE LICENSE MONITORING Unless otherwise expressly agreed to by the Licensee, the Product and all upgrades shall not contain any computer code that would disable the Product or upgrades or impair in any way its operation based on the elapsing of a period of time, exceeding an authorized number of copies, advancement to a particular date or other numeral, or other similar self-destruct mechanisms (sometimes referred to as "time bombs," "time locks," or "drop dead" devices) or that would permit Contractor to access the Product to cause such disablement or impairment (sometimes referred to as a "trap door" device). Any Contractor access to the Product agreed to by Licensee as provided above shall be in accordance with Licensee's security or other requirements. Contractor agrees that in the event of a breach of this provision that Licensee shall not have an adequate remedy at law, including monetary damages, and that Licensee shall consequently be entitled to seek a temporary restraining order, injunction, or other form of equitable relief against the continuance of such breach, in addition to any and all remedies to which Licensee shall be entitled.

64. OWNERSHIP/TITLE TO PROJECT DELIVERABLES

This clause shall apply where Contractor is commissioned by the Authorized User to furnish project deliverables as detailed in the Purchase Order.

a. Definitions

(i) For purposes of this clause, "Products" means deliverables furnished under this Contract by or through Contractor, including existing and custom Products, including, but not limited to: a) components of the hardware environment, b) printed materials (including but not limited to training manuals, system and user documentation, reports, drawings), whether printed in hard copy or maintained on electronic media c) Third-Party Software, d) modifications, customizations, custom programs, program listings, programming tools, data, modules, components, and e) any properties embodied therein, whether in tangible or intangible form (including but not limited to utilities, interfaces, templates, subroutines, algorithms, formulas, Source Code, object code).

(ii) For purposes of this clause, "Existing Products" means tangible Products and intangible licensed Products that exist prior to the commencement of work under the Contract. Contractor bears the burden of proving that a particular product was in existence prior to the commencement of the project.

(iii) For purposes of this clause, "Custom Products" means Products, preliminary, final, or otherwise, that are created or developed by Contractor, its Subcontractors, partners, employees, or agents for Authorized User under the Contract.

b. Title to Project Deliverables Unless otherwise specified in writing in the Purchase Order, the Authorized User shall have ownership and license rights as follows:

(i) Existing Products:

1. Hardware - Title and ownership of Existing hardware Products shall pass to Authorized User upon acceptance.

2. Software - Title and ownership to Existing software Products delivered by Contractor under the Contract that is normally commercially distributed on a license basis by the Contractor or other Third-Party Software vendor ("Existing Licensed Product"), whether or not embedded in, delivered or operating in conjunction with hardware or Custom Products, shall remain with Contractor or the Third-Party Software vendor. Effective upon acceptance, such Product shall be licensed to Authorized User in accordance with the Contractor or Third-Party Software vendor's standard license

agreement; provided, however, that such standard license, must, at a minimum: (a) grant Authorized User a non-exclusive, perpetual license to use, execute, reproduce, display, perform, adapt (unless Contractor advises Authorized User as part of Contractor's proposal that adaptation will violate existing agreements or statutes and Contractor demonstrates such to the Authorized User's satisfaction) and distribute Existing Licensed Product to the Authorized User up to the license capacity stated in the Purchase Order or work order with all license rights necessary to fully effect the general business purposes stated in the Solicitation or Authorized User's Purchase Order or work order, including the financing assignment rights set forth in paragraph (c) below; and (b) recognize the State of New York as the Licensee where the Authorized User is a State Agency, department, board, commission, office or institution. Where these rights are not otherwise covered by the Third-Party Software vendor's standard license agreement, the Contractor shall be responsible for obtaining these rights at its sole cost and expense. The Authorized User shall reproduce all copyright notices and any other legend of ownership on any copies authorized under this clause.

(ii) Custom Products: Effective upon creation of Custom Products, Contractor hereby conveys, assigns and transfers to Authorized User the sole and exclusive rights, title and interest in Custom Products, whether preliminary, final or otherwise, including all trademark and copyrights. Contractor hereby agrees to take all necessary and appropriate steps to ensure that the Custom Products are protected against unauthorized copying, reproduction and marketing by or through Contractor, its agents, employees, or Subcontractors. Nothing herein shall preclude the Contractor from otherwise using the related or underlying general knowledge, skills, ideas, concepts, techniques and experience developed under a Purchase Order, project definition or work order in the course of Contractor's business. Authorized User may, by providing written notice thereof to the Contractor, elect in the alternative to take a non-exclusive perpetual license to Custom Products in lieu of Authorized User taking exclusive ownership and title to such Products. In such case, Licensee on behalf of all Authorized Users shall be granted a non-exclusive perpetual license to use, execute, reproduce, display, perform, adapt and distribute Custom Product as necessary to fully effect the general business purposes as stated in paragraph (b)(i)(2), above.

c. Transfers or Assignments to a Third-Party Financing Agent It is understood and agreed by the parties that a condition precedent to the consummation of the purchases under the Contract may be the obtaining of acceptable third-party financing by the Authorized User. The Authorized User shall make the sole determination of the acceptability of any financing proposal. The Authorized User will make all reasonable efforts to obtain such financing, but makes no representation that such financing has been obtained as of the date of Bid receipt. Where financing is used, Authorized User may assign or transfer its rights in Licensed Products (existing or custom) to a third-party financing entity or trustee ("Trustee") as collateral where required by the terms of the financing agreement. Trustee's sole rights with respect to transferability or use of Licensed Products shall be to exclusively sublicense to Authorized User all of its Licensee's rights under the terms and conditions of the License Agreement; provided, further, however, in the event of any termination or expiration of such sublicense by reason of payment in full, all of Trustee's rights in such Licensed Product shall terminate immediately and Authorized User's prior rights to such Existing Licensed Product shall be revived.

d. Sale or License of Custom Products Involving Tax-Exempt Financing (i.e., Certificates of Participation - COPS) The Authorized User's sale or other transfer of Custom Products which were acquired by the Authorized User using third-party, tax-exempt financing may not

occur until such Custom Products are, or become, useable. In the event that the Contractor wishes to obtain ownership rights to Custom Products, the sale or other transfer shall be at fair market value determined at the time of such sale or other transfer, and must be pursuant to a separate written agreement in a form acceptable to the Authorized User which complies with the terms of this clause.

e. Contractor's Obligation with Regard to Third-Party Software Where Contractor furnishes Existing Licensed Products as a project deliverable, and sufficient rights necessary to effect the purposes of this section are not otherwise provided in the Contractor or the Third-Party Software vendor's standard license agreement, Contractor shall be responsible for obtaining from the Third-Party Software proprietary owner/developer the rights set forth herein to the benefit of the Authorized User at Contractor's sole cost and expense.

65. PROOF OF LICENSE The Contractor must provide to each Licensee who places a Purchase Order either: (i) the Product developer's certified license confirmation certificates in the name of such Licensee; (ii) a written confirmation from the proprietary owner accepting Product invoice as proof of license; or (iii) other similar proof of license. All proofs of license must be in a form acceptable to the Licensee.

66. CHANGES TO PRODUCT OR SERVICE OFFERINGS

a. Product or Service Discontinuance Where Contractor is the Product manufacturer/developer, and Contractor publicly announces to all U.S. customers ("date of notice") that a Product is being withdrawn from the U.S. market or that maintenance service or technical support provided by Contractor ("withdrawn support") is no longer going to be offered, Contractor shall be required to: (i) notify the Commissioner and each Licensee then under contract for maintenance or technical support in writing of the intended discontinuance; and (ii) continue to offer Product or withdrawn support upon the Contract terms previously offered for the greater of: (a) the best terms offered by Contractor to any other similarly situated, supported customer, or (b) not less than 12 months from the date of notice; and (iii) at Licensee's option, and in order to enable Licensee to continue the use and maintenance of the Product, provide Licensee with a Product replacement or migration path with at least equivalent functionality at no additional charge, provided that Licensee is under contract for maintenance on the date of notice and Contractor is offering such replacement or migration path to all of its similarly situated, supported customers without additional charge.

In the event that the Contractor is not the Product manufacturer, Contractor shall be required to: (i) provide the notice required under the paragraph above, to the entities described within five business days of Contractor receiving notice from the Product manufacturer, and (ii) include in such notice the period of time from the date of notice that the Product manufacturer will continue to provide Product or withdraw support.

The provisions of this subdivision (a) shall not apply or eliminate Contractor's obligations where withdrawn support is being provided by an independent Subcontractor. In the event that such Subcontractor ceases to provide service, Contractor shall be responsible for subcontracting such service, subject to State approval, to an alternate Subcontractor.

b. Product or Service Re-Bundling In the event that Contractor is the Product manufacturer and publicly announces to all U.S. customers ("date of notice") that a Product or maintenance or technical support offering is being re-bundled in a different manner from the structure or licensing model of the prior U.S. commercial offering, Contractor shall

be required to: (i) notify the Commissioner and each Licensee in writing of the intended change; (ii) continue to provide Product or withdrawn support upon the same terms and conditions as previously offered on the then-current NYS Contract for the greater of: (a) the best terms offered by Contractor to any other similarly situated, supported customer, or (b) not less than 12 months from the date of notice; and (iii) shall submit the proposed rebundling change to the Commissioner for approval prior to its becoming effective for the remainder of the Contract term. The provisions of this section do not apply if the Contractor is not the Product manufacturer.

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ACCREDITATION STANDARDS FOR PROCESSING REUSABLE TEXTILES FOR USE IN HEALTHCARE FACILITIES



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PREAMBLE

2016 HLAC Accreditation Standards

Preamble

1. Introduction

Healthcare textiles are fabric products that touch patients and employees directly or indirectly on a daily basis. The Healthcare Laundry Accreditation Council (HLAC) is the authority on laundry standards for the preparation of hygienically clean, reusable healthcare textiles for patient care. HLAC offers a voluntary accreditation to those laundry facilities processing reusable healthcare textiles. The HLAC Accreditation Standards are established as the minimum acceptable practice in this endeavor. However, laundry operators may choose to exceed these standards, thereby providing exceptional benefit to patients through excellence in healthcare textiles processing.

The initial 2006 HLAC Accreditation Standards received a major revision and updating with the release of the 2011 Standards. The modifications included the addition of substantial evidence-based references, best practices, and common sense regarding the laundry processing of reusable healthcare textiles. This 2011 revision represented fundamental principles based on the highest standards for patient infection prevention, safety regarding textiles, and occupational and workplace safety. Part III Surgical Pack Assembly Room Standards were added, addressing the surgical pack assembly room and its activities. This section is based on the American National Standards Institute (ANSI)/Association for Advancement of Medical Instrumentation (AAMI) reference regarding laundry processing of reusable surgical textiles. References support the Standards and are available for supplemental reading.

With the 2016 revision, the HLAC Accreditation Standards continue to heighten awareness and increase understanding of the infection prevention and safety culture in the laundry personnel for healthcare textiles where programs, policies, procedures, and practices are common concepts and language. Conventional washer extractors are included for the first time in these HLAC Accreditation Standards. The central focus of health care is the patient followed by the healthcare personnel. The elements of laundry processing are specific operations involving procedures, facilities, administrative activities, equipment, personnel, quality monitoring, and advanced technologies as appropriate. This revision presents verb changes, clarifications, and updated citations, appendices, and references.

2. Terminology

In this document, “provider” (i.e., employer and service provider) is the designated term to encompass the laundry plant as the processor of healthcare textiles, whether the laundry is an on-premise laundry (OPL) or an off-campus laundry known as a commercial or retail facility with customer-owned goods (COG) or laundry facility-provided textiles. The “customer” is the term for the client healthcare facility (e.g.,

hospital, clinic, nursing home, etc.) and for its “end-user” (i.e., healthcare personnel and patient). “Personnel” is the designated term for employees, workers, staff, etc.

Additionally, the term “contract” refers to any oral or written agreement, contract, memorandum of understanding (MOU), or other documentation, addressing a mutual consensus between the provider and customer. Terms “inspectors” and “inspection” reflect the compliance process applicable to healthcare reusable textiles processing in these HLAC Standards by HLAC Inspectors. “Surgical Pack Assembly Room” is the term throughout this document, referring to Surgical Pack Assembly Room, Surgical Pack Assembly Area, Surgical Pack Room Assembly Area, Surgical Pack Area, Pack Room Area, and Pack Rooms.

As defined by the U.S. Department of Labor, Occupational Safety and Health Administration (OSHA), Universal Precautions is the preferred approach to infection control in the laundry industry where all human blood and certain human body fluids are considered to be infectious with blood borne pathogens. Therefore, Universal Precautions will be the common term used in these Standards. According to OSHA, contaminated laundry means laundry, which has been soiled with blood or other potentially infectious materials or may contain sharps.

The verbs indicate the requirement status for each individual Standard statement. The following definitions of the statement categories will apply:

3. Interpretive Guidance

A “must” statement is one for which compliance is required. The directive of the statement is supported by any or all of the following resources:

1. Federal mandates, regulations (e.g., OSHA, U.S. Food and Drug Administration [FDA], U.S. Environmental Protection Agency [EPA]) that are law;
2. State and/or local government regulations;
3. Evidence-based, peer-reviewed best practices/recommendations for infection prevention and laundry procedures from federal agencies (e.g., Centers for Disease Control and Prevention [CDC]) and professional entities (e.g., Association for the Advancement of Medical Instrumentation [AAMI], Association of periOperative Registered Nurses [AORN], Association for Professionals in Infection Control and Epidemiology [APIC], Facilities Guidelines Institute [FGI], Textile Rental Services Association of America [TRSA]). Guidance documents published by these agencies and entities are typically adopted by reference by authorities having jurisdiction (AHJ) and are often cited as “gold standard” in a court of law; and
4. Healthcare Laundry Accreditation Council (HLAC) decisions specific for the laundry industry processing healthcare textiles for patients and personnel in healthcare facilities.

The **“must”** statements will be bold-face text in the Standards and compliance will be scored by the inspectors. The expectation is that all **“must”** Standards are met (i.e., 100% compliance).

A **“shall”** statement represents a best practice based on infection prevention and laundry industry consensus and compliance is strongly recommended. Such statements are intended to assist the healthcare laundry industry as it transitions to a higher standard of practice.

“Shall” statements are scored by the inspectors, but will not be presented as bold-face text. The expectation is that at a minimum 90% of these “shall” Standards are met. “Shall” Standards may, at some point in future editions, be elevated to “must” statements as industry and regulatory events warrant.

“Should” and “may” statements represent suggested courses of action for which a strong industry consensus is not available for all regions of the country or are part of emerging practices and/or technology.

“Should” and “may” statements are recommended for implementation, but are not scored.

The combination of the **“must”** + “shall” statements + HLAC review determine if the provider is awarded accreditation. Laundries found to be out of compliance and needing to make simple repairs or remediation are given the opportunity to correct these within a predetermined time frame and/or submit to repeat inspection.

4. Disclaimer

An HLAC inspector’s assessment of a provider’s facility and processes for the production of hygienically clean reusable healthcare textiles is based on the integrated requirements, best practices, and guidance from diverse entities adopted by reference in the 2016 HLAC Accreditation Standards. HLAC inspectors are not trained as official OSHA surveyors nor should compliance with HLAC Standards be interpreted as compliance with all OSHA requirements. Neither are HLAC inspectors qualified to certify compliance with local regulations or the Authority Having Jurisdiction (AHJ).

PART I

BASIC ELEMENTS

2016 HLAC Accreditation Standards

Part I. Basic Elements

1. Textile Control Procedures

1.1. Textile Specifications

1.1.1. The provider shall have written textile specifications that meet customer needs and ensure consistent performance.

1.1.1.1. For customer-owned goods (COG), the provider should obtain textile specifications from the customer and resolve any questions or concerns prior to agreeing to a contract.

1.1.1.2. These specifications shall be reviewed, at a minimum, annually by the service provider and the customer.

1.1.2. Provider/customer contracts shall state the extent of service for the contract period, signed by both entities, dated, and be on file.

1.1.3. The provider shall have a documented biohazard communication system, identifying soiled healthcare textiles using color-coding and/or labeling and adhere to Universal Precautions. (OSHA 29 CFR 1910.1030.(d)(4)(iv)(A)(2))

1.1.3.1. This documentation shall be accessible where personnel may refer to it.

1.2. Textile Maintenance

1.2.1. The provider must have a documented grading system, outlining the grading standards for the healthcare textiles being processed.

1.2.1.1. The grading documentation must be accessible where personnel may refer to it.

1.2.2. Providers processing COG textiles shall reference the textile manufacturer's instructions when appropriate for novel textiles.

1.2.3. These standards must outline which defects may be repaired, which defects require replacement, and the point at which previously repaired textiles should be discarded.

1.2.4. If a provider has a textile repair program, the provider must ensure that all personnel having responsibility for making repair and replacement decisions understand and comply with the grading standards.

1.3. Provider Inventory Management

1.3.1. The provider and customer shall jointly determine the par level for the facility, whereupon the provider shall use an inventory management system that ensures an adequate supply of clean textiles to meet the customer's needs.

1.3.2. Methods to insure that an adequate supply of textiles is available to the provider and customer shall include documentation of historical fill rates for rental operations and/or documentation of clean pounds shipped as a percentage of soil pounds received for COG operations.

1.3.3. The provider and customer shall document in writing the provision of inventory for situations where increased need (e.g., surge capacity in response to a disaster) is anticipated and what adjustments are acceptable.

2. Laundry Facilities

2.1. Physical Design, Ventilation, Fixtures, and Signage

2.1.1. Based on the workflow pattern principle where processing of soiled textiles flows to clean textiles, the laundry facility's physical layout and maintenance procedures must ensure efficiency, minimize environmental contamination, and protect the material and hygienic integrity of the processed textiles. (JCHLGL Guidelines for Healthcare Linen Service, 1994, 8.)

2.1.2. Soiled Textiles Area

2.1.2.1. The essential laundry facility design must have a functional separation of areas that receive, store, or process soiled textiles from areas that process, handle, or store clean textiles by one the following methods:

2.1.2.1.1. Physical barrier (e.g., walls or structural partitioning with a means of entry to and from the soiled textiles area), which includes negative air pressure in the soiled textiles area with venting directly to the outside (positive air flow from the clean textiles area through the soiled textiles area); or

2.1.2.1.2. Functional barrier by negative air pressure in the soiled textiles area and positive air flow from the clean textiles area through the soiled textiles area with venting directly to the outside. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.B.3, 8.A.1-3; CDC HICPAC GL EIC, 2003:II.G.II.A; ANSI/AAMI ST65:2013; Std.3.2.3.1, 3.3.4; ANSI/AAMI ST79:2010; Std. 3.2.3, 3.3.7.1; FGI GL 2014: 2.1-5.2.1 Linen Services 2.1-5.2.2.1-2, 2.1-5.2.3.5, 3.1-5.2, ANSI/ASHRAE/ASHE Std. 170-2013 Table 7.1, p. 11)

2.1.2.2. The physical environment and layout of the soiled sorting area shall be designed to permit orderly soiled textile sorting and other manipulations and processes.

2.1.2.3. Warning signs about the presence of contaminated textiles and the need to follow Universal Precautions must be posted in work areas where potentially contaminated textiles are stored or sorted prior to processing. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 8.E)

2.1.2.4. Handwashing facilities must be located in all areas where soiled or contaminated textiles are handled in the laundry. (OSHA 29 CFR 1910.1030 (d)(2)(iii, iv); CDC HICPAC GL Hand Hygiene: 8 D; JCHLGL Guidelines for Healthcare Linen Service, 1994; 8.C.; CDC HICPAC GL EIC, 2003:II.G.II.B; ANSI/AAMI ST65:2013; Std. 3.3.7; ANSI/AAMI ST79:2010 Std. 3.3.6.8; FGI GL 2014: 2.1-5.2 Linen Services 2.1-5.2.2.1, 2.1-7.2.2.8.)

2.1.2.5. Emergency eyewash equipment must be available with unobstructed access (i.e., requiring no more than 10 seconds to reach) in all areas where soiled textiles are processed. (ANSI/ISEA Z358.1-2009:5.4.2; ANSI/AAMI ST65:2013; Std. 3.3.8; ANSI/AAMI ST79:2010 Std. 3.3.7.1, 3.3.8; OSHA 29 CFR 1910.1030. (d)(2)(ii))

2.1.3. Clean Textile Staging and Storage Areas

2.1.3.1. In the provider's facility, the textile staging and storage areas for cleaned, processed textiles must be in compliance with the following specifications: free of vermin; devoid of lint; without obvious moisture contamination. (ANSI/AAMI ST65:2013; Std. 9.6.1-2; ANSI/AAMI ST79:2010; Std. 8.9.2)

2.1.3.2. The ventilation of the storage area shall:

2.1.3.2.1. Be designed to prevent accumulation of dust and lint; and

2.1.3.2.2. Be under positive air pressure relative to adjacent spaces, thereby preventing intrusion of contamination from soiled textile areas.

2.1.3.3. Policies and protocols shall reflect a facility-specific strategy for ensuring the hygienically clean quality of the stored, processed textiles and shall establish a schedule of visual inspection of the stored textiles and recording the observations.

2.1.3.4. Specifications for Clean Textiles Storage Shelves

2.1.3.4.1. Shelves shall be placed approximately 2 inches from the wall to safeguard package integrity. (ANSI/AAMI ST65:2013; Std. 9.6.1; ANSI/AAMI ST79:2010; Std. 8.9.2)

2.1.3.4.2. The bottom shelf must be of solid nonporous construction, free from visible soil and dirt, and at a minimum of 8 inches from the floor for accessible cleaning to prevent contamination. (ANSI/AAMI ST65:2013; Std. 9.6.1; ANSI/AAMI ST79:2010; Std. 8.9.2)

2.1.3.4.3. The top of any item on the top shelf must be a minimum of 18 inches below the ceiling to prevent impairment of ventilation, sprinklers, and lighting. (ANSI/AAMI ST65:2013; Std. 9.6.1; ANSI/AAMI ST79:2010; Std. 8.9.2)

2.1.3.4.4. Any porous material (e.g., cardboard, paper, etc.) must not be used as a shelf liner in the clean textiles storage area and to store clean textiles.

2.1.4. Other Fixtures and Signage

2.1.4.1. Hand hygiene resources (i.e., handwashing facilities or antiseptic hand cleaner and cleaner dispensers) must be available in or around all work areas and in personnel support areas. (OSHA 29 CFR 1910.1030 (d)(2)(iii, iv); CDC HICPAC GL Hand Hygiene: 8 D; JCHLGL Guidelines for Healthcare Linen Service, 1994; 8.C.; CDC HICPAC GL EIC, 2003:II.G.II.B; ANSI/AAMI ST65:2013; Std. 3.3.7; ANSI/AAMI ST79:2010 Std. 3.3.6.8; FGI GL 2014: 2.1-5.2 Linen Services 2.1-5.2.2.1-2, 2.1-7.2.2.8.)

2.1.4.2. Emergency eyewash and shower equipment must be available with unobstructed access (i.e., requiring no more than 10 seconds to reach) for immediate emergency use in all areas where chemicals are used and/or stored. [ANSI Z358.1-2009:4.5.2; ANSI/AAMI ST65:2013; Std. 3.3.8; ANSI/AAMI ST79:2010 Std. 3.3.7.1, 3.3.8; OSHA 29 CFR 1910.151 (c)]

2.1.4.3. Safety features (e.g., emergency lighting, signage, fire alarms, door accessibility and egress, safety perimeter for robotics, equipment guards, etc.) must be evident and operational to safeguard personnel and persons. (OSHA Instruction PUB. 8-1.3 Guidelines for Robotics Safety)

2.2. Physical Plant and Equipment Maintenance

2.2.1. Maintenance of equipment and spaces in a laundry facility processing healthcare textiles shall follow documented provider's policies and procedures.

2.2.2. Cleaning, Decontamination, and Disinfection

2.2.2.1. The physical environment (e.g., floors, walls, ceilings, vents, working surfaces, and installed equipment) must receive scheduled cleaning appropriate for the surface, the frequency dependent upon the level of contamination, and the operation performed in the area according to facility policy. (ANSI/AAMI ST65:2013; Std. 3.3.3; ANSI/AAMI ST79:2010 Std. 3.3.6, 3.4; AHE Practice GL 2nd ed. Sec 1.2)

2.2.2.1.1. The cleaning schedule must be maintained on a current basis and available for inspection.

2.2.2.2. Environmental surfaces (e.g., walls, ceilings, vents, and equipment) must be subjected to periodic and as needed blow down processes from ceiling downward to minimize the build-up of dust and lint.

2.2.2.2.1. Blow down must be performed when no other processing of textiles is occurring in that area and must not be performed in pack rooms. (ANSI/AAMI ST65:2013; Std. 3.3.3)

2.2.2.3. Clean textile working surfaces (e.g., counters, benches, tables, etc.) must be kept clean of visible soil, dust, and lint. [OSHA: 29.CFR 1910.1030 (d)(4)(ii); CDC HICPAC GL EIC, 2003: II.E.I.E.2; ANSI/AAMI ST79:2010 Std. 3.4; CDC HICPAC GL EIC, 2003:II.E.I.A; ANSI/AAMI ST79:2010 Std. 6.2]]

2.2.2.4. Working surfaces that become contaminated with blood or other potentially infectious material (OPIM) must be decontaminated, cleaned, and disinfected with EPA-registered hospital grade disinfectants labeled tuberculocidal or registered disinfectants on the EPA Lists D and/or E (i.e., products with specific label claims for human immunodeficiency virus [HIV] or hepatitis B virus [HBV]) according to label instructions after completion of soiled textile handling activities; immediately or as soon as feasible when surfaces are visibly contaminated; and at the end of the work shift. [OSHA: 29 CFR 1910.1030 (d)(4)(ii, iiA) memorandum 2/2/97; CDC HICPAC GL EIC, 2003: E.I.A, II.A-D; EPA Lists of Registered Pesticides; CDC HICPAC GL EIC, 2003:II.E.I.A; II. E.1.; II.H.; II. A-D; ANSI/AAMI ST79:2010 Std. 6.2]

2.2.2.5. Work practices when using conventional washer extractors

2.2.2.5.1. Cleaning and disinfection of surfaces

2.2.2.5.1.1. Surfaces (i.e., surfaces exterior to conventional washer extractors) that are used to both unload and load conventional washer extractors must be non-porous and easily cleaned.

2.2.2.5.1.2. Routine cleaning and disinfection of surfaces, using a cleaning/disinfection strategy appropriate for the type of contamination when loading and unloading conventional washer extractors after each load, must be consistent with the principles of functional separation.[OSHA: 29 CFR 1910.1030 (d)(4)(ii, iiA), memorandum 2/2/97; CDC HICPAC GL EIC 2003: E.I.A., II.A-D; EPA Lists of Registered Pesticides; CDC HICPAC GL EIC, 2003: II. E.I.A.; ANSI/AAMI ST79:2010 Std. 6.2]

2.2.2.5.2. Work flow and functional separation

2.2.2.5.2.1. Functional and physical separation of soiled and clean textiles must be followed when conventional washer extractor equipment is used in accordance with Part I, Subpart 2, Section 2.1, Element 2.1.2.1 of this HLAC Standard.

2.2.2.5.2.2. For conventional washer extractor equipment that utilizes sling delivery systems for loading soiled textiles, clean textiles must not be stored under the soiled slings.

2.2.2.5.3. Personnel handwashing practices and personal protective equipment (PPE) usage while using conventional washer extractor equipment must be in accordance with Part I, Subpart 5, Sections 5.3 and 5.4, Elements 5.3.3. and 5.4.1. of this HLAC Standard. [CDC HICPAC GL Hand Hygiene 1.G, 1.J, 1.K, 6.C; ANSI/AAMI ST65:2013; Std. 4.4; ANSI/AAMI ST79:2010 Std. 4.4, 4.5.1, 4.5.2; OSHA 29 CFR 1910.1030 (d)(2)(v), and (d)(3)(vii)]

2.2.3. Pest Control Program

2.2.3.1. The provider must have documentation of a current integrated pest management (IPM) program consistent with healthcare-recommended practices and with evidence of scheduled treatments. (www.epa.gov/integrated pest management program; CDC HICPAC GL EIC, 2003: II. E.V.A-C; AHE Recommended Practice Series: Integrated Pest Management)

2.3. Management of Foreign Items and Regulated Wastes

2.3.1. Miscellaneous Foreign Items

2.3.1.1. The provider shall have a policy to return items found among healthcare textiles to the customer.

2.3.2. Regulated Medical Waste Management

2.3.2.1. The provider must have a written Regulated Medical Waste management agreement/plan, which is communicated with the customer, detailing the delegation of procedures to follow when biohazardous medical waste is found among soiled healthcare textiles, [OSHA: 29 CFR 1910.1030 (d)(4)(iii)(C); CDC HICPAC GL EIC, 2003: II.I.II.A]

2.3.2.1.1. According to local regulations or the Authority Having Jurisdiction (AHJ). [OSHA: 29 CFR 1910.1030 (d)(4)(iii)(C); CDC HICPAC GL EIC, 2003: II.I.I.B]

2.3.2.1.2. Documenting what waste items were sent, the date, the disposition of the items, and notification of the customer.

2.3.2.1.3. Using required containers for collection and proper disposal of sharps and other non-textile waste objects. [JCHLGL Guidelines for Healthcare Linen Service, 1994; 8.D.; OSHA: 29 CFR 1910.1030 (d)(4)(iii)(A); CDC HICPAC GL EIC, 2003: II.I.III.C]

2.3.3. Hazardous Materials and Pharmaceutical Waste Management

2.3.3.1. The provider must become familiar with issues and regulations concerning the management and disposal of hazardous substances/wastes to facilitate any provider-customer negotiations on this topic.

2.3.3.2. If the provider accepts bagged textiles contaminated with hazardous substances/wastes, the provider must demonstrate in policies and/or contracts how to manage such textiles in accordance with federal regulations intended to minimize laundry personnel's exposure to hazardous substances. (OSHA 29 CFR 1910.1200; OSHA Technical Manual: Hazardous Drugs, Sec. 6, Chapter 2)

2.3.3.3. If the customer fails to adhere to proper hazardous substances/waste management practices, the provider shall reject any laundry items contaminated with these substances/wastes and return these to the customer.

2.3.3.4. Hazardous substance-related wastes must be handled separately from other customer trash/solid wastes and disposed of per facility policy developed in accordance with applicable local regulations or the AHJ for hazardous waste. (OSHA: 29 CFR 1910.1200; The OSHA Technical Manual: Haz Drugs, Sec 6, Chap 2)

2.3.3.5. The provider - customer Policy and Procedures shall include some indication that the issue of management of pharmaceutical contaminated textiles has been addressed (pharmaceutical definitions provided by the local regulations or the AHJ).

2.3.3.5.1. The provider and the customer should establish a mutually agreeable determination and course of action as to when a pharmaceutical-contaminated textile is to be managed as pharmaceutical waste (i.e., the item is to be discarded) or when the pharmaceutical-contaminated textile is to be returned to the customer.

2.4. Piped Air, Water, Wastewater, and Chemicals Management

2.4.1. Provider's facility documents must contain evidence of compliance with local regulations or the AHJ as they pertain to air, water, and chemicals management, if applicable.

2.4.2. There must be evidence of waste water and/or air quality permit compliance, if applicable.

2.4.3. Compliance with hazardous chemical (e.g., hydrogen peroxide) regulations (i.e., Department of Homeland Security Chemical Security Assessment Tool [CSAT], local hazardous materials license or permit) must be documented and available for review, if applicable. (OSHA: 29 CFR 1910.1200; DHS 6 CFR 27).

3. Contingency Planning

3.1 Contingency Planning

3.1.1. Contingency planning shall provide for uninterrupted operations and services in the event of any occurrence potentially leading to serious disruption of the provider's operations. Such disruption includes, but is not limited to, loss of utilities, medical emergencies, natural and/or man-made disasters, fire, inclement weather, work stoppage, or major accidents.

3.1.2. The Contingency Plan shall include the following components:

3.1.2.1. Plant and transportation contingency protocol,

- 3.1.2.2.** Call chain,
- 3.1.2.3.** A list of backup laundry facilities, and
- 3.1.2.4.** A backup source of textiles, if needed.

3.2 Plant Contingency Protocol

3.2.1. The provider shall provide a mechanism to inform a step-by-step procedure in the event of an emergency and shall be available to supervisors, each of whom may be responsible for execution of the protocol.

3.2.2. Personnel shall be familiar with the major elements of the plant contingency protocol in advance of emergencies.

3.3. Contingency Call Chain

3.3.1. The call chain shall be written, complete, current, and available to all supervisory personnel, so that timely and accurate contact can be made in case of an emergency.

3.3.2. The call chain shall be maintained by a designated person, who is responsible for updating it at least annually or when personnel changes occur, and distributing the list to personnel.

3.4. Backup Facility Contracts

3.4.1. The provider shall have written contracts in place with one or more alternate laundry providers that can cover their volume, detailing when and how these providers will process textiles in an emergency. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 12)

3.4.1.1. These contracts shall be updated annually, signed, and dated.

3.4.2. The provider shall have adequate transportation capabilities with contingency planning.

3.4.3. The provider shall have written contracts in place with one or more alternate textile suppliers, detailing the services and delivery times provided (does not apply to COG). (JCHLGL Guidelines for Healthcare Linen Service, 1994; 12)

4. Laundry Equipment

4.1. Documentation

4.1.1. A list of all equipment shall be prepared, kept on file, and made available prior to inspection. (ANSI/AAMI ST65:2013; Std. 10.2.1)

4.1.2. Equipment safety documentation shall consist of safety instructions, describing the potential hazards associated with the equipment use; appropriate safeguards; and complies with ANSI Z8.1., regarding safe operation and maintenance of equipment. (ANSI/AAMI ST65:2013; Std. 10.2.2)

4.1.3. Documentation concerning equipment maintenance

4.1.3.1. The maintenance personnel should have access to equipment manuals to inform them on installation, operation, preventive maintenance, repairs, replacements, and illustrations of the equipment components. (ANSI/AAMI ST65:2013; Std. 10.2.3)

4.1.3.2. The provider should retain evidence of an ongoing maintenance program, including work orders and a current inspection tag if one has been issued from inspection. (ANSI/AAMI ST65:2013; Std. 10.2.2)

4.1.3.3. Equipment preventive maintenance should be documented and kept on file. (ANSI/AAMI ST65:2013; Std. 10.5.5)

4.2. Installation and Utilities Connections

4.2.1. Equipment installation should involve trained or qualified installers, appropriate utilities and support services, compliance with the equipment manufacturer's instructions, and properly functioning safety equipment specified by the manufacturer. (ANSI/AAMI ST65:2013; Std. 10.3.1)

4.2.2. Before any piece of equipment is commissioned into service, either initially or after maintenance or repair, it should be verified that its performance meets the manufacturer's specifications. (ANSI/AAMI ST65:2013; Std. 10.4.1; CDC HICPAC GL EIC, 2003:II.G.II.C)

4.2.3. Machinery connected to utilities shall appear to be properly installed and operating correctly.

4.2.3.1. The provider must ensure safe and correct connection of any piece of equipment to utilities (i.e., water, electrical power, gas, and/or steam) as appropriate, and that the connection includes the proper controls for the incoming utilities. (ANSI/AAMI ST65:2013; Std. 10.3.2.1)

4.2.3.2. The electrical power supplied to processing equipment must be installed in conformance with local electrical and fire codes to prevent fires. (ANSI/NFPA No. 70; ANSI/AAMI ST65:2013; Std. 10.3.2.3)

4.2.3.3. The gas supply must conform to the equipment manufacturer's recommendations.

4.2.3.4. The connection of equipment to the gas line must be done by a licensed person authorized by state regulations to perform this function. (ANSI/AAMI ST65:2013; Std. 10.3.2.4)

4.2.3.5. The steam supply and its quality must conform to the equipment manufacturer's recommendations and any state regulations. (ANSI/AAMI ST65:2013; Std. 10.3.2.5; ANSI/AAMI ST79:2010 Std. 3.3.4.1, 3.3.4.2)

4.2.4. Water quality

4.2.4.1. The provider must determine whether pretreatment of the water to be used for processing is needed, the appropriate type of pretreatment, compatibility between pretreatment and chemicals to be used in processing, and local wastewater disposal guidelines. (ANSI/AAMI ST65:2013 Std. 10.3.2.2)

4.2.4.2. The provider should consider softening their water when the hardness is 2 grains/gallon (34.2 parts per million [ppm]) or higher. (ANSI/AAMI ST65:2013; Std. 10.4.3.3)

4.3. Equipment Operation

4.3.1. Proper functioning of equipment must involve correct utilities, mechanical systems (e.g., valves, level sensors, temperature sensors, safety door locks, and drum rotation), automated controls, and support systems according to manufacturer's operational specifications. (ANSI/AAMI ST65:2013; Std. 10.4.2.1)

4.3.2. Mechanical systems must function according to manufacturer's specifications, including, but not limited to, valve openings and closures, water level in inches for each level setting, tilting for loading and unloading, temperature sensor design, correct operational safety features, and speed and direction of drum rotation. (ANSI/AAMI ST65:2013; Std. 10.4.2.2)

4.3.3. Automated controls must be verified, calibrated, and checked at least annually. (ANSI/AAMI ST65:2013; Std. 10.4.2.3)

4.3.4. The performance of the chemical delivery system must be checked at least monthly by verifying chemical delivery rates (e.g., correct chemical delivered in correct amount during the correct cycle) and/or by conducting chemical titrations (e.g., activity, concentration, and loading). (ANSI/AAMI ST65:2013; Std. 10.4.3.2)

4.3.5. The design and size of water heater equipment must be appropriate for the provider's needs at peak operating times and to maintain the specified heated water temperature per desired cycle. (ANSI/AAMI ST65:2013; Std. 10.4.3.4)

4.4. Preventive Maintenance

4.4.1. Equipment must be inspected, cleaned, and receive scheduled preventive maintenance according to the manufacturer's instructions or according to facility policy and procedures, if instructions are not available. (ANSI/AAMI ST65:2013; Std. 10.5.1-2)

4.4.2. Preventive maintenance shall include replacement of worn expendable parts, lubrication, and calibrations. (ANSI/AAMI ST65:2013; Std. 10.5.2-3)

4.5. Equipment Calibrations

4.5.1. Equipment shall be calibrated periodically as specified in the manufacturer's instruction manual or as determined by facility policy and procedures, if a manufacturer's schedule is not available. (ANSI/AAMI ST65:2013; Std. 10.5.4)

4.5.2. Calibration shall be performed by personnel trained and/or certified in calibration specified by the manufacturer. (ANSI/AAMI ST65:2013; Std. 10.5.4)

4.6. Repairs

4.6.1. Worn, malfunctioning, or broken parts shall be replaced promptly by qualified personnel. (ANSI/AAMI ST65:2013; Std. 10.5.3)

4.6.2. Safety precautions, including lock-out tag-out procedures, must be observed. (ANSI/AAMI ST65:2013; Std. 10.5.3; OSHA 29 CFR 1910.147 App A)

4.6.3. Repair records shall be kept for all equipment. (ANSI/AAMI ST65:2013; Std. 10.5.3)

4.7. Recordkeeping for New, Existing, and/or Used Equipment

4.7.1. A maintenance record shall be kept on file for each piece of equipment. (ANSI/AAMI ST65:2013; Std. 10.5.5)

4.7.2. The following information shall be recorded:

4.7.2.1. Service details (e.g., date for request and completion, reason for service, repair);

4.7.2.2. Equipment details (e.g., type, model, serial number, and location of the equipment);

4.7.2.3. Parts and repair details (e.g., parts, repair descriptions);

4.7.2.4. Personnel involved (e.g., provider authorization, service technician name).
(ANSI/AAMI ST65:2013; Std. 10.5.5)

5. Laundry Personnel

5.1. Personnel Qualifications

5.1.1. The provider shall establish hiring policies and procedures based on all applicant local regulations or the AHJ employment laws.

5.1.2. All personnel shall be qualified for their positions through education, training, or level of prior experience, and these qualifications shall be documented in employee files. (ANSI/AAMI ST65:2013; Std. 4.1; ANSI/AAMI ST79:2010 Std. 4.1)

5.1.3. Clearly defined job descriptions for all personnel, including front-line supervisors, shall be in place and include qualifications, responsibilities, and assignments.

5.1.4. New personnel shall work under the close supervision of qualified personnel until they have demonstrated competency in the given task or procedure. (ANSI/AAMI ST65:2013; Std. 4.1; ANSI/AAMI ST79:2010 Std. 4.2.1)

5.2. Personnel General Responsibilities

5.2.1. Supervisors/managers/personnel shall: (ANSI/AAMI ST65:2013; Std. 4.2.1; ANSI/AAMI ST79:2010 Std. 4.2.1)

5.2.1.1. Safely and correctly operate assigned equipment;

5.2.1.2. Safely and correctly perform assigned processing activities;

5.2.1.3. Correctly interpret and safely implement the Exposure Control Plan;

5.2.1.4. Recognize and understand potential hazards from equipment defects and improper performance of the job; and

5.2.1.5. Understand the risk of injury that defective or improperly operating equipment may inflict. (ANSI/AAMI ST65:2013; Std. 4.2.2; ANSI/AAMI ST79:2010 Std. 4.2.2)

5.3. Health and Hygiene

5.3.1. The provider must have policies and procedures to prevent healthcare textiles from being handled by or exposure to personnel with potential health issues (i.e., illness, open wounds or sores, and skin injuries.) (CDC HICPAC GL IC HCW, 1998: II.B-F; ANSI/AAMI ST65:2013; Std. 4.4; ANSI/AAMI ST79:2010 Std. 4.4)

5.3.2. Employee Safety:

5.3.2.1. Personnel must adhere to good work practices to minimize or eliminate exposures to blood, OPIM, chemical, and mechanical hazards. This includes, but is not limited to:

5.3.2.1.1. Use of personal protective equipment (PPE) when handling contaminated and soiled textiles; (OSHA: 29 CFR 1910.1030 (d)(3)(ii))

5.3.2.1.2. Safe operation of equipment;

5.3.2.1.3. Documentation of OSHA Lock-Out Tag-Out requirements; (OSHA 29 CFR 1910.147 App A)

5.3.2.1.4. Hazard communications; (OSHA: 29 CFR 1910:1200)

5.3.2.1.5. Safe transportation; and

5.3.2.1.6. Proper handling of textiles.

5.3.2.2. Eating, drinking, smoking, applying cosmetics or lip balm, and handling contact lenses must be prohibited in work areas where there is a reasonable likelihood of occupational exposure to bloodborne pathogens (BBP). [OSHA: 29 CFR 1910.1030 (d)(2)(ix)]

5.3.2.3. Personnel must handle chemicals safely in accordance with Safety Data Sheets (SDS) in the laundry facility. (OSHA: 29 CFR 1910.1200 App D; ANSI/AAMI ST65:2013; Std. 3.3.10)

5.3.2.3.1. SDS information must be readily accessible to personnel in a location for immediate access where chemicals are handled.

5.3.2.4. Personnel who are exposed to hazards (e.g., biological, chemical, mechanical, etc.) must report such occurrences to their supervisor according to the provider's policies and procedures. [OSHA: 29 CFR 1910.1030 (f) (3) (vii) (K); CDC HICPAC GL IC HCP, 1998: II.B.4]

5.3.3. Hand washing and hand hygiene indications:

5.3.3.1. Personnel must wash their hands after restroom use, before eating, and when hands become inadvertently contaminated with blood, OPIM, or other body substances. [CDC HICPAC GL Hand Hygiene 1.G; 1.J; 1.K; 6.C.; ANSI/AAMI ST65:2013; Std. 4.4.; ANSI/AAMI ST79:2010 Std. 4.4; OSHA: 29 CFR 1910.1030 (d)(2)(v)]

5.3.3.2. Personnel must practice hand hygiene (handwashing or using alcohol-based hand sanitizers) before donning gloves and after removal of gloves. (CDC HICPAC GL Hand Hygiene 1.G; 1.J; 1.K; 6.C)

5.3.3.3. Personnel responsible for packing, wrapping, storing, or transporting clean textiles must maintain proper hand hygiene at all times. (ANSI/AAMI ST65:2013; Std. 4.4]

5.4. Personal Protective Equipment (PPE) and Attire

5.4.1. Personal protective equipment:

5.4.1.1. The provider must supply the PPE to personnel in the workplace. [OSHA: 29 CFR 1910.1030 (d)(3)(i)]

5.4.1.2. Contaminated disposable PPE (e.g., gloves) must be discarded into appropriately labeled waste containers. [OSHA: 29 CFR 1910.1030 (d)(iii)(8)]

5.4.1.3. Reusable PPE (e.g., aprons or overalls) penetrated by blood or OPIM must be removed immediately or as soon as feasible and be laundered by the provider. [OSHA: 29 CFR 1910.1030 (d)(3)(iv)]

5.4.1.4. PPE must be changed if moving from an area where soiled operations were performed into an area where clean operations are performed. (ANSI/AAMI ST79:2010 Std. 4.5.2)

5.4.1.5. All PPE must be removed and placed in an appropriate receptacle prior to leaving the work area. [OSHA: 29 CFR 1910.1030 (d)(3)(vii); ANSI/AAMI ST79:2010 Std. 4.5.1]

5.4.2. Personnel attire and adornments:

5.4.2.1. All personnel must wear clean garments without visible soil or dirt in accordance with the provider's policies and procedures. (ANSI/AAMI ST65:2013;; Std. 4.5; ANSI/AAMI ST79:2010 Std. 4.5)

5.4.2.2. For safety reasons, loose or dangling jewelry (e.g., necklaces, bracelets, earrings) or rings and loose clothing items (i.e., scarfs, neckties) must not be worn. (ANSI/AAMI ST65:2013; Std. 4.5; ANSI/AAMI ST79:2010 Std. 4.5)

5.4.2.3. Hair covering must be used where deemed appropriate and/or within provider's written policies and procedures. (ANSI/AAMI ST65:2013; Std. 4.5; ANSI/AAMI ST79:2010 Std. 4.5)

5.4.2.4. Artificial nails must not be worn in the laundry and while processing healthcare textiles. (ANSI/AAMI ST65:2013; Std. 4.5; ANSI/AAMI ST79:2010 Std. 4.5; Clin Infect Dis 2001; J Eur Acad Dermatol Ven 2008; J Pediatr Oncol Nurs 2002)

5.4.2.5. Personnel who handle clean healthcare textiles must change work garments whenever their garment becomes soiled or contaminated. (ANSI/AAMI ST65:2013; Std. 4.5.1; ANSI/AAMI ST79:2010 Std. 4.5.1)

5.5. Occupational Safety and Health Elements

5.5.1. The provider must implement an occupational safety and health program based on the OSHA Bloodborne Pathogen Standard and Universal Precautions to prevent personnel exposure to or contact with blood or OPIM. [OSHA: 29 CFR 1910.1030 (c)(1)(i)]

5.5.2. Exposure Control Plan (ECP):

5.5.2.1. The provider must develop an Exposure Control Plan (ECP) that contains, but is not limited to the following: [OSHA: 29 CFR 1910.1030 (c)(1)(ii)]

5.5.2.1.1. Schedule for compliance (i.e., when each part of the Plan is accomplished in the facility). [OSHA: 29 CFR 1910.1030 (c)(1)(ii)(b)]

5.5.2.1.2. Procedure for evaluating the circumstances surrounding exposure incidents. [OSHA: 29 CFR 1910.1030 (c)(1)(ii)(c)]

5.5.2.1.3. An Exposure Determination Plan (EDP), containing: [OSHA: 29 CFR 1910.1030 (c)(2)]

5.5.2.1.3.1. A list of all job classifications in which all personnel in those job classifications have occupational exposure, [OSHA: 29 CFR 1910.1030 (c)(2)(i)(A)]

5.5.2.1.3.2. A list of job classifications in which some personnel have occupational exposure, and [OSHA: 29 CFR 1910.1030 (c)(2)(i)(B)]

5.5.2.1.3.3. A list of all tasks and procedures that are performed by personnel in a job classification where exposure may exist. [OSHA: 29 CFR 1910.1030 (c)(2)(i)(C)]

5.5.2.1.4. The Exposure Control Plan must be accessible to all personnel. [OSHA: 29 CFR 1910.1030 (c)(1)(iii)]

5.5.2.1.5. The Exposure Control Plan must be reviewed and updated at least annually. [OSHA: 29 CFR 1910.1030 (c)(1)(iv)]

5.5.3. Develop a hepatitis B vaccination program: [OSHA: 29 CFR 1910.1030 (f)]

5.5.3.1. Records must reflect the offering of hepatitis B vaccine by the provider and the acceptance OR documented refusal of the personnel. [OSHA: 29 CFR 1910.1030 (f)(1)(i)]

5.5.3.2. Hepatitis B vaccine must be offered to personnel upon hire if they are candidates for vaccination. [OSHA: 29 CFR 1910.1030 (f)(2)(i)]

5.5.4. Develop a standing process for post exposure management for blood and/or OPIM.

5.5.4.1. Records must reflect a standing process for post-exposure management for blood and/or OPIM. [OSHA: 29 CFR 1910.1030 (h)(3)(i)]

5.5.5. Personnel who are potentially exposed to occupational biological hazards may be monitored in a systematic program of serologic testing and HBV testing intended to prevent occupational injury and disease. [OSHA: 29 CFR 1910.1030 (c)(1-2); CDC HICPAC GL IC HCW, 1998: II.B.4-5; II.E-F]

5.5.6. Develop a hazardous materials (e.g., non-biological, chemical, radiological, etc.) safety plan and policy:

5.5.6.1. Where laundry personnel may be exposed to textiles contaminated with potentially hazardous substances from the customer, a written hazardous substance safety plan must be developed. (OSHA: 29 CFR 1910.1200; The OSHA Technical Manual: Haz Drugs, Sec 6, Chap 2)

5.5.6.1.1. The hazardous substance safety plan must be readily available and accessible to all personnel (i.e., full-time personnel, temporary personnel, contractors, and trainees). (OSHA: 29 CFR 1910.1200; The OSHA Technical Manual: Haz Drugs, Sec 6, Chap 2)

5.5.6.1.2. The hazardous substance safety plan must be reviewed and updated as appropriate at least annually. (OSHA: 29 CFR 1910.1200)

5.5.6.2. Where laundry personnel may be exposed to textiles contaminated with potentially hazardous substances from the customer, the provider must develop a policy for management of hazardous substance-contaminated textiles that includes, but is not limited to:

5.5.6.2.1. Wash process;

5.5.6.2.2. PPE requirements for affected personnel;

5.5.6.2.3. Training records for these personnel; and

5.5.6.2.4. Written record of provider/customer discussion regarding proper containment for hazardous substance contaminated textiles.

5.5.7. All vehicle drivers must meet all requirements of the federal and state Department of Transportation (DOT). (www.dot.gov)

5.5.7.1. The provider must maintain documentation of this compliance and make it available for inspection.

5.6. Training and Educational Programs

5.6.1. General elements:

5.6.1.1. Personnel shall receive standard safety training in all aspects of laundry operations applicable to their respective position(s), including, but not limited to safe operations of equipment per manufacturer's instructions and notification procedures when malfunctions occur.

5.6.1.2. Training options shall include, but are not limited to the following:

5.6.1.2.1. In-plant (in-service) training sessions facilitated by a person experienced in the topic;

5.6.1.2.2. Formal external training programs, including classes, workshops, and seminars.

5.6.1.3. Personnel shall receive the provider's standard training for the correct handling of healthcare textiles. Topics shall include:

5.6.1.3.1. Specific types of fabrics being processed;

5.6.1.3.2. Appropriate surgical textiles pack processes according to each pack's use requirements;

5.6.1.3.3. Proper use, placement, and heat-sealing process for patching surgical textiles; (ANSI/AAMI ST65:2013; Std. 4.2.2., 4.3, 7.2.1)

5.6.1.3.4. A copy of the grading standards.

5.6.2. Bloodborne Pathogens Exposure Control Training:

5.6.2.1. Key topics for this training must include, but are not limited to:

5.6.2.1.1. Personal hygiene and proper handwashing and hand hygiene techniques; (CDC HICPAC GL Hand Hygiene 2.A-D; CDC HICPAC GL IC HCW, 1998: II.B.3)

5.6.2.1.2. Use of PPE appropriate to the task, including one or more of the following, but not limited to, gloves, gowns, aprons, and masks; [ANSI/AAMI ST65:2013; Std 4.5.2; CDC HICPAC GL IC HCW, 1998: II.B.3; OSHA: 1910.1030 (d)(3)(ii)]

5.6.2.1.3. Engineering controls and work practices to minimize the risk of exposure to blood or OPIM; [OSHA: 1910.1030 (d)(2)(i)]

5.6.2.1.4. Orientation on the provider's Exposure Control Program;

5.6.2.1.5. Orientation to hazard communications, including labeling and color-coding; and (OSHA: 29 CFR 1910.1030 (g)(1); (g)(2)(vii)(M))

5.6.2.1.6. Post-exposure procedures, including immediate action, treatment, follow-up, and record keeping. [OSHA: 29 CFR 1910.1030 (f)(3); CDC HICPAC GL IC HCW, 1998: II.B.3-5; E-F]

5.6.3. Hazardous Substance Contaminated Textiles training:

5.6.3.1. Key topics for this training must include, but are not limited to:

5.6.3.1.1. Exposure risk to textiles contaminated with hazardous substances or excreta from patients who have received hazardous substances (e.g., radioisotopes, chemotherapeutics, etc.) in the past 48 hours; (CDC HICPAC GL IC HCW, 1998: II.B.4.c; E-F)

5.6.3.1.2. Communications among supervisors and personnel for hazardous substance management procedures;

5.6.3.1.3. Identification and segregation of soiled textiles from patients exposed to hazardous substance contaminated, reusable textiles in bags designated solely for the containment of reusable hazardous substance exposed textiles;

5.6.3.1.4. Use of PPE including one or more of the following, but not limited to, gloves, gowns, and eye protection, if splashing is possible;

5.6.3.1.5. Hand hygiene; and

5.6.3.1.6. Disposal of contaminated one time use PPE in thick, leak-proof colored or labeled plastic bags for hazardous substances-related wastes.

5.6.3.1.7. Proper handling of other reusable PPE. (OSHA: 29 CFR 1910.1200; The OSHA Technical Manual: Haz Drugs, Sec 6, Chap 2; NIOSH Publication No. 4; 2009)

5.6.4. Department of Transportation (DOT) regulations (www.DOT.gov) training:

5.6.4.1. Key topics in this training must include, but are not limited to:

5.6.4.1.1. Random drug testing;

5.6.4.1.2. Operator training;

5.6.4.1.3. Certified driver license requirements; and

5.6.4.1.4. Bloodborne pathogens exposure.

5.6.5. Training Documentation

5.6.5.1. All training must be documented in writing and kept on file for 3 years from the date of training. [ANSI/AAMI ST65:2013; Std. 4.3; CDC HICPAC GL IC HCW, 1998: II.B.3-5; II.E-F; OSHA: 29 CFR 1910.1030 (h)(2)(ii)]

5.6.5.2. The documentation must include, but is not limited to: [OSHA: 29 CFR 1910.1030 (h)(2)(i)(A-D), (h)(2)(ii)]

5.6.5.2.1. Dates and times of training;

5.6.5.2.2. Method of training;

5.6.5.2.3. Topic;

5.6.5.2.4. Trainer's name, title, signature, and qualifications;

5.6.5.2.5. Copies of printed training materials;

5.6.5.2.6. Validation that the training objectives and a minimum level of competency were achieved; and

5.6.5.2.7. Certificates or signature proof of personnel's attendance.

6. Laundry Customers

6.1. Provider Policy

6.1.1. The provider should have a policy on file that reflects the interaction with customers as described in the following statements of this subpart.

6.2. Contact

6.2.1. The provider shall maintain a written list of all customer contacts for access of information exchange and service.

6.2.2. The provider shall have a 24/7 customer service capability to receive customer messages (e.g., voicemail, email, etc.).

6.3. Visitation

6.3.1. The provider shall make their plants available to customers and prospective customers for inspection.

6.3.2. The provider should annually visit the customer's healthcare facility for the purpose of conducting a walk-through of all areas where healthcare textiles are used, collected, transported or stored.

6.3.3. The provider should annually meet with the customer to determine the textile products used, expected textile usage, and their service expectations.

6.4. Customer Complaints

6.4.1. The provider shall maintain a written log of administrative or policy issues or problems with customers, including names of personnel involved and the resolution. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 11.B)

7. Quality Assessment

7.1. Textile products used in healthcare facilities shall be of a quality to ensure patient and healthcare personnel comfort and textile durability.

7.2. Quality Control

7.2.1. Textile quality shall be defined and documented between the provider and the customer.

7.2.2. The provider processing COG textiles shall comply with pre-established textile maintenance standards as specified by each customer.

7.2.3. Defined quality standards shall keep mending and patching to a minimum.

7.2.4. The entire processing cycle shall have documented quality control procedures to ensure the cleanliness and serviceability of the textiles to include:

7.2.4.1. Requirements to rewash, repair, or replace textiles as necessary to maintain quality standards.

7.2.4.2. Planned and posted traffic patterns where required (e.g., pony washers) to minimize the potential for contaminating clean textiles.

7.2.4.3. Limited traffic in all areas of the facility to authorized personnel as outlined in the provider's policies and procedures. (ANSI/AAMI ST65:2013; 3.2.4; ANSI/AAMI ST79:2010; Std. 3.2.4, 8.9.2)

7.3. Quality Assurance

7.3.1 The provider should have written policies and procedures, covering all areas of responsibility relating to services provided to the customer. (ANSI/AAMI ST65:2013; Std. 6.4, 11.4)

7.3.2. The provider shall maintain records of any laundry processing and/or quality assurance problems experienced and mutually agreed upon solutions.

7.3.2.1. A customer call log may be used for this purpose.

7.3.3. The provider and personnel shall periodically review the entire service program (i.e., safe and efficient work environment, competency of the workforce, and quality assurance of the textile process and product) and make adjustments as necessary and appropriate.

7.3.3.1. This review should be accomplished through monthly reports, regularly scheduled meetings with personnel, and/or annually.

7.3.3.2. Adjustments should be documented and filed for future use or reference.

7.3.4. Each classification of healthcare textiles shall be evaluated and/or tested to assure the established standards are met.

7.4. Process Monitoring

7.4.1. Providers shall engage in process monitoring to verify that ongoing operations are producing clean textiles that will meet customer expectations and needs.

7.4.2. Providers shall prepare detailed process monitoring checklists and use them to document key elements of laundry processing.

7.4.2.1. Process monitoring checklists shall include, but are not limited to, the following items:

7.4.2.1.1. Chemical supplies: Refer to HLAC Standard Part I Subpart 4 Section 4.3. Elements 4.3.3. and 4.3.4.

7.4.2.1.1.1. The provider shall verify with the manufacturer and chemical supplier that laundry chemicals are appropriate for the equipment in accordance with the equipment manufacturer, textile classifications, and water temperatures being used.

7.4.2.1.1.2. Every chemical used must have an SDS on file.

7.4.2.1.1.3. Every chemical must have an appropriate label on every container into which the chemical is placed in accordance with OSHA Hazard Communications Standard. (OSHA: 29 CFR 1910.1200; ANSI/AAMI ST65:2013; Std. 6.4.2.2)

7.4.2.1.2. Water: Refer to HLAC Standard Part I Subpart 4 Section 4.3. Elements 4.3.2. and 4.3.5.

7.4.2.1.2.1. Incoming water shall be tested for hardness, alkalinity (active and total), iron content, and pH.

7.4.2.1.2.2. Testing shall occur on a regular basis, at a minimum, monthly or more often during periods of abnormal water conditions (e.g., when water quality advisories are issued by the municipal water utility).

7.4.2.1.2.3. The provider's wash formula may require adjustment based on these factors. (ANSI/AAMI ST65:2008; Std. 6.4.2.4)

7.4.2.1.3. Titration: (ANSI/AAMI ST65:2013; Std. 6.4.4)

7.4.2.1.3.1. Monthly titrations of the correct wash chemistry shall be performed according to the formula for each major classification of soil. (ANSI/AAMI ST65:2013; Std. 6.4.3.e)

7.4.2.1.4. Systems and procedures must be in place to ensure that the provider's use of air, water, chemicals, and other materials is in compliance with federal and state regulations.

7.4.2.1.5. Load size:

7.4.2.1.5.1. Load size shall follow the equipment manufacturer's recommendations where available.

7.4.2.1.5.2. Each load shall be weighed, using a calibrated scale. Refer to HLAC Standard Part I Subpart 4 Section 4.5. Elements 4.5.1.

7.4.2.1.5.3. The scale shall be inspected and calibrated by an outside auditor on a scheduled basis, but at a minimum annually; and the results made available to the customer upon request. (ANSI/AAMI ST65:2013; Std. 6.2.2; 6.4.2.5) Refer to HLAC Standard Part I Subpart 4 Section 4.5. Elements 4.5.2.

7.4.2.1.6. Equipment:

7.4.2.1.6.1. All provider equipment shall be included in the provider's Preventive Maintenance (PM) Program and checked on a regular basis as defined by the manufacturer for proper operation. Refer to HLAC Standard Part I Subpart 4 Section 4.4.

7.4.2.1.6.2. Typically, a chemical titration and service report from the provider's chemical supplier's technician should have all this information.

7.4.2.1.6.3. Automatic equipment dispensers shall also record the chemical injection amounts and times by classification. (ANSI/AAMI ST65:2013; Std. 6.4.3) Refer to HLAC Standard Part I Subpart 4 Section 4.3.

7.4.2.1.6.4. Ironer temperatures shall be based on the equipment manufacturer's manual and recommendations appropriate for the type of fabric being processed. Refer to HLAC Standard Part I Subpart 4 Section 4.3.

7.4.2.1.7. Finished products:

7.4.2.1.7.1. The quality of finished products shall be maintained as pre-defined by the customer and shall be sufficient to meet the needs of the customer.

7.4.2.1.7.2. A variety of process monitors should be used to indicate how the provider process has performed including:

7.4.2.1.7.2.1. Rewash rates;

7.4.2.1.7.2.2. pH spot tests; and

7.4.2.1.7.2.3. Residual chlorine spot tests.

7.4.2.1.8. Personnel competency:

7.4.2.1.8.1. Supervisors shall verify personnel competency from training documentation (Refer to HLAC Standard Part I Subpart 5 Section 5.6. Element 5.6.5.) and mark the checklist accordingly.

7.5. Accounting

7.5.1. The provider should obtain and maintain on file the customer's written contract to weigh and/or count textiles for accurate billing procedures based on these weights or counts.

PART II

THE TEXTILE PROCESSING CYCLE

2016 HLAC Accreditation Standards

Part II. The Textile Processing Cycle

1. Handling, Collection and Transportation of Soiled Healthcare Textiles

1.1. Universal Precautions

1.1.1. All soiled healthcare textiles must be assumed to be contaminated. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 7..A)

1.1.2. Universal Precautions must apply to all personnel who handle soiled textiles during moving, containing, loading, unloading, and sorting said textiles. [OSHA: 29 CFR 1910.1030 (d)(1)]

1.2. Handling and Collection

1.2.1. All healthcare textiles must be handled and collected in accordance with federal and local regulations or those of the AHJ, thereby minimizing potential exposure of laundry personnel to bloodborne pathogens or other infectious agents. [OSHA: 29 CFR 1910.1030 (d)(4)(iv)(A)(2); ANSI/AAMI ST79:2010 Std. 6.3]

1.2.2. Soiled, contaminated textiles and fabrics must be handled and collected with minimal agitation at all times to prevent contamination of air, surfaces, clean textiles, and persons. [CDC HICPAC GL EIC, 2003:II.G.III.A; OSHA: 29 CFR 1910.1030 (d)(4)(iv) (A)]

1.3. Transportation

1.3.1. The provider must maintain functional separation of clean textiles from soiled textiles in carts and/or vehicles at all times during handling, collection, and transportation of soiled textiles. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.B.3, 8.A; ANSI/AAMI ST79:2010 Std. 3.2.3, 3.3.7.1, 6.5.6; FGI GL 2014: 2.1-5.2 Linen Services 2.1-5.2.2.1, 2.2-5.2.3.1-3)

1.3.2. Functional separation of clean from soiled textiles must be maintained during transportation by:

1.3.2.1. Bagging soiled textiles in fluid-resistant containers; (ANSI/AAMI ST65:2013; Std. 9.5.3)

1.3.2.2. Anchoring soiled textile containers in the vehicle to prevent spillage from their containers;

1.3.2.3. Training personnel regarding proper bagging and placement of textiles in the transporting truck; and

1.3.2.4. Ensuring that all personnel with this responsibility follow Universal Precautions when necessary (e.g., when handling loose soiled textiles not contained in bags).

1.4. Carts Used for Soiled Textiles

1.4.1. Carts, containers, covers, and liners used to collect or transport soiled textiles must be properly cleaned and disinfected after the cart is emptied and before any next use, whether to transport clean textiles or soiled textiles. (ANSI/AAMI ST65:2013; Std. 9.5.4.1, ANSI/AAMI ST79:2010 Std. 8.10.2; FGI GL 2014: 2.1-5.2.2.1. Linen Services 2.1-5.2.3.3.)

1.4.2. If state regulation or AHJ indicates that carts used for soiled textiles cannot be used subsequently to transport clean textiles, the provider must comply with this restriction.

1.4.3. Proper cleaning shall include any of the following:

1.4.3.1. Steam cleaning,

1.4.3.2. Cleaning with a detergent and water, or

1.4.3.3. Using an EPA-registered hospital-grade detergent/disinfectant.

1.4.3.3.1. EPA-registered products shall be used according to label instructions, ensuring that the product remains on surfaces for the full contact time. (ANSI/AAMI ST65:2013; Std. 9.5.4.1; ANSI/AAMI ST79:2010 Std. 8.10.2; CDC HICPAC GL EIC, 2003:II.E.I.A)

2. Sorting

2.1. Soiled Sorting Area

2.1.1. The surfaces in the soil sort room must be cleaned and disinfected in accordance with Part I Subpart 2 Section 2.1. Element 2.1.3.1. and Part I Subpart 2 Section 2.2. Elements 2.2.2.1. - 2.2.2.5.1.2. of this HLAC Standard. (CDC HICPAC GL EIC, 2003:II.E.I-II; ANSI/AAMI ST79:2010 Std. 3.4; OSHA 29 CFR 1910.1030 (d)(ii, ii A))

2.2. Universal Precautions

2.2.1. All personnel who handle soiled healthcare textiles must follow Universal Precautions in accordance with Part II, Subpart 1, Section 1.1 of this HLAC Standard and use appropriate PPE for this

task. [OSHA: 29 CFR 1910.1030 (d)(1); OSHA 29 CFR 1910.1030 (d)(4)(iv)(B); CDC HICPAC GL EIC, 2003: II. F.III; CDC HICPAC GL IC HCW, 1998: II.B.3]

2.3. Sorting Soiled Textiles

2.3.1. Soiled textiles shall be sorted into appropriate wash loads by classification (i.e., color, type of fabric, soil type or soil load) and/or type of goods (e.g., diapers, sheets, patient gowns, etc.) for each laundry formula used. (ANSI/AAMI ST65:2013; Std. 5.4.2)

2.3.2. Laundry bags and textiles contaminated with hazardous substances must be prewashed, and then the textiles added to other laundry for a second wash. (OSHA: 29 CFR 1910.1200; The OSHA Technical Manual: Haz Drugs, Sec 6, Chap 2)

2.4. Foreign Object Policies

2.4.1. Foreign objects shall be removed during the sorting process to be disposed of or returned to the customer in accordance with provider/customer contract.

2.4.1.1. Reusable surgical instruments shall be retrieved from the textiles prior to laundering, placed into designated containers, and returned to the customer. (ANSI/AAMI ST65:2013; Std. 5.3.1)

2.4.1.2. Disposable devices shall be retrieved from the textiles prior to laundering, discarded into designated containers, and/or returned to the customer. (ANSI/AAMI ST65:2013; Std. 5.3.1)

2.4.1.3. Personal patient information shall be retrieved from the textiles prior to laundering, placed into designated containers, and returned to the customer. (ANSI/AAMI ST65:2013; Std. 5.3.1)

2.4.2. Sharps Policy:

2.4.2.1. The provider must maintain a written sharps policy that includes, at a minimum:

2.4.2.1.1. Appropriate sharps containers must be closable, puncture resistant, leakproof on sides and bottom, and labeled (e.g., using the biohazard symbol) or color-coded;

2.4.2.1.2. Sharps containers must be located near soiled textile handling or sorting stations for collection and proper disposal of sharps; and [OSHA: 29 CFR 1910.1030 (d)(2)(viii)(A-C), (d)(4)(iii)(A)(2)(i); ANSI/AAMI ST65:2013; Std. 5.3.1; CDC HICPAC GL EIC, 2003:II.I-III]

2.4.2.1.3. Personnel injured by a sharp must follow OSHA's regulations on sharps injury documentation, post-exposure evaluation, and follow-up. [OSHA: 29 CFR 1910.1030 (f)(3); CDC HICPAC GL IC HCW, 1998: II.E]

3. Washing and Extraction

3.1. Equipment

3.1.1. Washers, washer/extractors, and/or continuous batch washers shall be used in the processing of healthcare textiles. (ANSI/AAMI ST65:2013; Std. 2.59)

3.1.2. The provider shall document equipment requirements and/or modifications in processing healthcare textiles to assure that agreed upon quality standards are consistently met, date them, and revise as needed as equipment needs change.

3.2. Washing

3.2.1. The provider shall follow fabric-care instructions and special laundering requirements for items used by the customer, thereby ensuring that washed healthcare textiles become hygienically clean. (CDC HICPAC GL EIC, 2003:II.G.IV.A, C, D)

3.2.2. The provider shall sort and process environmental cleaning and disinfection textiles (e.g., cleaning cloths, microfiber cloths, mop heads, etc.) in separate wash loads from healthcare textiles intended for patient use.

3.2.3. The provider shall establish the load size (weight) for each textile classification and for each type of equipment used and shall record for each load processed. (ANSI/AAMI ST65:2013; Std. 6.2.2)

3.2.3.1. Equipment and textile product manufacturers' recommendations should be consulted when establishing load size. (ANSI/AAMI ST65:2013; Std. 6.2.2)

3.2.4. Each classification shall have established parameters to optimize the wash processes:

3.2.4.1. Cycle time: Pre-wash, wash, rinse, and final rinse times;

3.2.4.2. Water levels/usage: Total water usage and/or water levels;

3.2.4.3. Temperature: Wash cycle, bleach cycle, and rinse cycle temperatures; and

3.2.4.4. Chemical usage: Chemical types and usage levels for each step in the wash process.

3.2.5. The provider must demonstrate that wash processes are in compliance with state and local requirements by including a copy of these requirements in appropriate documentation and referrals to these requirements in policies.

3.2.6. If soiled textiles are received from the customer as labeled with hazardous drug contamination (i.e., chemotherapy drugs), the provider shall follow an appropriate textile process that includes:

3.2.6.1. Pre-wash of contaminated textiles in a washable laundry bag (e.g., net bag) separate from all other textiles and

3.2.6.2. Second wash process with other soiled textiles prior to drying cycle.

3.3. Extraction

3.3.1. The provider shall extract and/or dry the clean healthcare textiles in a manner that preserves the integrity of the textiles, minimizes microbial growth after washing, and prepares the textiles for efficient ironing or folding. (ANSI/AAMI ST65:2013; Std. 6.2.3.8)

3.3.2. Damp textiles shall not be inappropriately stored (e.g., tightly packed and poorly ventilated [which interferes with drying]), as this may facilitate microbial growth in said textiles. (CDC HICPAC GL EIC, 2003:II. G.II.D)

4. Drying

4.1. Equipment

4.1.1. Dryers shall be in good operating condition.

4.2. Drying

4.2.1. Drying procedures shall be described, controlled, and monitored for each textile classification to ensure appropriate drying. (ANSI/AAMI ST65:2013; Std. 6.3.1)

4.2.2. Hot, dry loads should be subjected to sufficient cool-down to enable personnel to handle the textiles comfortably and to minimize wrinkling. (ANSI/AAMI ST65:2013; Std. 6.3.3.3)

5. Finishing

5.1. Ironing Equipment

5.1.1. Ironers shall be maintained in good operating condition, so that they adequately iron, dry, and fold the textiles without excessive heat, pressure, or mechanical damage.

5.1.2. The equipment shall maintain a temperature appropriate for the type of fabric being processed and based on the equipment manufacturer's manual and recommendations, if available. (TRSA Healthcare Service Operations Manual, p.14)

5.1.3. Documentation of monthly temperatures and preventive maintenance shall be maintained.

5.2. Folding and Stacking

5.2.1. Dry folding equipment shall be in good operating condition to properly fold the textiles without damage.

5.2.2. The folding and stacking process shall ensure that the textile merchandise is maintained in the same hygienically clean state as was achieved when it emerged from washing.

5.2.3. The folding and stacking procedures shall meet the needs and expectations of the customer. (ANSI/AAMI ST65:2008; Std. 8.3.1)

5.2.4. If any textiles become soiled in this process, they shall be rewashed in accordance with HLAC Standard Part II Subpart 3 Section 3.2. (ANSI/AAMI ST65:2008; Std. 9.4)

5.3. Packaging

5.3.1. Healthcare textile packaging must preserve textiles in a hygienically clean state for delivery to the customer. (CDC HICPAC GL EIC, 2003:II.G.IV.E; ANSI/AAMI ST65:2013; Std. 9.4)

5.3.2. Textiles must be wrapped into fluid-resistant bundles or placed as unwrapped bundles into fluid-resistant covered carts or hampers.

5.3.3. Wrapping material shall be plastic or other material that will protect the textiles from inadvertent environmental contamination.

5.3.4. During packaging, textiles shall be handled as little as possible to prevent soiling or contamination. (ANSI/AAMI ST65:2013; Std. 9.4)

5.3.5. The wrapping material or the cart must be securely closed during transport to the customer.

5.4. Reprocessing Requirements

5.4.1. If any textiles become soiled during any stage of the finishing processing (including packaging), they must be rewashed and reprocessed in accordance with HLAC Standard Part II Subpart 3 Section 3.2. (ANSI/AAMI ST65:2013; Std. 9.4)

6. Storage (FGI 2014 2.1-2.6.11.1)

6.1. Rationale

6.1.1. The provider's storage strategies and handling methods of healthcare textiles must preserve the textiles in a hygienically clean state for delivery to the customer. (ANSI/AAMI ST65:2013; Std. 9.1; 9.6.1-2; ANSI/AAMI ST79:2010 Std. 8.9.2)

6.1.2. Stock inventory of clean finished textiles shall be rotated and used in a first-in/first-out manner. (ANSI/AAMI ST65:2013; Std. 9.6.3; ANSI/AAMI ST79:2010 Std. 8.9.3)

6.2. Storage Areas

6.2.1. Storage parameters must be consistent with Part I, Subpart 2, Section 2.1, Subsection 2.1.3, Elements 2.1.3.1 – 2.1.3.4.4. of this HLAC Standard.

6.2.2. Unwrapped clean textiles shall be stored in designated storage rooms, areas, or carts. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.B.3; ANSI/AAMI ST65:2013; Std. 9.6.1-2; ANSI/AAMI ST79:2010 Std. 8.9.2; FGI GL 2014: 2.1-5.2 Linen Services 2.1-5.2.2.1-2, 2.1-5.2.3., 2.1-2.6.11.1)

6.2.3. Only clean textiles shall be stored in this area and signage posted as "Textile storage room." (ANSI/AAMI ST65:2013; Std. 9.6.2)

6.2.4. Storage area cleanliness:

6.2.4.1. A schedule of surface cleaning with a detergent and water, including floor and shelves, shall be in writing.

6.2.4.2. Should this storage area require disinfection after cleaning, the provider shall use an EPA registered hospital grade disinfectant according to label instructions per provider's policy. (CDC HICPAC GL EIC, 2003:II.E.I-II; ANSI/AAMI ST79:2010 Std. 3.4)

6.2.5. Storage area entry and exit:

6.2.5.1. The door to the clean textile storage area shall remain closed at all times, except for entrance or exit. (ANSI/AAMI ST65:2013; Std. 9.6.2)

6.2.5.2. Storage rooms shall only be accessible by authorized personnel. (ANSI/AAMI ST65:2013; Std. 9.6.2; ANSI/AAMI ST79:2010 Std. 8.9.2)

6.3. Storage Options

6.3.1. Bundled and wrapped textiles shall be stored in open racks in the laundry, on the trucks, or at the customer's facility provided the integrity of bundled and wrapped textiles is not compromised. (ANSI/AAMI ST65:2013; Std. 9.6.2; ANSI/AAMI ST79:2010 Std. 8.9.2)

6.3.2. If unwrapped textiles are placed into carts or hampers and covered, the container shall remain covered at all times until delivered to the customer's textiles storage room or other designated location in the healthcare facility.

6.3.3. If the cart does not have a solid bottom (i.e., drain holes), the bottom must be lined with a hygienically clean barrier that prevents environmental contamination before placing clean textiles inside. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.B.3; ANSI/AAMI ST65:2013; Std. 9.6.1-2; ANSI/AAMI ST79:2010 Std. 8.9.2)

6.4. Reprocessing Requirements

6.4.1. If any textiles become soiled during storage, they must be rewashed and reprocessed in accordance with Part II Subpart 3 Section 3.2. of this HLAC Standard. (ANSI/AAMI ST65:2013; Std. 9.4)

7. Delivery of Cleaned Healthcare Textiles

7.1. Clean healthcare textiles must be transported, delivered to the customer's storage area, and stored by methods designed to minimize microbial contamination from surface contact or airborne deposition. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6, 6.B.1-3; FGI GL 2014: 2.1-5.2 Linen Services 2.1-5.2.2.; 2.1-5.2.3.; CDC HICPAC GL EIC, 2003:II.G.IV.E; ANSI/AAMI ST65:2013; Std. 9.5.1)

7.2. Delivery methods:

7.2.1. Clean textiles shall be transported in containers used exclusively for this purpose and/or including, but not limited to, any of the following methods:

7.2.1.1. Clean textiles shall be placed in a hamper lined with a clean liner;

7.2.1.1.1. The hamper shall be covered with a clean cover or the liner shall be closed to protect the textiles. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.A.1; ANSI/AAMI ST65:2013; Std. 9.5.2; 9.6.1-2)

7.2.1.2. Clean textiles shall be placed in a cart, covering it with clean material, and securing the cover. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.A.2; ANSI/AAMI ST65:2013; Std. 9.5.2; 9.6.1-2; ANSI/AAMI ST79:2010 Std. 8.10.2)

7.2.1.2.1. When the cart contains clean textiles, textiles shall be wrapped inside the cart.

7.2.1.2.2. If the clean textiles are unwrapped while in the cart, the cart bottom must be lined with a hygienically clean barrier that prevents environmental contamination and be securely covered. (ANSI/AAMI ST65:2013; Std. 9.5.4.1; ANSI/AAMI ST79:2010 Std. 8.9.2)

7.2.1.3. Clean textiles shall be placed on a wire rack and covered with a suitable cover. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.A.3; ANSI/AAMI ST65:2013; Std. 9.5.2; 9.6.2; ANSI/AAMI ST79:2010 Std. 8.10.2)

7.2.2. Clean textiles shall be wrapped for delivery. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.A.4; ANSI/AAMI ST65:2013; Std. 9.6.1-2; ANSI/AAMI ST79: 2010 Std. 8.10.2)

7.3. Cart Function and Cleanliness

7.3.1. Carts shall be maintained in good working order with wheels free from strings or other debris that impairs functioning or collects dirt.

7.3.2. Cart cleanliness:

7.3.2.1. Carts shall be cleaned and disinfected in accordance with Part II Subpart 1 Section 1.4 Element 1.4.3. of this HLAC Standard. (CDC HICPAC GL EIC, 2003:II.E.I-II; ANSI/AAMI ST79:2010 Std. 3.4)

7.3.2.2. Carts, containers, reusable cart covers, and liners used for clean textiles shall be properly cleaned and disinfected after the cart is emptied and upon return to the facility. (ANSI/AAMI ST65:2013; Std. 9.5.4.1; ANSI/AAMI ST79:2010 Std. 8.10.2)

7.3.2.3. Reusable textile cover materials (e.g., liners) must be washed before the next use. (ANSI/AAMI ST65:2013; Std. 9.5.4.1; ANSI/AAMI ST79:2010 Std. 8.10.2)

7.3.2.4. If a cart used to transport clean textiles appears soiled, it must be cleaned and disinfected before it is subsequently used. (ANSI/AAMI ST65:2013; Std. 9.5.4.1; ANSI/AAMI ST79:2010 Std. 8.10.2)

7.4. Vehicle Considerations

7.4.1. Functional separation:

7.4.1.1. Clean and soiled textiles transported in the same vehicle must have proper and effective functional separation maintained at all times.

7.4.1.2. Separation must be accomplished by the use of physical barriers and/or space separation sufficient to protect clean textiles from contact with soiled textiles. (JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.B.1-3; ANSI/AAMI ST65:2013; Std. 9.5.5; ANSI/AAMI ST79:2010 Std. 8.11.5)

7.4.2. Vehicle cleanliness:

7.4.2.1. The interior of the vehicle's cargo area used to transport healthcare textiles shall be cleaned on a regular basis per provider's policies and procedures and whenever visibly soiled. (ANSI/AAMI ST65:2013; Std. 9.5.5; ANSI/AAMI ST79:2010 Std. 8.11.5)

7.4.2.2. Should the interior surfaces of the cargo area become contaminated with blood or OPIM, these surfaces must be decontaminated, cleaned with a detergent and water, and disinfected with an EPA registered hospital grade disinfectant labeled as tuberculocidal or selected from EPA Lists D or E (i.e., activity against HBV and HIV) and used according to label instructions. (CDC HICPAC GL EIC, 2003:II.E.I-II; ANSI/AAMI ST79:2010 Std. 3.4; OSHA Std statement)

7.4.3. Occupational safety for drivers:

7.4.3.1. Hand care:

7.4.3.1.1. Vehicles used to transport healthcare textiles must have waterless antibacterial hand cleaner on board for the purpose of hand hygiene.

7.4.3.1.2. Drivers must use gloves to minimize contact with soiled textiles and use appropriate hand hygiene after glove removal.

7.4.3.2. Vehicles used to transport healthcare textiles must have PPE and Spill Kits on board for the purpose of self protection while cleaning and disinfecting the spill according to the provider's policies and procedures.

PART III

SURGICAL PACK ASSEMBLY ROOM STANDARDS

2016 HLAC Accreditation Standards

Part III. Surgical Pack Assembly Room Standards

Notes: Part III addresses facility and process elements that are unique to the presence of surgical pack assembly operations. Please refer to Parts I and II for Standards covering the laundry processes up to the point that textiles designated for surgical packs are moved to the surgical pack assembly room for subsequent management.

These Accreditation Standards **do not include textile sterilization**. Providers who perform sterilization of textiles should refer to **American National Standard Institute (ANSI)/Association for the Advancement of Medical Instrumentation (AAMI) ST65:2013 Processing of Reusable Surgical Textiles for Use in Health Care Facilities** and **ANSI/AAMI ST79:2010, Amendments 1-4 Comprehensive Guide to Steam Sterilization and Sterility Assurance in Health Care Facilities**, applicable U.S. Food and Drug (FDA) and Centers for Disease Radiological Health (CDRH) regulations.

1. Physical Facilities of Surgical Pack Assembly Area/Room

1.1. The size and physical layout of the surgical pack assembly room, its equipment, and engineering support must be adequate for the performance of the job function necessary to properly produce reusable surgical pack textiles. (ANSI/AAMI ST65:2013; Std. 3.4.1)

1.2. Floors, Walls, Ceilings and Vents

1.2.1. Floors and walls must be constructed of materials that will withstand scheduled wet cleaning as well as the heat and humidity of the laundry environment. (ANSI/AAMI ST65:2013; Std. 3.4.3; ANSI/AAMI ST79:2010 Std. 3.3.6, 3.4; FGI GL 2014: 2.1-5.2 Linen Services 2.1-7.2.3., Surfaces 2.1-7.2.3.3-4)

1.2.2. Ceilings and vents must be constructed of materials that will withstand scheduled cleaning and vacuuming to eliminate lint and other soils associated with laundry processing. (ANSI/AAMI ST65:2013; Std. 3.3.3, 3.4.3; FGI GL 2014: 2.1-5.2 Linen Services 2.1-7.2.3., Surfaces 2.1-7.2.3.3-4)

1.2.3. Particulate or fiber-shedding materials must not be used in the construction of the surgical pack assembly room. (ANSI/AAMI ST65:2013; Std. 3.4.3)

1.2.4. Ceilings in clean work areas must be flush with recessed, enclosed fixtures. (ANSI/AAMI ST65:2013; Std. 3.4.3)

1.3 Separation of Work Areas

1.3.1. The surgical pack assembly room must be designed, so that areas in which clean textiles are received, stored, and assembled into packs are separated by a physical barrier from areas in which soiled textiles are received or processed. (ANSI/AAMI ST65:2013; Std. 3.2.3.2)

1.4. Ventilation Requirements for Proper Air Flow and Climate Control

1.4.1. Heating, ventilation, and air conditioning (HVAC) system must be designed to conform to AIA/FGI standards in effect at the time when the facility was built or renovated. (FGI GL 2014: 2.1-8; ANSI/ASHRAE/ASHE Std. 170-2013: Sec. 6, 7)

1.4.2. The HVAC system in the surgical pack assembly room must maintain the appropriate positive air pressure relative to the rest of the facility, preventing intrusion of contamination from the soiled textiles area. (ANSI/AAMI ST65:2013 Std. 3.4.4; FGI GL 2014: ANSI/ASHRAE/ASHE Std. 170-2013: Table 7.1, p. 11)

1.4.3. The HVAC system must be a down-draft system for air circulation within the space, and the number of air changes/hour (ACH) (typically 10) must be sufficient to minimize lint particles in the air. (ANSI/AAMI ST65:2013; Std. 3.4.4; FGI GL 2014: ANSI/ASHRAE/ASHE Std. 170-2013: Table 7.1, p. 11)

1.4.4. Return air registers (i.e., exhaust ducts) shall be at or near floor level, thereby facilitating the installation and effective maintenance of any filtering systems. (ANSI/AAMI ST65:2013; Std. 3.4.4)

1.4.5. Portable fans must not be permitted in the surgical pack assembly room. (ANSI/AAMI ST65:2013; Std. 3.4.4)

1.4.6. Supply air for the surgical pack assembly room must be filtered as indicated in the edition AIA/FGI guidelines in effect at the time of construction or renovation of the laundry facility, with the filters undergoing scheduled regular maintenance as determined by the HVAC system engineer. (ANSI/AAMI ST65:2013; Std. 3.4.4)

1.4.6.1. For new construction or major renovated laundry facilities' surgical pack assembly room since 2011, filtration must consist of one filter bed with a 7 MERV (minimum efficiency rating value) or 30% filtration efficiency or the FGI Guidelines at the time of the construction, as a minimum. (FGI GL, 2014: ANSI/ASHRAE/ASHE Std. 170-2013; Sec. 6, Table 6-4)

1.4.7. Temperatures in the surgical pack assembly room must be maintained between 68°F - 73°F to ensure a comfortable work environment for personnel in appropriate work attire. (ANSI/AAMI ST65:2013; Std. 3.4.5; FGI GL 2014: ANSI/ASHRAE/ASHE Std. 170-2013: Table 7.1, p. 11)

1.4.8. Relative humidity (RH) must be maintained between 30% and 60% max in all work areas, except the sterile storage area, where the humidity must not exceed 70%, for personnel comfort and to discourage microbial (e.g., fungal) growth. (ANSI/AAMI ST65:2013; Std. 3.4.5; FGI GL 2014: ANSI/ASHRAE/ASHE Std. 170-2013: Table 7.1, p.11)

1.5. Lighting

1.5.1. Lighting systems in the surgical pack assembly room must be appropriate for the tasks performed in this area. (ANSI/AAMI ST65:2013; Std. 3.4.6)

1.5.2. High intensity lighting shall be available in that part of the room or area where textiles are examined (i.e., folding, assembly, and repair areas). (ANSI/AAMI ST65:2013; Std. 3.4.6)

1.5.3. Lower intensity overhead lighting shall be employed for areas where light illumination (e.g., table, bar, tube, etc.) inspection is performed, so the light illumination equipment can be used optimally. (ANSI/IESNA RP-29; ANSI/AAMI ST65:2013; Std. 3.4.6)

1.5.4. Light illumination equipment shall have a switch to turn off/on.

1.6. Storage Area for Clean Textile Packs

1.6.1. The storage area for clean textile packs must be designed and managed in accordance with recommended practices for clean and sterile products. (21 CFR 820.140 and 21 CFR 820.150; ANSI/AAMI ST65:2013; Std. 3.4.8, 3.4.9, 9.6.1-2; JCHLGL Guidelines for Healthcare Linen Service, 1994; 6.B.3; ANSI/AAMI ST79:2010 Std. 8.9.2; FGI GL 2014: 2.1-5.2 Linen Services 2.1-5.2.2.2, 2.6-5.2.1.2, 4.2-5.2.1, 4.2-5.2.3.2)

1.6.2. Bulk shipping warehouse cardboard boxes must not be in these surgical pack assembly storage rooms. (ANSI/AAMI ST79:2010 Std. 5.2.1)

1.6.3. Storage rooms must be accessible only by authorized personnel. (ANSI/AAMI ST65:2013; Std. 9.6.2; ANSI/AAMI ST79:2010 Std. 8.9.2)

1.6.4. Clean textile pack storage room doors shall remain closed, except for access or exit. (ANSI/AAMI ST65:2013; Std. 9.6.2)

1.6.5. Environmental conditions in the clean surgical textile pack storage area must include:

1.6.5.1. Temperatures must not exceed 73°F to prevent microbial contamination;

1.6.5.2. Relative humidity must be less than 70% to inhibit microbial growth;

1.6.5.3. The room must be properly ventilated to prevent accumulation of dust and lint (i.e., air change rate of 2 ACH); and

1.6.5.4. The room must have positive air pressure relative to adjacent spaces, preventing intrusion of contamination from the soiled textiles areas. (ANSI/AAMI ST65:2013; Std. 9.6.1; ANSI/AAMI ST79:2010 Std. 3.3.6.4-6; FGI GL 2014: ANSI/ASHRAE/ASHE Std. 170-2013 Table 7.1 p. 11)

1.6.6. Storage carts must be used in lieu of fixed shelving, if allowed under state licensing.

1.6.7. Storage areas must be located within the surgical pack assembly room to facilitate bundling, loading onto trucks, and transportation.

2. Surgical Pack Assembly Room Entry and Admission

2.1. Policies:

2.1.1. Criteria for authorized entry and movement within the surgical pack assembly room must be specified in written policies and procedures. (ANSI/AAMI ST65:2013; Std. 3.2.4)

2.1.2. Eating, drinking, smoking, applying cosmetics or lip balm, and handling contact lenses must be prohibited in the surgical pack assembly room. ([OSHA: 29 CFR 1910.1030 (d)(2)(ix)])

2.1.3. Traffic in the surgical pack assembly room must be limited to authorized personnel only. (ANSI/AAMI ST65:2013; Std. 3.2.4)

2.1.4. Policies and procedures must be developed to address visitor access and the circumstances for access and must establish a dress code to reduce the potential for contamination of surgical textiles. (ANSI/AAMI ST65:2013; Std. 3.2.4)

2.2. Location of Hand Hygiene Stations

2.2.1. Personnel must wash their hands before entering and working in the surgical pack assembly room.

2.2.2. Handwashing sinks with soap and paper towels must be readily accessible in or near the surgical pack assembly room. (ANSI/AAMI ST65:2013; Std. 3.4.7)

2.2.3. Alcohol hand sanitizer also must be made readily available at the entrance and exit of the surgical pack assembly room door. (ANSI/AAMI ST65:2013; Std. 3.4.7)

3. Surgical Textile Assembly Process

3.1. Carts Used to Move Clean Surgical Textiles to the Surgical Pack Assembly Room

3.1.1. Carts that are utilized for clean surgical textiles must be cleaned and disinfected in accordance with Part II, Subpart 7, Section 7.3. Element 7.3.2. of this HLAC Standard. (ANSI/AAMI ST65:2013;Std. 9.5.4.1)

3.2. Inspection of Clean Surgical Textiles Prior to Pack Assembly

3.2.1. Before each reuse, all surgical textile products must be visually inspected against written quality standards between provider and customer(s). (ANSI/AAMI ST65:2013; Std. 7.2.1)

3.2.1.1. These standards shall be jointly developed and applied to the textile functional requirements and attributes as well as end-user requirements. (ANSI/AAMI ST65:2013; Std. 7.2.1)

3.2.1.2. Written quality standards shall define the acceptance and rejection criteria for each product type and explain how rejected items should be managed. (ANSI/AAMI ST65:2013; Std. 7.2.1)

3.2.2. If surgical textile integrity and quality are monitored by the provider, the critical zones of surgical textiles must be visually inspected with the use of light illumination (e.g., table, bar, tube, etc.) for the presence of stains, residue, physical defects, chemical or thermal damage, and foreign debris, and to ensure that appropriate labels are in place and a tracking system is intact. (ANSI/AAMI ST65:2013; Std. 7.2.1)

3.2.2.1. The provider and customer shall agree to a written procedure for reporting, investigating, and returning surgical textile barrier efficacy issues and strike-through occurrences to the textile manufacturer and reporting to the non-COG customer. (ANSI/AAMI ST65:2013; Std. 11.4)

3.2.2.2. A tracking mechanism suitable for each surgical textile barrier product must be used to track the number of product's uses based on the textile manufacturer's recommendations. (ANSI/AAMI ST65:2013; Std. 11.5)

3.2.3. Stains:

3.2.3.1. If, during the inspection process, surgical textiles are determined to be stained, these textiles must be rewashed or retired as appropriate. (ANSI/AAMI ST65:2013; Std. 7.2.2, 7.4.3)

3.2.3.2. Surgical textiles with aesthetic stains that do not adversely affect the functionality of the textile may remain in service unless the end user determines otherwise. (ANSI/AAMI ST65:2013; Std. 7.2.2)

3.2.3.3. Stained surgical textiles must be retired if rewashing cannot successfully remove unacceptable stains or residues (e.g., medicines, lubricants, adhesives, blood and/or body fluids, hard-surfaced or foreign matter of unknown composition, and raised or tactile residues). (ANSI/AAMI ST65:2013; Std. 7.2.2)

3.2.4. Physical defects:

3.2.4.1. Physical defects (i.e., loose threads, loose or missing ties/attachments, damaged/missing snaps, cuts, tears, and holes) must be repaired as appropriate with patching and mending before the textile is reused in accordance with Part III Subpart 3 Section 3.3 of this HLAC Standard. (ANSI/AAMI ST65:2013; Std. 7.2.3)

3.2.5. Chemical or thermal damage:

3.2.5.1. Surgical textiles must be inspected for evidence of chemical and/or thermal damages (usually apparent as discoloration, stiffening, or compromised structural integrity holes). (ANSI/AAMI ST65:2013; Std. 7.2.4)

3.2.5.2. Surgical textiles with chemical and/or thermal damage that adversely impacts the important functional attributes of the textile must be retired or removed from service. (ANSI/AAMI ST65:2013; Std. 7.2.4)

3.2.6. Foreign debris

3.2.6.1. Surgical textiles must be free of foreign debris (e.g., lint, hair, loose fibers, fibrous pills, other particulates) prior to assembly into packs. (ANSI/AAMI ST65:2013; Std. 7.2.5)

3.2.6.2. Foreign debris must be removed with an appropriate method (e.g., a delinting roller or sticky tape) as approved by the textile manufacturer. (ANSI/AAMI ST65:2013; Std. 7.2.5)

3.2.6.3. Work practices must be implemented to keep surgical textiles free from foreign debris. Such practices include, at a minimum, the following:

3.2.6.3.1. Dress code suitable for the inspection area of the surgical pack assembly room, consisting of dedicated uniforms or other suitable outerwear, hair covering, and beard covers as appropriate;

3.2.6.3.2. Handwashing procedures;

3.2.6.3.3. Housekeeping procedures to minimize dust and lint; and

3.2.6.3.4. Facility maintenance (e.g., keeping dryer lint screens clean). (ANSI/AAMI ST65:2013; Std. 7.2.5)

3.2.7. Labeling:

3.2.7.1. New surgical textiles shall be inspected for appropriate labels and accompanying manufacturer's instructions. (ANSI/AAMI ST65:2013; Std. 7.2.6)

3.2.7.2. Labels shall contain information such as manufacturer, product type, and lot code numbers. (ANSI/AAMI ST65:2013; Std. 7.2.6)

3.2.7.3. Labels with lot code information must remain intact throughout the effective life of the textile. (ANSI/AAMI ST65:2013; Std. 7.2.6)

3.2.7.4. Surgical textiles that are labeled as in compliance with ANSI/AAMI PB70 must be labeled with their barrier classification. (ANSI/AAMI PB70; ANSI/AAMI ST65:2013; Std. 7.2.6, 7.3.4.2)

3.2.8. Tracking System

3.2.8.1. If a tracking mechanism (e.g., radio frequency identification [RFID], grid, bar code) is present on a surgical textile, this must be visually inspected, marked, scanned, or read each time the product is processed. (ANSI/AAMI ST65:2013; Std. 7.2.7)

3.2.8.2. If the integrity of the tracking mechanism is in question, the textile must be pulled from service or an alternate method of tracking must be used until the tracking problem is resolved. (ANSI/AAMI ST65:2013; Std. 7.2.7)

3.2.9. Effective Life of Surgical Textiles

3.2.9.1. Methods must be designed and in place to the number of uses/washes for surgical textile barrier products. (ANSI/AAMI ST65:2013; Std. 7.3.3)

3.2.9.2. Textile manufacturers must be consulted for directions on evaluating the critical performance attributes of their textile products, to include barrier properties (e.g., repellent finish, deterioration of coatings or film), absorbency, strength, drapeability, physical defects, and signs of textile aging. (ANSI/AAMI ST65:2013; Std. 7.3.3)

3.3. Maintenance of Surgical Textiles

3.3.1. Patching and Mending

3.3.1.1. Sewing and use of patches shall be acceptable for repairs in non-critical zones of surgical textiles. (ANSI/AAMI ST65:2013; Std. 7.4.1-2)

3.3.1.2. Physical defects within the critical zones of the various surgical textiles must be repaired, following manufacturer's guidelines. (ANSI/AAMI ST65:2013; Std. 7.2.3)

3.3.1.2.1. Heat-sealed patches must be used to repair physical defects present in the critical zones of surgical textiles. Attributes of these patches must include: (ANSI/AAMI ST65:2013; Std. 7.4.1)

3.3.1.2.1.1. Meeting the same general medical device safety and effectiveness requirements as the textile being repaired,

3.3.1.2.1.2. Being applied per manufacturer's instructions,

3.3.1.2.1.3. Providing at least the same performance characteristics, including level of barrier performance as the textile being repaired,

3.3.1.2.1.4. Providing at least the same life expectancy as the textile being repaired, and

3.3.1.2.1.5. Allowing for effective sterilization. (ANSI/AAMI ST65:2013; Std.

7.4.1)

3.3.1.2.2. Patches must not be sewn to the textile. (ANSI/AAMI ST65:2013; Std. 7.4.1)

3.3.1.2.3. Patches may need to be applied on one or both sides of a textile, depending on the textile's design and according to the textile manufacturer's instructions. (ANSI/AAMI ST65:2013; Std. 7.4.1)

3.3.1.2.4. Use of sewing is discouraged for repairs in textiles' critical zones; but if sewing is indicated for a successful repair, heat-sealed patches must be used to seal the needle holes. (ANSI/AAMI ST65:2013; Std. 7.4.2)

3.3.1.3. Loose patches must be removed and new patches applied. (ANSI/AAMI ST65:2013; Std. 7.4.1)

3.3.1.4. Acceptable number, location, shape, and size of patches must be clearly delineated in written quality standards and repair procedures. (ANSI/AAMI ST65:2013; Std. 7.4.1)

3.3.1.5. If patching and/or mending is performed, the textiles must be rewashed. (ANSI/AAMI ST65:2013; Std. 7.4.3)

3.3.2. Rewashing surgical textiles

3.3.2.1. If a reusable surgical textile requires rewashing, the procedure used must be compatible with the product. (ANSI/AAMI ST65:2013; Std. 7.4.3)

3.3.2.2. Each rewash cycle must be counted as an additional life cycle for the item. (ANSI/AAMI ST65:2013; Std. 7.4.3)

3.3.3. Rejuvenation of surgical textiles

3.3.3.1. If reusable surgical textile products require rejuvenation or a laundry additive is used to maintain repellency, the process must be compatible with the textile product. (ANSI/AAMI ST65:2013; Std. 7.4.4)

3.3.3.2. Additives that maintain surgical textile performance characteristics (e.g., repellency) must be used according to product instructions. (ANSI/AAMI ST65:2013; Std. 7.4.4)

3.3.3.3. Rejuvenation cycles must be counted as additional life cycles. (ANSI/AAMI ST65:2013; Std. 7.4.4)

3.3.4. Surgical textile retirement or alternate use:

3.3.4.1. When reusable surgical textile products fail to meet their minimum functional performance criteria, they must be retired from use, downgraded to a less stringent alternate use

category (e.g., cover gowns), or remade into a different product (e.g., a smaller wrapper). (ANSI/AAMI ST65:2013; Std. 7.4.5)

3.3.4.2. Products placed into alternate use or remade into different products shall continue to be safe and effective for their intended use. (ANSI/AAMI ST65:2013; Std. 7.4.5)

3.3.4.3. Items placed into alternate use must be permanently marked in some obvious fashion to prevent mix-ups or inappropriate use. (ANSI/AAMI ST65:2013; Std. 7.4.5)

4. Preparation and Wrapping of Surgical Textiles

4.1. Preparation

4.1.1. Policies and procedures must be in place to ensure that reusable surgical textiles are laundered, dried, folded, and packed in a manner that will permit sterilization and delivered to the customer via a means such that the textiles maintain their hygienic integrity, avoiding contamination. (ANSI/AAMI ST65:2013; Std. 11.3)

4.1.2. Preparation, folding, and packing procedures for reusable surgical textiles shall be developed with consultation from the customer and documented. (ANSI/AAMI ST65:2013; Std. 8.2)

4.2. Folding

4.2.1. Reusable surgical textiles shall be folded and packaged properly and consistently each time they are processed in accordance with customer's requirements. (ANSI/AAMI ST65:2013; Std. 8.2)

4.2.2. Standards must be in place to identify the specific folds, components, and other details for each surgical pack built by the laundry. (ANSI/AAMI ST65:2013; Std. 8.2, 8.3.1)

4.2.3. The following elements must be taken into account regarding the folding of clean, reusable surgical textiles: (ANSI/AAMI ST65:2013; Std. 8.3.1)

4.2.3.1. Following inspection, all items must be folded in a manner that will allow them to be aseptically donned and/or presented to the sterile field with as little manipulation and chance of contamination as possible. (ANSI/AAMI ST65:2013; Std. 8.3.1)

4.2.3.2. The method of folding must allow for effective penetration of the steam from the autoclave into the pack. (ANSI/AAMI ST65:2013; Std. 8.3.1)

4.2.3.3. The method of folding must allow for easy identification and orientation of the items. (ANSI/AAMI ST65:2013; Std. 8.3.1)

4.2.4. Clean reusable surgical textiles must be handled with clean hands in a manner to maintain their hygienic quality in accordance with Part I Subpart 5 Section 5.3 Element 5.3.3.3 of this HLAC Standard. (ANSI/AAMI ST65:2013; Std. 4.4, 9.2)

4.2.5. Procedures for folding surgical textiles shall be reviewed as needed to ensure that they are still applicable with the customer. (ANSI/AAMI ST65:2013; Std. 8.3.1, 9.2)

4.2.5.1. ANSI/AAMI ST65:2013 should be consulted for basic correct folding procedures in addition to customer's requests and preferences. (ANSI/AAMI ST65:2013; Std. 8.3.1)

4.2.5.2. Folding specifications shall be provided by and/or approved by the customer for whom the surgical packs are being built. (ANSI/AAMI ST65:2013; Std. 8.3.1)

4.2.5.3. These specifications shall be documented, using photographs or drawings or other visual media with accompanying instruction notations, and a photograph or drawing of the finished products shall be included. (ANSI/AAMI ST65:2013; Annex A: Examples of Folding Procedures)

4.2.5.4. These photographs and/or drawings specifications shall be maintained in the surgical pack assembly room.

4.3. Surgical Textile Pack Assembly

4.3.1. Pack order, from top to bottom, must be developed in consultation with the customer to ensure that items can be removed from the pack, in the order of their use, without compromising the sterile field. (ANSI/AAMI ST65:2013; Std. 8.4)

4.3.2. After the order of the pack is agreed upon, the pack configuration must be documented (i.e., pack master list and/or a device master record [DMR]). (ANSI/AAMI ST65:2013; Std. 8.4)

4.3.3. The contents and order of each pack configuration shall be reviewed by the manager, who is responsible for pack assembly to ensure that the pack meets all appropriate requirements; documentation for each pack configuration shall be reviewed on a regular basis by the surgical pack assembly room manager with the customer. (ANSI/AAMI ST65:2013; Std. 8.4)

4.4. Wrapping and Packaging

4.4.1. The barrier product used to complete the pack and provide adequate coverage of the contents must be appropriate for the method of sterilization (i.e., permits maximum penetration of the sterilant during sterilization) and must maintain the content's sterility until aseptic presentation. (ANSI/AAMI ST65:2013; Std. 8.5)

4.4.2. The customer shall be consulted in the choice of appropriate barrier product.

4.4.3. The type of barrier used must be documented in the procedure (i.e., pack master list and/or a DMR). (ANSI/AAMI ST65:2013; Std. 8.5)

4.4.4. The finished pack and bulk loose textiles must be packaged in a suitable material (e.g., placed in covered carts or wrapped in plastic) to avoid contamination during transport to the customer.

4.5. Labeling and Identification of Packs

4.5.1. Prior to delivery, assembled packs must have a label that includes the following items of information:

4.5.1.1. Identification (e.g., name, Julian date, and unique pack identifier)

4.5.1.2. Pack contents, including identifying any items containing natural rubber latex

4.5.1.3. Identification or identifying barcode of who and date assembled the pack.
(ANSI/AAMI ST65:2013; Std. 8.6)

5. Storage and Transportation of Surgical Textile Packs

5.1. Storage of Surgical Textile Packs

5.1.1. Storage of Surgical Textile Packs must comply with Part I Subpart 2 Section 2.1. Element 2.1.3. and Part III Subpart 1 Section 1.6. of this HLAC Standard for statements addressing storage of clean surgical textile packs.

5.2. Transportation of Surgical Textile Packs

5.2.1. Transportation of surgical textile packs must be in accordance with Part II Subpart 7 of this HLAC Standard.

5.2.2. Transport of the surgical textile packs within the provider's facility or to the customer must be accomplished in a manner to maintain the hygienic quality of the packs and to minimize microbial contamination from surfaces or the air. (ANSI/AAMI ST65:2013; Std. 9.5.1)

5.2.3. Clean carts or containers must be used for transport of clean surgical textile packs.
(ANSI/AAMI ST65:2013; Std. 9.5.2) Refer to HLAC Standard Part II Subpart 7 Section 7.3.

5.2.4. Carts or containers used for soiled surgical textiles must not be permitted in the surgical pack assembly room.

5.2.5. Characteristics of carts or containers suitable for transporting clean surgical textile packs must be in accordance to Part II Subpart 7 Sections 7.1. and 7.3. of this HLAC Standard.

5.2.6. Loading methods must be developed to ensure products are appropriately segregated and labeled to avoid contamination. (ANSI/AAMI ST65:2013; Std. 9.5.4.2)

6. Surgical Textile Pack Assembly Room Personnel

6.1. Qualifications

6.1.1. General elements related to personnel qualifications shall be in accordance with Part I Subpart 5 Section 5.1. of this HLAC Standard.

6.1.2. Surgical pack assembly room procedures must be performed correctly and supervised by knowledgeable personnel. (ANSI/AAMI ST65:2013; Std. 4.1) Refer to HLAC Standard Part I Subpart 5 Section 5.2.

6.2. Training and Competency

6.2.1. General elements of personnel training must be in accordance with Part I Subpart 5 Sections 5.2. and 5.6. of this HLAC Standard.

6.2.2. Personnel must be trained on the appropriate pack processes according to each pack's use requirements. (ANSI/AAMI ST65:2013; Std. 4.3)

6.2.3. Personnel must be trained to operate surgical pack assembly room equipment safely and to recognize and report equipment malfunctions. (ANSI/AAMI ST65:2013; Std. 4.3)

6.2.4. Personnel must be trained to work with reusable surgical textiles and to be familiar with the following items:

6.2.4.1. Characteristics inherent to reusable surgical textiles;

6.2.4.2. Uses of those textiles;

6.2.4.3. Processes required to maintain those qualities, such as folding and preparations of the surgical packs; and

6.2.4.4. Infection prevention relevant to the preparation of surgical textiles. (ANSI/AAMI ST65:2013; Std. 4.3.a-e)

6.3. Health and Personal Hygiene

6.3.1. Additional health and hygiene specifics must be in accordance with HLAC Standard Part I Subpart 5 Section 5.3.

6.3.2. Fingernails must be kept short, clean, natural, and healthy. (2014 AORN RP on Surgical Attire; ANSI/AAMI ST65:2013; Std. 4.4)

6.3.2.1. Surgical pack assembly room personnel must not wear nail polish, artificial nails, or artificial eyelashes. (2014 AORN RP on Surgical Attire; ANSI/AAMI ST65:2013; Std. 4.4)

6.3.3. Jewelry of any kind must not be worn in the surgical pack assembly room. (2014 AORN RP on Surgical Attire; ANSI/AAMI ST65:2013; Std. 4.4)

6.3.4. Healthy skin integrity absent of abrasions, dermatitis or other skin breakdowns must be maintained. (2014 AORN RP Hand Hygiene; CDC HICPAC GL HH 5.A)

6.4. Attire and Personal Protective Equipment (PPE)

6.4.1. The basic elements pertaining to personnel attire must be in accordance with Part I Subpart 5 Section 5.4. of this HLAC Standard as appropriate. (ANSI/AAMI ST 65:2013; Std. 4.5.1)

6.4.2. Personnel attire in the surgical pack assembly room must protect personnel and the integrity of the textile product. (ANSI/AAMI ST65:2013, Std. 4.5.1)

6.4.2.1. All head and facial hair (excluding eyebrows and eyelashes) must be completely covered with a surgical-type hair covering. (ANSI/AAMI ST65:2013; Std. 4.5.1)

6.4.2.2. Dedicated surgical pack assembly room attire laundered by the facility must be covered or changed upon leaving or entering the surgical pack assembly room in accordance with provider's policy.

6.4.2.2.1. When leaving the surgical pack assembly room, dedicated pack room personnel first must don the appropriate protective cover (e.g., cover gowns, shoe covers, hair covering, etc.) over their surgical pack assembly room attire and then must remove the appropriate protective cover (e.g., cover gowns, shoe covers, hair covering, etc.) that was over their surgical pack assembly room attire before re-entering the surgical pack assembly room in accordance with written facility policy. (AORN 2014 RP on Surgical Attire)

6.4.2.3. Dedicated shoes and/or disposable shoe covers must be worn in the surgical pack assembly room.

APPENDIX

2016 HLAC Accreditation Standards

Appendix

Appendix A: Glossary and Terminology

Artificial nails – Substances or devices applied or added to the natural nails to augment or enhance the wearer's own nails. They include, but are not limited to, bonding, tips, wrappings, and tapes. (AORN 2014 RP on Surgical Attire)

Barrier properties – The ability of a material to resist the penetration of liquids (e.g., irrigating fluids, blood, and OPIM). (ANSI/AAMI ST65:2013)

Biohazard – An infectious agent or hazardous biological material that presents a risk to the health of humans or the environment. Biohazards include tissue, blood or body fluids, and materials such as needles or other equipment contaminated with these infectious agents or hazardous biological materials.

Cleaning – A process that uses a cleaning agent and physical action, such as scrubbing or wiping, to remove visible soil, organic matter, and bioburden from a surface or object and in doing so renders the surface or object safe to handle. The cleaning agent may be a wet or dry chemical. The specifics of a cleaning process are dictated by factors associated with the item to be cleaned, namely chemical compatibility, location, wetness tolerance, surface topography and complexity.

Clean textile storage area – An area where clean textiles are stored prior to delivery. (ANSI/AAMI ST65:2013)

Conditioning/drying area – An area where, after extraction, textiles are either conditioned (partly dried) or fully dried in a dryer or tumbler. (ANSI/AAMI ST65:2013)

Critical zone – An area of protective apparel or surgical drape where direct contact with blood, body fluids, and OPIM is most likely to occur. (ANSI/AAMI ST65:2013)

Contaminated laundry – According to Occupational Safety and Health Administration (OSHA), laundry that has been soiled with blood or other potentially infectious materials or that may contain sharps. (OSHA 29 CFR 1910.1030)

Decontamination – The use of physical or chemical means to remove, inactivate, or destroy pathogens, including bloodborne pathogens, on a surface or item to the point where any remaining pathogens are no longer capable of transmitting infection and the surface or item is rendered safe for handling, use, or disposal. (Modified from OSHA 29 CFR 1910.1030)

Device master record (DMR) – According to the Food and Drug Administration (FDA), a compilation of records that contain the procedures and specifications for a finishing device. [21 CFR 820.3(j)]

Extraction area – An area where excess water is removed from textiles after laundering, but before conditioning or drying. (ANSI/AAMI ST65:2013)

Folding area – An area where textiles are folded. (ANSI/AAMI ST65:2013)

Foreign object – Objects or items considered as non-textile items (e.g., instruments, disposable devices, sharps, personal patient information, etc.) that may potentially harm people and laundry equipment if left among the textiles.

Functional separation/barrier – An activity or structure that separates one movement, action, or space from another. Examples include structures (e.g., walls, partitions, carts) and ventilation parameters (e.g., airflow directions and pressure). Functional separation achieved through ventilation usually employs negative air pressure to prevent potential pathogens from spreading to other areas in the facility.

General work clothes – Uniforms, pants, shirts, and/or blouses not intended to function as protection against a hazard are not considered to be personal protective equipment (PPE). (Modified from OSHA 29 CFR 1910.1030)

Hazardous drugs/substances – A pharmaceutical, chemical, or radiological agent that presents a risk of exposure, associated injury or illness, or other mishap to humans or the environment; if not prevented, minimized, controlled, confined, and/or handled according to safety precautions. Any drug identified by at least one of the following six criteria: carcinogenicity, teratogenicity or developmental toxicity, reproductive toxicity in humans, organ toxicity at low doses in humans or animals, genotoxicity, or new drugs that mimic existing hazardous drugs in structure or toxicity. (Modified NIOSH Publication 2014-138)

Hygienically clean – A clean state, free of pathogens in sufficient numbers to minimize risk of infection. Hygienically clean laundry carries negligible risk to healthcare workers and patients, provided that the clean textiles are not inadvertently contaminated before use. (Modified from ANSI/AAMI ST65:2013; CDC EIC guideline 2003: Part I. G. Laundry and Bedding and 2. Epidemiology and General Aspects of Infection Control)

Ironing area – An area where textiles that require ironing are processed through a flatwork ironer. (ANSI/AAMI ST65:2013)

Material safety data sheet (MSDS) – see Safety Data Sheets (SDS).

Needle holes – Structural breaches that allow strike-through of fluids to occur during the textile's use in surgery.

Negative air pressure – Directed air flow such that air flows into a room or space from a corridor or adjacent area. In a laundry facility, soiled textile sorting areas are under negative air pressure to ensure that pathogens do not spread to other areas of the facility. When a room is under negative air pressure, air flows from a clean space into the room and typically is exhausted to a diluted stable location (e.g., outside ambient air atmosphere beyond the building walls).

Non-critical zone – An area of a surgical gown or drape where direct contact with blood, body fluids, and OPIM is not likely to occur. (ANSI/AAMI ST65:2013)

Other Potentially Infectious Material (OPIM) – The following human body fluids: semen, vaginal secretions, cerebrospinal fluid, synovial fluid, pleural fluid, pericardial fluid, peritoneal fluid, amniotic fluid, saliva in dental procedures, any body fluid that is visibly contaminated with blood, and all body fluids in situations where it is difficult or impossible to differentiate between body fluids; any unfixed tissue or organ (other than intact skin) from a human (living and dead); and HIV-containing cell or tissue cultures, organ cultures, and HIV- or HBV- containing culture medium or other solutions; and blood, organs, or other tissues from experimental animals infected with HIV and HBV. (OSHA 29 CFR 1910.1030)

Particulate or fiber-shedding materials – Porous, disintegrating construction materials that release minute separate particles, which may become airborne and/or fall on lower surfaces or substances; threadlike substance or structure, natural or artificial filament, or element that gives texture capable of becoming separated and dispersed in the air or upon surfaces (Dictionary)

Patching/mending area – An area where textile repairing, patching, and mending operations are performed. **NOTE:** If patching/mending is performed in the laundry area, the textiles should be rewashed before being moved to the surgical pack assembly area. (ANSI/AAMI ST65:2013)

Pharmaceutical Waste – A therapeutic drug or drug residue identified by the state health department or state environmental agency as requiring special handling, treatment, and disposal when said drug or drug residue is discarded as waste.

Physical barrier – A visible construction (e.g., floor to ceiling wall, plastic curtain, or other material) separating one area from another area.

Physical environment – Surfaces in the construction of the room and/or building, such as floors, walls, ceilings, working surfaces, installed equipment, and vents.

Positive air pressure – Directed air flow such that air flows out of a room or space from a corridor or adjacent area. In a laundry facility, clean textile processing areas are under positive air pressure to ensure that pathogens do not spread to those areas of the facility. When a room is under positive air pressure, air flows from a clean space out into an adjacent space.

Processed – Items that have been laundered, cleaned, disinfected, or sterilized as appropriate for safe use in an intended activity.

Receiving area – An area where soiled textiles are received in hampers or bags typically contained within carts, waiting soil sorting. (ANSI/AAMI ST65:2013)

Reusable surgical textile – A drape, gown, towel, or sterilization wrapper that is intended to be used in surgery or assist in preparing the surgical team for surgery, that is made from a fabric (usually woven or knitted) or a fabric/film laminate, and that is intended to be used more than once, with appropriate cleaning, decontamination, and sterilization between uses. (ANSI/AAMI ST65:2013)

Safety Data Sheets (SDS) – Formerly **Material Safety Data Sheets (MSDS)**, these standardized format sheets contain summaries provided by the manufacturer to describe the chemical properties and hazards of specific chemicals and ways in which employees can protect themselves from exposure to these chemicals in the workplace. **Mandatory training of employees is required by 1 December 2013.** (OSHA. 29 CFR 1910.1200 OSHA Hazard communication standard. Appendix D, 2012)

Soil sort area – An area where soiled textiles are sorted usually by textile category and sometimes by degree of soiling or color. (ANSI/AAMI ST65:2013)

Staging – A process for preparing the textiles for delivery and having them wrapped and ready for transport.

Standard Precautions – The Centers for Disease Control and Prevention (CDC) term for an isolation category that incorporates Universal Precautions and Body Substance Precautions include a group of infection prevention practices that apply to ALL patients regardless of suspected or confirmed infection status in any setting where health care is delivered.

Sterile field – An area created with sterile draping materials where sterile technique is required (e.g., around a surgical site, on a back table, or on a gowning table). (ANSI/AAMI ST65:2013)

Sterile pack bagging area – An area where sterile packs are placed in dust covers, if used.

NOTE: HLAC Standards do not address this area nor inspect this area; provided for definition and clarification purposes only. (ANSI/AAMI ST65:2013)

Sterile storage area – An area where sterile surgical packs are stored prior to delivery to the user.

NOTE: HLAC Standards do not address this area nor inspect this area; provided for definition and clarification purposes only. (ANSI/AAMI ST65:2013)

Sterilization area – An area where steam sterilizers are located, including the space for loading, queuing carts, cool-down, and unloading carts.

NOTE: HLAC Standards do not address this area nor inspect this area; provided for definition and clarification purposes only. (ANSI/AAMI ST65:2013)

Sterilization quarantine area – An area where sterilized surgical packs are stationed, awaiting product release.

NOTE: HLAC Standards do not address this area nor inspect this area; provided for definition and clarification purposes only. (ANSI/AAMI ST65:2013)

Sterilization wrap – According to FDA, a device intended to be used to enclose another medical device that is to be sterilized by a health care provider. It is intended to allow sterilization of the enclosed medical device and also to maintain sterility of the enclosed device until used. (21 CFR 880.6850)

Storage – An area where items are stored for distribution to another area for specific activity (i.e., decontamination, cleaning, disinfection, sterilization, item for use).

Strike-through – Passage of a liquid that could contain microorganisms through a barrier product, including its seams and/or points of attachment. (ANSI/AAMI ST65:2013)

Surgical pack assembly area or pack room – An area where clean surgical textiles are received, stored, inspected, mended and folded into finished components in preparation for assembly into surgical packs. (ANSI/AAMI ST65:2013)

Textile barrier testing area – An area where clean surgical textiles are evaluated for barrier properties and quality.

NOTE: This area might be part of the surgical pack assembly area. (ANSI/AAMI ST65:2013)

Textile inventory storage area – An area where newly purchased textiles are received and held prior to processing and placement into the circulating inventory. (ANSI/AAMI ST65:2013)

Universal Precautions – A CDC term that means healthcare workers consider ALL patients as potentially infected with HIV and/or other bloodborne pathogens and to adhere rigorously to infection control precautions for minimizing the risk of exposure to blood and body fluids of all patients. Enhance the definition for application to laundry industry. As defined by OSHA and more applicable to laundry industry, Universal Precautions is an approach to infection control where all human blood and certain human body fluids are treated as if known to be infectious for HIV, HBV, and other blood borne pathogens. (Modified OSHA 29 CFR 1910.1030)

Unwrapped – An item has been decontaminated, cleaned, inspected, assembled for use, placed in an appropriate container for sterilization in an autoclave, or ready for distribution.

Washing (processing) area – An area where soiled textiles are washed and in which such equipment as washers, extractors, washer-extractors, continuous-batch washers, and/or continuous processing systems are located; also known as wash floor. (ANSI/AAMI ST65:2013)

Appendix B: Abbreviations

AAMI – Association for the Advancement of Medical Instrumentation

ACH – Air Changes per Hour

AHE – Association for the Healthcare Environment

AHJ – Authorities Having Jurisdiction

ANSI – American National Standards Institute

AORN – Association of periOperative Registered Nurses

APIC – Association for Professionals in Infection Control and Epidemiology

ARTA – American Reusable Textiles Association

ASHRAE – American Society for Heating, Refrigeration, and Air Conditioning Engineers

BBP – Bloodborne Pathogens

CDC – U.S. Centers for Disease Control and Prevention

CFR – Code of Federal Regulations

CMS – Centers for Medicare and Medicaid Services

COG – Customer Owned Goods

DHHS – U.S. Department of Health and Human Services

DHS – U.S. Department of Homeland Security

DOT – U.S. Department of Transportation

ECP – Exposure Control Plan

EDP – Exposure Determination Plan

EPA – U.S. Environmental Protection Agency

F – Fahrenheit

FDA – U.S. Food and Drug Administration

FGI – Facilities Guidelines Institute

GL – Guidelines

GL EIC – CDC/HICPAC Guidelines for Environmental Infection Control in Health-Care Facilities

HICPAC – Healthcare Infection Control Practices Advisory Committee

HLAC – Healthcare Laundry Accreditation Council

IAHTM - *International Association for Healthcare Textile Management*

IC HCP – Infection Control for Health-Care Personnel

IPM – Integrated Pest Management

JCHLGL – Joint Committee for Healthcare Laundry Guidelines

NFPA – National Fire Protection Association

NHTSA – U.S. Department of Transportation, National Highway Traffic Safety Administration

NIOSH – National Institute for Occupational Safety and Health

NR – No Requirement

OPIM – Other Potentially Infectious Material

OPL – On-Premise Laundry

OSHA – U.S. Department of Labor, Occupational Safety and Health Administration

PPE – Personal Protective Equipment

PUB – Publication

SDS – Safety Data Sheet(s)

Std. – Standard

TRSA – Textile Rental Services Association of America

USC – United States Code

Appendix C: Design Ventilation Parameters for Healthcare Laundry Areas

Laundry Area	Air Flow Direction	Exhaust to Outside?	Minimum Total ACH*	Minimum # ACH of Outdoor Air	Use of Recirculated Air	Temp ^º	Relative Humidity
Linen and Trash Room Chute	Negative	Yes	10	NR [^]	No	NR	NR
Soiled Linen Sorting and Storage	Negative	Yes	10	NR	No	NR	NR
Laundry	Negative	Yes	10	2	No	NR	NR
Clean Linen Storage	Positive	NR	2	NR	NR	72º - 78º F	NR

Source: Ventilation of Health Care Facilities. ANSI/ASHRAE/ASHE Standard 170-2013 Table 7.1, p. 11 in FGI 2014.

* ACH = Air Changes per Hour

[^] NR = No Requirement

Appendix D: Code of Federal Regulations Text for FDA Device Handling and Storage

21 CFR Food & Drugs, Chapter 1: Food & Drug Administration, Department of Health and Human Services
 Subchapter H: Medical Devices. Part 820: Quality System Regulation.
 Subpart L: Handling, Storage, Distribution, and Installation

21 CFR 820 §820.140 Handling

Each manufacturer shall establish and maintain procedures to ensure that mixups, damage, deterioration, contamination, or other adverse effects to product do not occur during handling.

21 CFR 820 §820.150 Storage

- (a) Each manufacturer shall establish and maintain procedures for the control of storage areas and stock rooms for product to prevent mixups, damage, deterioration, contamination, or other adverse effects pending use or distribution and to ensure that no obsolete, rejected, or deteriorated product is used or distributed. When the quality of product deteriorates over time, it shall be stored in a manner to facilitate proper stock rotation, and its condition shall be assessed as appropriate.
- (b) Each manufacturer shall establish and maintain procedures that describe the methods for authorizing receipt from and dispatch to storage areas and stock rooms.

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Appendix F: Acknowledgments

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Appendix G: HLAC Board of Directors for 2012 - 2014

The HLAC Board consists of four (4) classes of Directors:

Class 1 consists of four (4) Directors, representing textile maintenance companies (i.e., these are owners and/or operators of non-cooperative or in-house laundries) engaged in healthcare textile processing.

Class 2 consists of four (4) Directors, representing associations interested in healthcare textile processing and support the purpose of the Council.

Class 3 consists of two (2) Directors, representing healthcare textile maintenance cooperatives (i.e., laundries owned by several healthcare facilities) and/or in-house (laundry) textile maintenance facilities for healthcare institutions.

Class 4 consists of two (2) Directors, representing government agencies (i.e., works or has worked within the last five years for government as an employee and is familiar with writing, using, and complying with mandates and guidance) and/or is an Infection Control Professional (i.e., works or has worked within the last five years for a hospital or healthcare organization and who understands and applies standards in their career or job).

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Sterile Surgical Systems
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