

State of Wisconsin
Department of Workforce Development
Division of Administrative Services



Bureau of Procurement
and Information Management
P.O. Box 7892
Madison, WI 53707

Amendment # 2
by and between
Wisconsin Department of Workforce Development
and
Cap Services, Inc

COMMODITY OR SERVICE:
Employment and Wage Assessment and
Debt to Asset Ratio Assessment

REQUEST FOR BID/PROPOSAL:
ILC0045

RENEWAL PERIOD:
May 5, 2024 through May 4, 2025

CONTRACT NO:
44500-O23-ILC0045-00

WHEREAS, the State of Wisconsin Department of Workforce Development ("the State" or "the Department") and CAP Services, Inc. ("the Contractor") entered into a contract, fully executed on May 2, 2023, for a one (1) year period beginning May 5, 2023 through March 31, 2024 for Employment and Wage Assessment and Debt to Asset Ratio Assessment pursuant to the Request for Bid/Proposal No.: ILC0045 (the "Contract"). Amendment #1 was fully executed on March 13, 2024 to amend the contract period beginning May 5, 2023 through May 4, 2024. Both the Contract and Amendment #1 are herein incorporated by reference.

WHEREAS, this Amendment #2 to the Contract is made by the Contractor and the Department (collectively, the "Parties") to renew and amend the Contract.

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES HERETO:

- The Contract is renewed for a period of one (1) year starting May 5, 2024 through May 4, 2025.
- The price for this renewal period shall be as follows:

Pricing for Category	Fee
Employment and Wage Assessment (EWA)	\$1200.00
Debt to Asset Ratio	\$650.00
- Attachment 1** - Statement of Work - amends and replaces sections 3.1 (Service Delivery), 3.2 (Security Requirements), 3.3 (Technical Requirements), 3.4 (Report Requirements), 3.5 (Recordkeeping Requirements), and 4.1 (Background Checks) of the Contract.
- All other terms and conditions of the original Contract shall remain unchanged and in full force and effect.

In Witness Whereof, the Contractor and the State have, through their duly authorized representatives, entered into this Amendment #2. The parties, having read and understood the foregoing terms of this Amendment, do by their respective signatures dated below agree to the terms thereof.

DocuSigned by:
Nicole Harrison

Nicole Harrison, President and CEO
CAP Services, Inc.

4/19/2024

Date

DocuSigned by:
Pamela McGillivray

Pamela McGillivray, Deputy Secretary
Department of Workforce Development

4/19/2024

Date

Attachment 1 Statement of Work

3.1 SERVICE DELIVERY

- 3.1.1 Contractor shall provide DVR consumer(s) with information to access the Employment and Wage Assessment (EWA) and Debt to Asset Ratio Assessment (if applicable) services. This includes name, contact information, and website (if applicable).
- 3.1.2 Contractor shall provide services in a manner accessible to people with disabilities. If accessibility of Contractor's office is an issue for a covered individual, the Contractor shall ensure that appropriate steps are taken to accommodate the disability(ies).
- 3.1.3 Contractor shall secure in-person or virtual translation and/or interpretation services for consumers who request such services at no additional cost to the State. The appropriate mode of communication shall be consistent with the informed choice of the consumer and enable the consumer to comprehend and respond to information that is being communicated (example: when the appropriate mode of communication is sign-language this service must be provided by professional interpreters licensed by the Department of Regulation and Licensing).

All foreign language interpreting provided under this Contract must be administered by a qualified interpreter. A qualified interpreter shall be proficient in English and the DVR consumer's primary language and demonstrate knowledge in both languages of relevant specialized terms and concepts. Interpreters shall demonstrate their competency of the culture of the Limited English Proficiency (LEP) language group being served.

- 3.1.4 Contractor shall perform services in a location that is public, in a manner that is confidential, and meets ADA requirements for accessibility. Information about ADA Accessibility Standards available at: <https://www.access-board.gov/ada/>.
- 3.1.5 Contractor shall participate in meetings with DVR staff to discuss changes within the DVR program that may impact services to DVR consumers.
- 3.1.6 Contractor shall attend scheduled status meetings as requested with the DVR referring counselor and the DVR consumer to present the findings of the EWA and Debt to Asset Ratio Assessment (if applicable). Onsite attendance is not required; Contractor may participate by phone or other alternative means as agreed upon by the DVR referring counselor and DVR consumer.

3.2 SECURITY REQUIREMENTS

- 3.2.1 Contractor shall adhere to the information technology (IT) security standards and requirements identified in the Cyber Security Requirements (Exhibit 1-A).
- 3.2.2 If Contractor maintains physical copies of any documents or materials containing confidential information, the Contractor shall keep those documents or materials safe in the event of a fire or other catastrophic event. Confidential Information must be stored in a secure location when not in use, during and after work hours, and destroyed pursuant to section 3.2.3 at the end of the retention period.
- 3.2.3 At the end of the retention period of six (6) years, as required by Section 7.0 - Recordkeeping and Record Retention - of the Supplemental Standard Terms and Conditions for Procurement for Services, all personally identifiable information and any other consumer-related information shall be shredded or otherwise destroyed in a manner which protects the confidentiality of the information. Contractor will provide to DVR a written and signed statement at the end of the six (6) year retention period confirming that all personally identifiable information and consumer-related information is shredded or otherwise destroyed in a manner which protects the confidentiality of the information. ***The storing of DWD participant and/or DVR consumer Social Security Numbers is strictly prohibited.***

3.3 TECHNICAL REQUIREMENTS

- 3.3.1 Contractor shall conduct services according to the requirements described below for DVR consumers that are referred to their organization.
- 3.3.2 Contractor shall initiate services with the DVR consumer (business owner) within five (5) business days of receiving a DVR authorization for service.
- 3.3.3 Contractor shall identify if the operation is a business or a hobby and why. Identify the type of business ownership and organization, length of time owning the business, current number of employees, and relationship of employees i.e., full-time vs. part-time. Contractor shall gather the following documentation on an as-needed basis:
 - a. Ownership of Wisconsin based business
 - b. Partnership Agreement
 - c. Division of Profit and Loss
 - d. Transition Agreement
 - e. Withdrawal or Death Dissolution
- 3.3.4 Contractor shall complete an EWA to determine whether the DVR consumer (business owner) has made at least minimum wage for hours worked for each of the past three (3) consecutive calendar years. The EWA shall include the following:
 - a. Calculation of the Adjusted Gross Income for the last three (3) consecutive calendar years (based on complete business and personal tax returns) using generally accepted accounting practices i.e., capital gains generated as a normal part of the operations, depreciation, board related activities, business items sold, etc.
 - b. Adjusted Gross Hourly Income by dividing the Adjusted Gross Hourly Income by the hours worked (not to exceed 40 hours per week) to determine the hourly wage for each of the last three (3) consecutive calendar years. DVR will provide the Contractor the average hours worked per week reported by the DVR consumer for each of the last three (3) consecutive calendar years per consumer self-report.
 - c. Indication of whether the consumer's hourly wage met at least minimum wage requirement for the last three (3) consecutive calendar years.
 - d. Identification of any inaccuracies on data available in the tax return(s) (no generalizations or assumptions shall be made on the operations of the business based on conversations with the DVR consumer).
 - e. Consultation as needed to review the results of the EWA with the DVR consumer and/or DVR staff within ten (10) business days of receiving the request for consultation.
- 3.3.5 Contractor shall conduct a Debt to Asset Ratio Assessment in cases where the DVR consumer has not made at least minimum wage for hours worked as determined by the EWA for each of the last three (3) consecutive calendar years.
- 3.3.6 The Debt to Asset Ratio Assessment shall include the following:
 - a. Assessment of the DVR consumer's assets and liabilities to determine the level of financial risk and borrowing capacity. The DVR consumer will submit a copy of their Balance Sheet to the Contractor.
 - b. A balance sheet shall include, but is not limited to, the following:
 - i. Business Liabilities and Assets current within the last 12 months.
 - ii. Assets(s) owned by the consumer unless there is a formal business partnership.
 - iii. If there is a formal business partnership, assets/liabilities will be determined accordingly.
 - iv. If there is no formal agreement, only assets owned by the DVR consumer.

- v. If the business is a sole proprietorship, personal assets may be included.

3.4 REPORT REQUIREMENTS

- 3.4.1 The Contractor must provide a report of the findings for the EWA and Debt to Asset Ratio Assessment within 30 days of receiving all necessary documentation from the DVR consumer. Collected tax returns must be attached to the report and any additional documents, as appropriate. Social Security number and/or Federal Employer Identification Number shall be redacted.
- 3.4.2 Employment and Wage Assessment (EWA) and Debt to Asset Ratio Assessment reports must include the DVR (IRIS) case number (IRIS numbers are given via DVR referral information provided by the DVR referring counselor).
- 3.4.3 Employment and Wage Assessment and Debt to Asset Ratio Assessment reports shall be faxed to DVR at 1-888-693-3479 or emailed to DVRSCAN@dwd.wisconsin.gov.
- 3.4.4 Contractor must submit a quarterly report with the information listed in Section 4.5 by July 15th (April-June services), October 15th (July-September services), January 15th (October-December services), and April 15th (January-March services).
- 3.4.5 Quarterly reports shall include the following:
 - a. Workforce Development Area(s) (WDA).
 - b. DVR Consumer Names.
 - c. Outcome of assessments: Identify if Business met minimum wage requirement.
 - d. Invoice Date.
 - e. Brief summary of reason(s) consumer did not pass the assessment and/or additional critical information.
 - f. Occupation/Industry.
 - g. The number of DVR consumers served.
 - h. The number of consumers that made at least minimum wage for the past 3 years, 2 of the last 3 years, or 1 of the last 3 years.
 - i. Type of business i.e., farm vs. non-farm.
 - j. The number of hours worked per week by the consumer(s).
 - k. DVR IRIS consumer case number.
 - l. The number of years of complete business and personal tax returns provided by the DVR consumer.
 - m. An indication of whether a Debt to Asset Ratio Assessment was completed or authorized.
 - n. Outcome of Debt to Asset Ratio Assessment: Pass/Fail.
 - o. An indication of whether the Employment and Wage Assessment (EWA) or Debt to Asset Ratio Assessment was in process or the case was closed before the service(s) was completed.
 - p. Type of industry involved in the Debt to Asset Ratio Assessment.
 - q. An indication of whether the EWA and Debt to Asset Ratio Assessment were completed within 30 business days of receiving all necessary documentation from the DVR consumer. In cases where services were not completed within 30 business days, the reason for not meeting the 30-business-day requirement.
 - r. The date all necessary documentation was received from the DVR consumer for the EWA and Debt to Asset Ratio Assessment.
 - s. Date EWA and/or Debt to Asset Ratio Assessment report(s) was completed and submitted to DVR.
- 3.4.6 Quarterly reports shall be sent to DVRSpecialContracts@dwd.wisconsin.gov.
- 3.4.7 The Contractor shall submit an annual performance outcome report detailing the services provided to DVR consumers. The Annual Performance Outcome Report shall include the following:
 - a. WDA.
 - b. Consumer Name.
 - c. Outcome of assessments: Identify if Business met minimum wage requirement.

- i. In cases where the business did not meet the minimum wage requirement, identify if a Debt to Asset Ratio Assessment was authorized and completed.
- ii. In cases where the Debt to Asset Ratio Assessment was completed, identify if the business met the 60% Debt to Asset Ratio standard as defined by DVR, in consultation with the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP).
- d. Invoice Date.
- e. Brief summary of reason(s) consumer did not pass the assessment and/or additional critical information.
- f. Occupation/Industry.

3.4.8 The Annual Performance Outcome Report shall be sent to: DVRSpecialContracts@dwd.wisconsin.gov.

3.4.9 Annual Performance Outcome Report is due by January 25th.

3.5 RECORD KEEPING REQUIREMENTS

3.5.1 The Contractor shall maintain records to demonstrate compliance with this Contract, including maintaining sufficient documentation to substantiate that all amounts invoiced accurately represent hours expended and/or deliverables that were completed.

3.5.2 Contractor shall retain all documents applicable to the contract for a period of six (6) years after final payment is made. DVR shall have the right to audit, review, examine, copy, and transcribe any pertinent records and/or documents in relation to the contract held by the Contractor.

4.1 BACKGROUND CHECKS

- 4.1.1 The Contractor shall submit a validation of a criminal background check for each individual assigned to the Contract, including subcontractor personnel. In conducting these required background checks, the following provisions apply:
- a. The background check is to check whether contracted personnel has a conviction record, defined as "information indicating that an individual has been convicted of any felony, misdemeanor or other offense, has been adjudicated delinquent, has been less than honorably discharged, or has been placed on probation, fined, imprisoned, placed on extended supervision or paroled pursuant to any law enforcement or military authority" per Wis. Stat. § 111.32(3).
 - b. Prior to conducting work for DWD, the Contractor must run a conviction record background check of each contracted personnel they intend to assign to DWD and make a determination by comparing the position description to the elements of the crimes as to whether the conviction record is substantially related to the position and, therefore, a permitted reason to refuse to employ under Wis. Stat. § 111.335(3).
 - c. If the Contractor makes the determination an individual does not have a conviction record substantially related to the position, the Contractor must certify that to DWD for each contracted personnel assigned to a Contract.
 - d. If the Contractor makes the determination that the conviction is substantially related, then they must notify DWD of the results if they nonetheless want this individual to perform work under the Contract, so that DWD can determine whether mitigating circumstance exist to allow the contracted personnel and/or subcontractor to perform work at DWD.