



# GENERAL CMAS PROGRAM INFORMATION

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**Program Overview** California Multiple Award Schedules (CMAS) offer a wide variety of commodity, non-IT Services, and information technology products and services at prices which have been assessed to be fair, reasonable and competitive. The use of these contracts is optional and is available to California State and Local Government agencies.

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**State Agencies Note** State agencies should refer to the State Contracting Manual (SCM), Volume 2, Chapter 6, Sections A & B (Non-IT), and the SCM, Volume 3, Chapter 6, Sections A & B (IT), for information regarding the CMAS Program.

Use of the California Multiple Award Schedule program does not reduce or relieve California State agencies of their responsibility to meet statewide requirements, guidelines, procedures or policies regarding contracts or procurements.

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**Contracting Expertise and Successful Results** Each agency is responsible for its own contracting program and purchasing decisions, including use of the CMAS program and associated outcomes.

It is the responsibility of the ordering agency to have sufficient procurement expertise and understanding of applicable codes, policies, and guidelines and the CMAS program parameters to ensure that transactions are legal and consistent with best business practices.

This responsibility includes, but is not necessarily limited to, ensuring the necessity of the services, securing appropriate funding, complying with laws and policies, preparing the purchase order in a manner that safeguards the State's interests, obtaining required approvals, and documenting compliance with Government Code 19130.b (3) for outsourcing services.

Successful CMAS transactions are totally the responsibility of the ordering agency. Agency staff must possess sufficient knowledge of essential acquisition principles and practices to make appropriate purchasing decisions or risk loss of delegated purchasing authority to use the CMAS program.

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**Legal Counsel** It is the responsibility of each agency to consult as applicable with their legal staff and contracting offices for advice depending upon the scope or complexity of the purchase order.

If you do not have legal services available to you within your agency, the DGS Office of Legal Services is available to provide services on a contract basis.

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**How to Get a Copy of a CMAS Contract** Each CMAS contractor is required to provide a complete copy of their CMAS contract to a California State Agency or Local Government Agency upon request. The CMAS unit strongly encourages government agencies to place orders ONLY with suppliers who provide a complete CMAS contract, as follows:

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## General CMAS Program Information, Continued

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### How to Get a Copy of a CMAS Contract (continued)

- **CMAS Cover Pages** - The CMAS cover pages include the signature page and custom ordering instructions as prepared by the CMAS unit.
- **State of California Contract Terms and Conditions** - Several pages of contract terms and conditions, as required by the State of California.
- **Federal GSA Contract Terms and Conditions** - The federal GSA (or other base contract) terms and conditions define the warranties and guarantees.
- **Products and Services Price List** - The prices of all products and services in a CMAS contract are the maximum prices. Contractors may only sell, and agencies may only buy, products and services identified on the contract. The exception to this rule is product(s) or services procured under the Not Specifically Priced (NSP) provision. This provision is included with many CMAS contracts. Any product or service procured under the NSP provision must be subordinate to a product identified on the same order. The maximum dollar amount of NSP items on an order is defined in the NSP provision.

Go to [www.dgs.ca.gov/pd/programs/leveraged/cmas.aspx](http://www.dgs.ca.gov/pd/programs/leveraged/cmas.aspx), then select "Find a CMAS Contract" to search for products, services, or contractors available on the CMAS Program. Also, agencies can use this site to substantiate that the CMAS contract is still valid prior to issuing an order.

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### DGS Fees

#### Orders from State Agencies:

The Department of General Services (DGS) will bill each state agency directly an administrative fee for use of CMAS contracts. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS. This administrative fee is waived for CMAS purchase orders issued to California certified small businesses.

See the current administrative fees in the DGS Price Book at [www.dgs.ca.gov/ofs/resources/pricebook.aspx](http://www.dgs.ca.gov/ofs/resources/pricebook.aspx).

#### Orders from Local Government Agencies:

CMAS contractors, who are not California certified small businesses, are required to remit to the DGS an incentive fee equal to 1% of the total of all local government agency orders (excluding sales tax and freight) placed against their CMAS contract(s). This incentive fee is in lieu of local government agencies being billed the above referenced DGS administrative fee.

This incentive fee is waived for CMAS purchase orders issued to California certified small businesses.

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### Travel

If the contract provides for reimbursement of travel expenses, state agencies may pay travel and per diem expenses according to state travel time and per diem rules (represented employee rates) with verified receipts.

Notwithstanding the contract provisions, the State will not be responsible for the cost of travel to bring contractor personnel to the agency site to commence work. However, if requested by the ordering agency, the State will be responsible for the cost of travel from one California agency site to another.

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### Travel (continued)

Local government agency, education and special districts will pay travel time and per diem according to their respective statutory requirements.

All travel and per diem expenses must be within contract parameters, and incorporated into the agency purchase order.

It is important that the agency and contractor discuss necessary travel requirements prior to issuing the purchase order because the detail and cost (only as allowed for in the contract) must be included in the agency purchase order to be payable.

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### Training Vouchers

It is acceptable to purchase training vouchers in advance of training being performed providing the Contractor does not invoice and the State does not pay for the training services in advance.

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### Liquidated Damages & Acceptance Testing Criteria

If the agency wants to include acceptance testing and liquidated damages for late delivery, the criteria must be mutually agreed upon by the agency and contractor, and added to the purchase order to be applicable.

If the agency wants to include acceptance testing for all newly installed technology systems, and individual equipment, and machines which are added or field modified (modification of a machine from one model to another) after a successful performance period, the test criteria must be included in the purchase order to be applicable.

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### Public Works Projects on CMAS Contracts

#### Definition of a Public Works Project

A public works contract is defined as a contract for "the erection, construction, alteration, repair or improvement of any public structure, building, road or other public improvement of any kind" in accordance with the Public Contract Code (PCC) Section 1101.

#### Installation of Physical Layer Cable & Carpet

Installation of physical layer cable and carpet is considered public works. The agency purchase order may allow for a public works component only when it is incidental to the overall project requirements. This means the total dollar value of all services included in a purchase order must not exceed the dollar value of the products.

#### Applicable Laws & Codes

Agencies are to ensure that the applicable laws and codes pertaining to contractor and sub-contractor licensing, prevailing wage rates, bonding, labor code requirements, etc., are adhered to by prime contractors as well as sub-contractors during the performance under the agency's CMAS purchase order.

#### Agency Responsibility

In accordance with Labor Code Section 1773.2, the ordering agency is responsible for determining the appropriate craft, classification or type of worker needed for any contract for public works.

Also, the agency is to specify the applicable prevailing wage rates as determined by the Director of the Department of Industrial Relations (DIR). In lieu of specifying the prevailing wage rates, the agency may include a statement on the purchase order that the prevailing wage rates are on file at the agency's office, and will be made available upon request. The prevailing wage rates are available from the DIR at (415) 703-4774.

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### Public Works Projects on CMAS Contracts (continued)

#### Verify Status of Contractor's License

The CMAS Unit substantiates that the Contractor holds the appropriate license when the contract is established. However, the agency must verify that the Contractor's license is still active and in good standing prior to placing the order by calling the State Contractor's License Board at 1-800-321-2752 or on their web site at <http://www.cslb.ca.gov>.

#### Prime & Subcontractor Must Be Licensed

When contractor's licenses are required, the prime and subcontractor (if applicable) must both hold a valid license for the work being performed.

#### State Contracting Manual

State agencies planning public works projects need to review the State Contracting Manual (SCM), Volume 1, Section 10 for applicable regulations.

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### Public Works Bond Requirements

Prior to the commencement of performance, the Contractor must obtain and provide to the State, a payment bond, on Std. Form 807, when the purchase order involves a public works expenditure (labor/installation costs) in excess of \$5,000. Such bond shall be in a sum not less than one hundred percent (100%) of the contract price. Forms shall be provided to the Contractor. See the General Terms and Conditions, CMAS Public Works Requirements.

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### Progress Payments

Non-IT Goods - See Public Contract Code 10314

Non-IT Services - See Public Contract Code 10346

IT Goods and Services - See Public Contract Code 12112

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### Amendments for CMAS Contracts based on Federal GSA Schedules

Once the federal GSA schedule is amended by the federal government, the change becomes effective for associated CMAS contracts without the need for a CMAS contract amendment, with the following exceptions:

1. A CMAS contract amendment is required when the contract is based on products and/or services from another contractor's GSA schedule and the Contractor wants to add a new manufacturer's products and/or services.
  2. A CMAS contract amendment is required for new federal contract terms and conditions that constitute a material difference from existing contract terms and conditions. A material change has a potentially significant effect on the delivery, quantity or quality of items provided, the amount paid to the Contractor or on the cost to the State.
  3. A CMAS contract amendment is required to extend the end term of the CMAS contract.
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### **Amendments for CMAS Contracts based on Non-GSA Multiple Award Contracts**

A CMAS contract amendment is required for any change to a CMAS contract based on a non-GSA multiple award contract.

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### **Conflict of Interest**

Agencies must develop a plan to evaluate the proposed purchase order for any potential conflict of interest issues. See the CMAS Terms & Conditions, Conflict of Interest, for more information.

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### **Consulting Contracts**

State agencies must determine whether a consultant's proposed duties create any reporting requirements under the Political Reform Act.

Under some circumstances, consultants may be required to report economic interests; may be prohibited from receiving gifts; and/or may be disqualified from participating in certain decisions.

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### **Prohibited Financial Interest**

Employees and certain consultants may be prohibited from participating in decisions or participating in "making purchase orders" if they have a financial interest. See Government Code Section 1090 et seq. and Government Code Section 87400 et seq.

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### **Contractors Acting as Fiscal Agents are Prohibited**

When a subcontractor ultimately performs all of the services that a contractor has agreed to provide and the prime contractor only handles the invoicing of expenditures, then the prime contractor's role becomes that of a fiscal agent because it is merely administrative in nature, and does not provide a commercially useful function. It is unacceptable to use fiscal agents in this manner because the agency is paying unnecessary administrative costs.

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### **Contractor Name/Ownership Change**

Many contractors are changing their company name and ownership status. The company name on the CMAS contract, purchase order and invoice must match or the State Controller's Office will not approve payment. Agencies cannot approve invoices if the company name varies between these documents. Contractors must contact the CMAS Unit to initiate a legal name change for their CMAS contract. See the "CMAS Contract Management & Information Guide", Section 1 Topic 4, for more information.

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### **Multiple Contractors on One Project**

Ideally, agencies will obtain all of their requirements for a project from the same CMAS contractor, because unlike the bid process each individual contractor is responsible "only" for their portion (whatever their individual purchase order specifies), not the total solution with everything completed and working together. Even if an agency hires a project manager, the project manager is responsible only for "project management." Consequently, the agency is solely responsible for the successful integration of all components.

Agencies must develop complete Statements of Work (SOW) that include all necessary requirements. See [Statement of Work Information](#) for considerations, questions, and sample language to be used in developing a Statement of Work.

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### Network Design Services

All network design services on CMAS contracts must result in a hardware or software solution. Also, all network design services performed by the Contractor that include infrastructure components must be performed by a BICSI certified Registered Communications Distribution Designer (RCDD) employed either by the Contractor or subcontractor. Evidence of RCDD certification may be required by the ordering agency.

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### Small Business/DVBE Subcontracting Participation

#### Small Business/DVBE - Tracking

State agencies are able to claim subcontracting dollars towards their small business or DVBE goals whenever the Contractor subcontracts a commercially useful function to a certified small business or DVBE. The Contractor will provide the ordering agency with the name of the small business or DVBE used and the dollar amount the ordering agency can apply towards its small business or DVBE goal.

#### Small Business/DVBE Subcontracting

The amount an ordering agency can claim towards achieving its small business or DVBE goals is the dollar amount of the subcontract award made by the Contractor to each small business or DVBE. The Contractor will provide an ordering agency with the following information at the time the order is quoted:

1. The Contractor will state that, as the prime Contractor, it shall be responsible for the overall execution of the fulfillment of the order.
2. The Contractor will indicate to the ordering agency how the order meets the small business or DVBE goal, as follows:
  - List the name of each company that is certified by the Office of Small Business and DVBE Services that it intends to subcontract a commercially useful function to; and
  - Include the small business or DVBE certification number of each company listed, and attach a copy of each certification; and
  - Indicate the dollar amount of each subcontract with a small business or DVBE that may be claimed by the ordering agency towards the small business or DVBE goal; and
  - Indicate what commercially useful function the small business or DVBE subcontractor will be providing towards fulfillment of the order.

The ordering agency's purchase order must be addressed to the prime Contractor, and the purchase order must reference the information provided by the prime Contractor from the quotation as outlined above.

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### Resellers

Authorized CMAS resellers qualify as independent solicitation offers. That is, the agency can obtain the necessary offers from one CMAS contract with multiple authorized resellers.

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### **Purchase Order Termination**

The only CMAS provisions for early termination of a purchase order are in the areas identified below.

- Termination for Non-Appropriation of Funds
- Termination for Convenience (of the State)
- Termination for Default

Agencies may negotiate with the Contractor to include a termination provision in the purchase order before issuance of the order. The Contractor is not legally obligated to accept increased risk.

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### **Delivery of Products and Services**

Purchase orders must be issued before the expiration of the CMAS contract. However, delivery of the products or completion of the services may be provided after the expiration of the CMAS contract (unless specifically stipulated otherwise in the CMAS contract), but must be as provided as specified in the purchase order.

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### **Bundling of Products, Services, and Prices**

Product bundling is not allowed. All components shall be delineated as separate line items having individual product numbers or identifiers, unless specified on the base contract as a bundled item having a bundled product number.

Bundling of consulting services is not allowed. Agency orders must be detailed showing staff hours by approved classification, and hourly rate per classification for each task/deliverable. Showing only one lump sum total for the project without providing a detailed breakdown as described above is not acceptable.

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