

SECTION 1

INTRODUCTION

1.1 Description of The University of Texas System

The University of Texas System is comprised of System Administration and 14 institutions of higher education with campuses across the State of Texas whose missions are devoted to world class healthcare, teaching, research, and public service (collectively, “**UT System**”). UT System is one of the larger education systems in the United States. With an operating budget of \$16.9 billion, UT System has a current student enrollment exceeding 217,000. UT System employs about 91,000 faculty and staff, making UT System one of the largest employers in the State of Texas.

UT System is comprised of the following institutions:

- The University of Texas Southwestern Medical Center (UTSW)
- The University of Texas Medical Branch at Galveston (UTMB)
- The University of Texas Health Science Center at Houston (UTHSCH)
- The University of Texas Health Science Center at San Antonio (UTHSCSA)
- The University of Texas MD Anderson Cancer Center (UTMDACC)
- The University of Texas Health Science Center at Tyler (UTHSCT)
- The University of Texas at Arlington (UTA)
- The University of Texas at Austin (UT Austin)
- The University of Texas at Dallas (UTD)
- The University of Texas at El Paso (UTEP)
- The University of Texas of the Permian Basin (UTPB)
- The University of Texas at San Antonio (UTSA)
- The University of Texas at Tyler (UTT)
- The University of Texas Rio Grande Valley (UTRGV)

UT System has established The UT System Supply Chain Alliance (the “**Alliance**”) to conduct and coordinate strategic purchasing initiatives across UT System. The Alliance essentially operates as UT System’s own, in-house group purchasing organization. The Alliance is also affiliated with various Texas institutions of higher education. Through collaborative relationships, the Alliance seeks to combine supply chain and contracting activities and obtain best value goods and services while reducing total acquisition costs. The Alliance has created a team of supply chain professionals (the “**Strategic Services Group**”) that has been tasked with executing Alliance purchasing initiatives. The Strategic Services Group assembles a team of subject matter experts (“**SMEs**”) from participating institutions to assist in developing each sourcing event and evaluating suppliers during the procurement process. SMEs are involved from the sourcing event’s inception and work with the Alliance and UT System to select the best value supplier(s). Any agreement resulting from this Request for Proposal, UTS/A56 (this “**RFP**”) will be extended and marketed to all UT System institutions. Various non-UT System institutions that are affiliated with the Alliance may participate, too, in any agreement resulting from this RFP.

By participating in this RFP, proposer(s) (collectively, “**Proposer**”) agrees to extend all goods, services and pricing to any Alliance member or affiliate (collectively, “**Institutional Participant**”) that wishes to participate in any contract entered into with Proposer.

1.2 Objective of this Request for Proposal

UT System, acting through the Alliance, is soliciting proposals in response to this RFP from qualified Managed Services Provider for Contingent Worker Staffing as more specifically described in **Section 5.4 ("Scope of Work")** of this RFP (collectively, the "**Services**"). The successful Proposer(s) to whom business may be awarded is referred to in this RFP as the "**Preferred Supplier.**"

Specifically this RFP process should:

- Provide a comprehensive and guaranteed pricing structure for the Services;
- Leverage the aggregate purchasing volumes of Institutional Participants;
- Create a process for utilization of Preferred Supplier to meet the needs of Institutional Participants for *ad hoc* staffing requirements and project staffing requirements;
- Achieve cost savings for Institutional Participants;
- Improve overall customer satisfaction; and
- Enhance relationships between Preferred Supplier and Institutional Participants.

UT System is seeking to identify a Preferred Supplier that will provide the most practical and cost-effective business model to serve the needs of Institutional Participants. UT System hopes to conclude an agreement that will provide Institutional Participants with access to the Services at discounted prices and that will permit all parties to reduce procurement and transaction costs and improve business processes. UT System will work through the Alliance to team with Preferred Supplier to develop business processes that will foster a strong working relationship and produce a win-win for all parties.

Preferred Supplier will be enrolled in the Alliance's Supplier Relationship Management Program ("**SRM**") to monitor Preferred Supplier's performance and pricing. UT System expects Preferred Supplier to work closely with the Alliance and each Institutional Participant and produce benefits for all parties involved in the relationship.

Proposer should realize that what is written in their final proposal submitted to UT System may become part of the successful Proposer's final contract.

UT System may ask Proposer(s) to provide a formal presentation, prior to contract award, with additional information to SMEs or the Strategic Services Group. This presentation will allow the Alliance to clarify any technical, quality, or price-based questions that may arise from Proposer's response.

Proposer should provide solutions involving HUB suppliers, where possible (ref. **Section 2.5** of this RFP).

1.3 Background and Scope of Opportunity

It is anticipated that the term of the agreement resulting from this RFP will be seven (7) years, consisting of an initial term of five years, with a two-year renewal option by UT System.

The categories of Contingent Workers covered under the agreement are expected to include, without limitation:

- administrative and financial
- clinical (e.g., nursing, allied health, med-tech)
- information technology
- non-technical (e.g., facilities, warehousing, housekeeping, food service)

The aggregated estimated spend by all Institutional Participants under the agreement resulting from this RFP is **\$60 million** annually. Currently, five (5) UT System institutions are participants under the Alliance's existing contracted Managed Services Provider program. Provided below for reference purposes only is a listing of the current program participants, their approximate annual spend and the primary categories of services being utilized.

Institution	Approximate Annual Spend in Fiscal Year 2015	Categories
UTMDACC	\$28M	IT, Clinical, Administrative
UTMB	\$13M	IT, Administrative, Non-Technical
UTSW	\$17M	Administrative, IT, Clinical, Non-Technical
UTHSC-H	\$.5M	Non-Technical, Administrative, IT,
UT System Administration	\$.5M	IT, Administrative

Since the Alliance intends to promote the use of the selected Preferred Supplier of the Services to affiliated institutions, which include other institutions of higher education, annual volumes could be higher than this estimate.

THE ABOVE FIGURES ARE ESTIMATES ONLY. VOLUMES PURCHASED ON THE BASIS OF ANY AGREEMENT RESULTING FROM THIS RFP MAY INVOLVE MORE OR LESS THAN THE ESTIMATES PROVIDED. UT SYSTEM DOES NOT REPRESENT, WARRANT OR GUARANTY THAT PARTICIPANTS WILL PURCHASE ANY PARTICULAR DOLLAR VALUE OR ANY PARTICULAR QUANTITY, AND UT SYSTEM SPECIFICALLY DISCLAIMS ANY SUCH REPRESENTATIONS, WARRANTIES AND GUARANTIES.

SECTION 2

NOTICE TO PROPOSER

2.1 Submittal Deadline

UT System will accept proposals submitted in response to this RFP until **3:00 PM**, Houston Time, on **May 19, 2016** (the “**Submittal Deadline**”).

2.2 UT System Contact Person

Proposers will direct all questions or concerns regarding this RFP to the following UT System contact person (the “**UT System Contact**”):

Jeffery Bonnardel, C.P.M.
Sr. Business Advisor & Sourcing Specialist
UT System Supply Chain Alliance
JBonnardel@mdanderson.org

UT System specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications forwarded to the UT System Contact. The UT System Contact must receive all questions or concerns no later than **12:00 PM**, Houston Time, on **May 5, 2016**. UT System will use a reasonable amount of time to respond to questions or concerns. It is UT System’s intent to respond to all appropriate questions and concerns; however, UT System reserves the right to decline to respond to any question or concern.

2.3 Criteria for Selection

Successful Proposer, if any, selected by UT System in accordance with the requirements and specifications set forth in this RFP, will be the Proposer that submits a proposal in response to this RFP, on or before the Submittal Deadline, that is most advantageous to UT System.

Proposer is encouraged to propose terms and conditions offering the maximum benefit to UT System in terms of (1) products and services to be provided and (2) total overall cost to participating institutions. Proposers should describe all educational, state and local government discounts, as well as any other applicable discounts that may be available.

An evaluation team from UT System will evaluate proposals. The evaluation of proposals and the selection of Preferred Supplier will be based on the information provided by Proposer in its proposal. UT System may give consideration to additional information if UT System deems such information relevant.

The criteria to be considered by UT System in evaluating proposals and selecting Preferred Supplier, will be those factors listed below:

2.3.1 Threshold Criteria Not Scored

- 2.3.1.1 Ability of UT System to comply with laws regarding Historically Underutilized Businesses; and

2.3.1.2 Ability of UT System to comply with laws regarding purchases from persons with disabilities.

2.3.2 Scored Criteria

2.3.2.1 cost of the goods and services;
 2.3.2.2 reputation of Proposer and of Proposer's goods or services;
 2.3.2.3 quality of Proposer's goods or services;
 2.3.2.4 extent to which the goods or services meet UT System's needs;
 2.3.2.5 Proposer's past relationship with UT System;
 2.3.2.6 the total long-term cost of acquiring Proposer's goods or services ;
 and
 2.3.2.7 Proposer's exceptions to the terms and conditions set forth in **Section 4** of this RFP.

2.4 Key Events Schedule

Issuance of RFP	April 18, 2016
Deadline for Indicating Interest in Attending Pre-Proposal Conference (ref. Section 2.6 of this RFP)	April 26, 2016, 3:00 PM, Houston Time
Pre-Proposal Conference (ref. Section 2.6 of this RFP)	May 3, 2016, 10:00 AM, Houston Time
Deadline for Questions/Concerns (ref. Section 2.2 of this RFP)	May 5, 2016, 12:00 PM, Houston Time
Submittal Deadline (ref. Section 2.1 of this RFP)	May 19, 2016, 3:00 PM, Houston Time
Selection of Finalists	July 2016
Finalists Interviews and Negotiations	August-September 2016
Anticipated Contract Award(s)	September 2016

IMPORTANT NOTICE: The Key Events Schedule represents many sourcing and contracting activities occurring within a short period of time. Proposer is asked in advance to make the following resources available to expedite the selection and contracting process:

1. If selected as a finalist, Proposer may be required to attend an interview session that includes a face-to-face meeting with an advance notice of no more than one week. The anticipated location of this activity is Houston, Texas.
2. If selected for contract award, Proposer should have its chief legal and business officers available for commencement of contract negotiations with 72 hours of

notice of award. Such negotiations may take place face-to-face in order to expedite the contracting phase. The anticipated location of this activity is Houston, Texas. Proposer is requested to reference **Section 4.1** of this RFP and provide any exceptions as part of Proposer's RFP response.

Proposer should not underestimate the necessity of complying with the Key Events Schedule and critical activities listed above. UT System reserves the right to revise the Key Events Schedule at any time.

2.5 Historically Underutilized Businesses

- 2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (each a "**HUB**") in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all businesses in contracting with state agencies. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFP, Preferred Supplier subcontracts any of its performance hereunder, Preferred Supplier must make a good faith effort to utilize HUBs certified by the Texas Procurement and Support Services Division of the Texas Comptroller of Public Accounts or any successor agency. Proposals that fail to comply with the requirements contained in this **Section 2.5** will constitute a material failure to comply with advertised specifications and will be rejected by UT System as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFP. Proposer acknowledges that, if selected by UT System, its obligation to make a good faith effort to utilize HUBs when subcontracting hereunder will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting hereunder by Proposer is subject to review by UT System to ensure compliance with the HUB program.
- 2.5.2 UT System has reviewed this RFP in accordance with Title 34, *Texas Administrative Code*, Section 20.13 (a), and has determined that subcontracting opportunities are probable under this RFP.
- 2.5.3 A HUB Subcontracting Plan ("**HSP**") is required as part of Proposer's proposal. The HSP will be developed and administered in accordance with UT System's Policy on Utilization of Historically Underutilized Businesses attached as **APPENDIX TWO** and incorporated herein for all purposes.

*Each Proposer must complete and return the HSP in accordance with the terms and conditions of this RFP, including **APPENDIX TWO**. Proposals that fail to do so will be considered non-responsive to this RFP in accordance with Section 2161.252, Texas Government Code.*

Preferred Supplier will not be permitted to change its HSP unless: (1) Preferred Supplier completes a newly modified version of the HSP in accordance with the terms of **APPENDIX TWO** that sets forth all changes requested by Preferred Supplier, (2) Preferred Supplier provides UT System with such modified version of the HSP, (3) UT System approves the modified HSP in writing, and (4) all agreements or contractual arrangements resulting from this RFP are amended in writing by UT System and Preferred Supplier to conform to the modified HSP.

- 2.5.4 Proposer must submit one (1) signed copy of the HSP to UT System at the same time as it submits its proposal to UT System (ref. **Section 3.1** of this RFP). The signed copy of the HSP (the “**HSP Packet**”) must be submitted electronically utilizing the SciQuest e-sourcing tool as more particularly described in **Section 3.1** of this RFP. Proposer must ensure that the HSP Packet is submitted according to the electronic instructions provided in this RFP.

Any proposal submitted in response to this RFP that is not accompanied by an HSP Packet meeting the above requirements will be rejected by UT System and remain unopened, as that proposal will be considered non-responsive due to material failure to comply with advertised specifications. Furthermore, UT System will open a Proposer’s HSP Packet prior to opening the proposal submitted by Proposer, in order to ensure that Proposer has submitted a signed copy of the Proposer’s HSP Packet as required by this RFP. A Proposer’s failure to submit a signed copy of the completed HSP Packet as required by this RFP will result in UT System’s rejection of the proposal submitted by that Proposer as non-responsive, due to material failure to comply with advertised specifications; such a proposal will remain unopened and will be disqualified and not reviewed by UT System (ref. **Section 1.5** of **APPENDIX ONE** to this RFP).

Note: The requirement that Proposer provide a signed and completed HSP Packet under this **Section 2.5.4** is separate from and does not affect Proposer’s obligation to provide UT System with its proposal as specified in **Section 3.1** of this RFP.

- 2.5.5 UT System may offer Proposer the opportunity to seek an informal review of its draft HSP by the UT System Office of HUB Development. If so, details regarding this opportunity will be provided in the Pre-Proposal Conference (ref. **Section 2.6** of this RFP) or by other means. This process of informal review is designed to help address questions Proposer may have about how to complete its HSP properly. Any concurrence in or comments on the draft HSP by the UT System Office of HUB Development will NOT constitute formal approval of the HSP, and will NOT eliminate the need for Proposer to submit its final HSP to UT System, concurrently with its proposal, in accordance with the detailed instructions in this **Section 2.5**.

2.6 Pre-Proposal Conference

UT System will hold a pre-proposal conference at **10:00 AM**, Houston Time, on **May 3, 2016**. Proposers may attend the conference in one of the following two formats:

in person attendance located in the One Mid-Campus Building at 7007 Bertner Ave. Suite 11.2339, TX 77030 (located in the Texas Medical Center); or

webinar broadcast via the Internet utilizing the “Go-to-Meeting” webinar conference service.

The Pre-Proposal Conference will allow all Proposers an opportunity to ask the Alliance, the Strategic Services Group, and UT System HUB representatives relevant questions and clarify provisions of this RFP. Proposer should notify the UT System Contact **by no later than 3:00 PM, Houston Time, on April 26, 2016**, whether it will attend the Pre-

Proposal Conference, by emailing the UT System Contact at JABonnardel@mdanderson.org. Proposer must clearly state in which format it will attend. If the Proposer elects to attend the Pre-Proposal Conference in the webinar format, UT System will provide complete details and instructions (including personal computer requirements). If Proposer elects to attend the Pre-Proposal Conference in person, there will be a strict limit of two (2) individuals per Proposer.

SECTION 3

SUBMISSION OF PROPOSAL

3.1 Electronic Submission Notice

Submittal of proposals in response to this RFP will be conducted entirely electronically, utilizing the SciQuest e-sourcing tool. To register for participation in this RFP, please email or call the UT System Contact for further instructions. An original signature by an authorized officer of Proposer must appear on the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) and electronically uploaded as instructed. Proposals must be completed and received by UT System on or before the Submittal Deadline (ref. **Section 2.1** of this RFP).

3.2 Proposal Validity Period

Each proposal must state that it will remain valid for UT System's acceptance for a minimum of one hundred eighty (180) days after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

3.3 Terms and Conditions

3.3.1 Proposer must comply with the requirements and specifications contained in this RFP, the General Terms and Conditions (ref. **Section 4** of this RFP), the Notice to Proposer (ref. **Section 2** of this RFP), Proposal Requirements (ref. **APPENDIX ONE**) and the Specifications, Additional Questions and Scope of Work (ref. **Section 5** of this RFP). If there is a conflict among the provisions in this RFP, the provision requiring Proposer to supply the better quality or greater quantity of goods and services will prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order of precedence:

3.3.1.1 Specifications, Additional Questions and Scope of Work (ref. **Section 5** of this RFP);

3.3.1.2 General Terms and Conditions (ref. **Section 4** of this RFP);

3.3.1.3. Proposal Requirements (ref. **APPENDIX ONE**); and

3.3.1.4 Notice to Proposer (ref. **Section 2** of this RFP).

3.4 Submittal Checklist

Proposer is instructed to complete, sign, and upload into the SciQuest e-Sourcing tool, the following documents as a part of its proposal. If Proposer fails to return each of the following items with its proposal, [UT System](#) may reject the proposal:

- 3.4.1 Signed and Completed Execution of Offer (ref. **Section 2** of **APPENDIX ONE**).
- 3.4.2 Responses to questions and requests for information in the Specifications, Additional Questions and Scope of Work Section (ref. **Section 5** of this RFP).
- 3.4.3 Signed and Completed Pricing Affirmation (ref. **Section 6** of this RFP).
- 3.4.4 Signed and completed copy of the HUB Subcontracting Plan or other applicable documents (ref. **Section 2.5** of this RFP and **APPENDIX TWO**).
- 3.4.5 Responses to Proposer's Survey (ref. **Section 5.5** of this RFP).
- 3.4.6 Proposer's Price Schedule (ref. **Section 5.6** of this RFP).

SECTION 4
GENERAL TERMS AND CONDITIONS

4.1 General Information regarding Structure of Transaction and Terms and Conditions

The structure of the transaction UT System intends to enter into as a result of this RFP will be substantially similar to the following: (1) one Preferred Supplier Agreement (“**PSA**”) between UT System and Preferred Supplier; and (2) several Institutional Participation Agreements (each an “**IPA**”) signed by participating Alliance members and affiliates (collectively, the “**Agreement**”).

The terms and conditions contained in the attached Sample Preferred Supplier Agreement (ref. **APPENDIX THREE**) or, in the sole discretion of UT System, terms and conditions substantially similar to those contained in **APPENDIX THREE**, will constitute and govern any agreement that results from this RFP. If Proposer takes exception to any terms or conditions set forth in the Preferred Supplier Agreement, Proposer must submit a list of the exceptions as part of its proposal in accordance with **Section 5.3** of this RFP. Proposer’s exceptions will be reviewed by UT System and may result in disqualification of Proposer’s proposal as non-responsive to this RFP. If Proposer’s exceptions do not result in disqualification of Proposer’s proposal, UT System may consider Proposer’s exceptions when UT System evaluates the Proposer’s proposal.

SECTION 5

SPECIFICATIONS, ADDITIONAL QUESTIONS AND SCOPE OF WORK

5.1 General

The requirements and specifications for the Services, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below. The winning Proposer should understand that the Services will be required to be provided directly to Institutional Participants, and not to UT System or the Alliance.

5.2 Minimum Requirements

- 5.2.1 Preferred Supplier must pay to the Alliance an administrative fee of one percent (1%) of the Total Net Sales made under the Agreement (ref. **Section 6.2** of this RFP). This fee will be payable quarterly, based on the Total Net Sales made by Preferred Supplier under the Agreement during the related quarter. The fee will be used to defray the costs incurred by the Alliance, as UT System's own, in-house group purchasing organization, in organizing, implementing, sustaining and optimizing group procurements for UT System institutions.
- 5.2.2 While the following characteristics are not, strictly speaking, minimum requirements for Proposers, they are very strongly preferred:
 - 5.2.2.1 Three years' experience in supplying Managed Services Provider/Vendor Management System ("**MSP/VMS**") support services of the type and kind described in **Section 5.4**, Scope of Work, to higher education institutions of size and scope comparable to that of UT System.
 - 5.2.2.2 Ability to engage multiple Institutional Participants simultaneously.
 - 5.2.2.3 Ability to provide contingent workers across a broad range of job categories (IT, Nursing, Administrative, Financial, Allied Health, Non-technical, etc.)

5.3 Additional Questions Specific to this RFP and Scope of Work

Proposer must submit the following information as part of Proposer's proposal:

- 5.3.1 In its proposal, Proposer must indicate whether it will consent to include in the Agreement the "Access by Individuals with Disabilities" language that is set forth in **APPENDIX FOUR**, Access by Individuals with Disabilities. If Proposer objects to the inclusion of the "Access by Individuals with Disabilities" language in the Agreement, Proposer must, as part of its proposal, specifically identify and describe in detail all of the reasons for Proposer's objection. NOTE THAT A GENERAL OBJECTION IS NOT AN ACCEPTABLE RESPONSE TO THIS QUESTION.
- 5.3.2 If Proposer takes exception to any terms or conditions set forth in **Section 4** of this RFP, Proposer must submit a list of the exceptions.

- 5.3.3 Proposers will provide answers to the questions listed in the Proposer's Survey ("**Proposer's Survey**") (ref. **Section 5.5** of this RFP) to the best of Proposer's knowledge, as responses may be incorporated into the Agreement. The questions in the Proposer's Survey will provide UT System with additional information about Proposer and various efficiencies and economies of scale that Proposer may provide to participating institutions.
- 5.3.4 In its proposal, Proposer must respond to each item listed in **APPENDIX FIVE, Electronic and Information Resources ("EIR") Environment Specifications**. **APPENDIX FIVE** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide. Responses to **APPENDIX FIVE** will be incorporated into the Agreement and will be binding on Proposer.
- 5.3.5 In its proposal, Proposer must respond to each item listed in **APPENDIX SIX, Security Characteristics and Functionality of Contractor's Information Resources**. **APPENDIX SIX** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide. Responses to **APPENDIX SIX** will be incorporated into the Agreement and will be binding on Proposer.
- 5.3.6 By signing the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**), Proposer agrees to comply with [Section 2252.908, Government Code](#) ("**Disclosure of Interested Parties Statute**"), and [1 Texas Administration Code Sections 46.1 through 46.5](#) ("**Disclosure of Interested Parties Regulations**"), as implemented by the Texas Ethics Commission ("**TEC**"), including, among other things, providing the TEC and UT System with the information required on the form promulgated by the TEC and set forth in **APPENDIX SEVEN**. Proposers may learn more about these disclosure requirements, including the use of the TEC electronic filing system, by reviewing the information on the TEC website at https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html.

5.4 Scope of Work

The details noted below will form the basis for the Scope of Work to be included in the Agreement concluded between UT System and Preferred Supplier.

- 5.4.1 Definitions. For purposes of this RFP the following definitions will apply:

"UT System Contract Administrator" means the individual designated by UT System to be responsible for day-to-day management of the Preferred Supplier-UT System relationship and to serve as the Preferred Supplier's primary contact for and on behalf of Institutional Participants on all matters relating to this Agreement.

"Candidate" means an individual being considered to fill a request to Preferred Supplier for a Contingent Worker by an Institutional Participant.

"Contingent Worker" means a Candidate selected by Preferred Supplier to fill a request to Preferred Supplier to provide temporary or part-time contract workers to an Institutional Participant.

“Internal Temporary Worker” means a temporary or part-time worker for Institutional Participant who is identified to Preferred Supplier by an Institutional Participant and who is employed by Preferred Supplier on a temporary basis to meet Institutional Participant’s needs for a temporary or part-time contract worker.

“Job Order” means a requisition submitted by an Institutional Participant for a position open for fulfillment by Preferred Supplier.

“MSP Services” means the activities of Preferred Supplier, in its role as a “managed-services provider,” in managing the supply of temporary or part-time contract workers to Institutional Participants

“Service Fee” means the amount deducted from the payment to the Staffing Agency by Preferred Supplier.

“Staffing Agency” means a staffing agency selected and retained as a subcontractor by Preferred Supplier to receive job postings and submit Candidates for Contingent Worker positions.

“Vendor Management System (VMS)” means the integrated software program utilized by Preferred Supplier to manage its provision of MSP Services.

5.4.2 **General Description.** Proposer should understand that this RFP provides a general description of the work to be performed and is not intended to be all inclusive. Proposer must be familiar with the requirements and general conditions that are essential to provide the Services consistent with industry best practices and in accordance with all licensing, regulations, and professional standards. The following outlines key elements of the Services:

5.4.2.1 Provide MSP/VMS services to Institutional Participants as their preferred provider. The Agreement resulting from this RFP will provide Institutional Participants with access to the Services at discounted prices and is intended to reduce procurement and transaction costs and improve business processes. Preferred Supplier will sell the Services directly to the Institutional Participants under the terms and conditions set forth in the Agreement.

5.4.2.2 Provide MSP/VMS services that will include but not be limited to:

- Job Order fulfillment
- Staffing Agency recruitment & management
- On-boarding support for Contingent Workers
- Candidate pre-screening services
- Audit of information provided by Staffing Agencies
- Background screening of Contingent Workers
- Compliance management (credentials, I-9 documentation, IRS independent contractor status, etc.)
- Off-boarding
- Payrolling services for Internal Temporary Workers
- Vendor Management System (VMS)

5.4.2.3 Manage a business process (to be mutually developed by UT System and Preferred Supplier and documented in the Agreement resulting from this RFP) in which Preferred Supplier will ensure that (a) individuals providing certain types of contract worker services to Institutional Participants, and (b) the individuals' employers, will be required to sign a prescribed form confirming that title to all work materials created by the individuals during their services will be owned by UT System and that the individuals will maintain the confidentiality of Institutional Participants' information.

There is no specific level of engagement identified in this RFP. Preferred Supplier will be asked to provide Services only as and when needed by Institutional Participant.

5.4.3 Local Scope of Engagement. Details of the particular MSP Services to be provided to an Institutional Participant will be specified in a "**Local Scope of Engagement**" to be agreed upon and signed by Preferred Supplier and Institutional Participant, in a form to be attached to the Agreement resulting from this RFP. This Local Scope of Engagement will:

- identify which particular MSP Services will be provided by Preferred Supplier;
- incorporate further operational details (for example, the specific kinds of pre-employment drug testing to be conducted by Preferred Supplier, if any);
- specify any local service-level performance metrics that the Institutional Participant may require Preferred Supplier to meet, dealing with subjects such as timing for delivery of the MSP Services;
- identify any unique, local procedures to be followed by Preferred Supplier in delivering the MSP Services; and
- establish specific invoicing requirements that account for the Institutional Participant's particular e-procurement platform, it being understood and agreed that each invoice will reference the appropriate Institutional Participant's VMS software system requisitions and include a detailed description of the services to which it relates. The Local Scope of Engagement also will address the local process for approving and processing invoices.

After an appropriate Local Scope of Engagement is agreed upon and signed for a particular Institutional Participant, Preferred Supplier will provide the relevant MSP Services in accordance with the terms of both the Agreement and the Local Scope of Engagement.

5.4.4 Campus Requirements.

- 5.4.4.1 Each Institutional Participant will have its own unique set of rules and regulations for conducting business on its campuses. Preferred Supplier will be responsible for compliance with each Institutional Participant's rules and regulations, including any and all requirements for background checks, badging/credentialing, and security.
- 5.4.4.2 Preferred Supplier will cause its representatives, agents, employees and permitted subcontractors (if any) to become aware of, fully informed about, and in full compliance with all applicable UT System's and Institutional Participants' rules and policies, including, without limitation, those relative to personal health, security, environmental quality, safety, fire prevention, noise, smoking, and access restrictions; consideration for students, patients and their families as well as employees; parking; and security.
- 5.4.4.3 Each Institutional Participant will be responsible for its own process for work authorization and acceptance of work performed.

5.4.5 Preferred Supplier-Alliance Account Support Team. Preferred Supplier will provide a Senior Management Account Representative with the authority and responsibility for the overall success of the Agreement within Preferred Supplier's organization. The Preferred Supplier also will designate an individual assigned to the Alliance account responsible for: (i) receiving and providing ongoing communications by and between Preferred Supplier and UT System; (ii) monitoring the overall implementation of the Agreement at each Institutional Participant and providing updates to the UT System Contract Administrator (who will be designated by UT System as responsible for day-to-day management of the Preferred Supplier – UT System relationship and who will serve as Preferred Supplier's primary contact for and on behalf of Institutional Participants on all matters relating to the Agreement); (iii) identifying and fostering process improvements; (iv) serving as the liaison to engage resources with Preferred Supplier's organization to troubleshoot and resolve problems; (v) organizing Quarterly Business Reviews ("QBRs"); monitoring Key Performance Indicators ("KPIs") and (vi) providing early warning notices of service performance and other concerns to Preferred Supplier's management team and the UT System Contract Administrator.

5.4.6 Invoicing and Payment.

- 5.4.6.1 Preferred Supplier will be responsible for all compensation or other payments due to any Staffing Agency that provides Contingent Workers for Institutional Participants under the Agreement.
- 5.4.6.2 Preferred Supplier's MSP service fees for Contingent Workers will be deducted from the payment to the Staffing Agency by Preferred Supplier and not invoiced to Institutional Participant.
- 5.4.6.3 Preferred Supplier will invoice Institutional Participant, not UT System or the Alliance for all charges by the Staffing Agencies for Contingent

Workers furnished to Institutional Participants, and the charges Institutional Participants are expressly made responsible for under the Agreement. Due to the numerous e-procurement platforms used by Institutional Participants, detailed invoicing requirements will be established by agreement between Preferred Supplier and each Institutional Participant. Each invoice relating to the Agreement will reference the appropriate Institutional Participant purchase order number, and will include a detailed description of the Services to which it relates, and appropriate HUB reporting documentation.

- 5.4.6.4 Each Institutional Participant is solely responsible for the payment of any purchase order or approved authorizing document, and neither UT System nor any other Institutional Participant will have any liability whatsoever relating to a purchase order or SOW issued by Institutional Participant.
- 5.4.6.5 Institutional Participants will remit payments of invoices issued under the Agreement on a Net 30 Days basis, subject to requirements of the Texas Prompt Payment Act.
- 5.4.6.6 Preferred Supplier will resolve all order and invoice discrepancies within five (5) business days after written notification or, if because of their nature, the discrepancies cannot be resolved within that time frame, Preferred Supplier will take all of the steps the Institutional Participant's purchasing department deems necessary.

5.4.7 Pricing.

- 5.4.7.1 Preferred Supplier's overall price structure and discount levels will remain firm and unchanged for the term of the Agreement, unless otherwise agreed upon in writing by the UT System Contract Administrator and Preferred Supplier; *provided, however*, Preferred Supplier may provide additional discounts above those stated in the Agreement, and Preferred Supplier is encouraged to do so. Preferred Supplier will document all additional discounts in written email correspondence to the UT System Contract Administrator.
- 5.4.7.2 All prices quoted to UT System or Institutional Participants will be inclusive of all fees and charges due and payable to Preferred Supplier by Institutional Participant.
- 5.4.7.3 Preferred Supplier and the UT System Contract Administrator will review all price structures for the Services on a periodic basis as determined by the UT System Contract Administrator. Preferred Supplier's initial and subsequent pricing will be benchmarked by the Strategic Services Group for market competitiveness. Preferred Supplier agrees to negotiate in good faith to adjust pricing if necessary to remain competitive. Should pricing listed in the Agreement change during such periodic reviews, such changes will be documented in a written amendment to the Agreement agreed to by Preferred Supplier and the UT System Contract Administrator

5.4.8 Management Reports. Preferred Supplier will submit to the UT System Contract Administrator the reports listed below, within thirty (30) days after the close of each calendar quarter. The reports will be provided in electronic format or computer-generated spreadsheets, in accordance with a template to be provided by UT System. At a minimum, the reports will provide:

5.4.8.1 Sales History Report: sales for the current quarter and for total calendar year to date to each Institutional Participant, with sales broken out for by service provided (contingent workers, payrolling services, etc.)

5.4.8.2 HUB Report: information as required by the HUB subcontracting plan, as applicable.

5.4.9 Preferred Supplier Relationship Management. Preferred Supplier and the UT System Contract Administrator will meet once each quarter to conduct a Quarterly Business Review ("**QBR**") as further described in **APPENDIX THREE – 400**.

5.5 Proposer's Survey

Proposer must complete the Proposer's Survey.

The Proposer's Survey contains a list of additional questions the Proposer will answer when responding to this RFP. If Proposer needs to submit additional supporting information, refer to the supporting information in responses to the Proposer's Survey and attach supporting materials in a logical and clear manner. Any supporting information must be included in electronic form via the SciQuest e-Sourcing tool and must follow the following naming convention: (<Proposer Name> - <Question Number> - Response - <File Name>).

Finally, Proposer is encouraged to specify any special certifications, awards, or other industry recognizable achievements that might set it apart from its competitors.

5.6 Price Schedule (ref. Section 10.0 of Proposer's Survey)

Proposer must complete and respond to all questions contained in the Proposer's Survey, Section 10.0

5.6.1 Service fee rates quoted must be firm for the Agreement's term.

5.6.2 Travel by Preferred Supplier will be subject to the *State of Texas Travel Allowance Guide*. Preferred Supplier may be subject to additional travel guidelines as established by each Institutional Participant.

5.6.3 All reimbursable expenses will be passed through on a direct-cost basis to Institutional Participants, without any mark-up, handling fees or surcharges of any kind.

Proposer's Survey (Section 5.5)
RFP UTS/A56-Managed Services Provider for Contingent Workforce and Related Services (2016)

1.0 Company Profile and Overview

- 1.1 Provide your company's name.
- 1.2 Provide your company's main address, telephone and fax number.
- 1.3 Provide your company's Federal Employer Identification Number (FEIN).
- 1.4 Provide your company's DUNS number.
- 1.5 Provide your company's main contact for this RFP including telephone number & email address.
- 1.6 Provide your company's legal structure (e.g., corporation, partnership, etc.).
- 1.7 Provide name of Parent Company, if any: _____
- 1.8 Indicate the number of regular, full-time employees in your company: _____
- 1.9 For all individuals, groups, corporations, etc. that holds 25% or greater equity in the company list their name and their percentage (%) held.
- 1.10 Provide any details of all past or pending litigation or claims filed against your company that would affect your company's performance under an Agreement with UT System.
- 1.11 Has your company, or any of its parents or subsidiaries, ever had a Bankruptcy Petition filed in its name, voluntarily or involuntarily? If yes, specify the date, circumstances, and resolution.
- 1.12 Is your company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity. If yes, specify date(s), details, circumstances, and prospects for resolution.
- 1.13 Is your company currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, please explain the impact both in organizational and directional terms.
- 1.14 Please disclose any planned changes to your corporate governance, ownership, alliances, or relevant products or services (e.g., plans for product line expansion/discontinuation, technology road map, sales force expansion, etc.).
- 1.15 Provide a brief overview of your company, its history, products & services, and markets served.
- 1.16 Provide a detailed description of all operating units, subsidiaries, and affiliated companies that will support the requirements of this RFP.
- 1.17 Has your company been recognized by any professional or trade organization for the services in this RFP? If yes, please provide details.
- 1.18 Please estimate your share of the relevant market in terms of annual revenue as a MSP for contingent worker staffing.

2.0 Proposal Executive Summary

As part of your proposal, please submit an executive, high-level summary that demonstrates your understanding of and ability to perform the scope and requirements of this RFP, and summarizes the key components and value of your business proposal including, but not limited to, rates & fees, discounts, and incentives. Please limit the length of your summary to 2-3 pages.

3.0 References

- 3.1 Provide a listing of three (3) current customers (Texas-based healthcare or academic institutions, preferred) to whom you provide products and services of the type and kind required under this RFP. Your customer reference should include the company name; contact person including telephone number; e-mail address, scope of services (including the categories of contingent workers provided), annual sales volume (\$), and a period of time for which work was performed.
- 3.2 Provide a customer reference list of all customers for whom you have provided products and services of the type and kind required under this RFP within the past five (5) years. Reference list to include, company name, contact person, and telephone number, e-mail address, description of the services provided and the dates (begin and end) when services were performed.
- 3.3 If you did not provide your DUNS number as requested in response to question 1.4 above, please provide two financial references (1 trade reference and 1 financial institution/bank reference). List should include company name, mailing address, telephone number, contact person (include email address) and length of financial relationship.
- 3.4 Please list all new all new accounts (customer name and location) established within last 6 months projected to exceed \$25 million in annual sales.
- 3.5 Provide a listing of all contracts your company has had that were terminated by customer prior to completion within the last 3 years. Your response to include the circumstances surrounding such early termination.
- 3.6 If requested, please indicate your company's agreement to provide the company's audited financial statement for the last two (2) years.

4.0 Account Management and Staffing

- 4.1 Will your company assign a designated account manager(s) to assume overall responsibility for the work to be performed for UT System?
 - Yes. If yes, provide resume(s) and define his/her role in supporting the UT System account.
 - No. (If no, please explain why)
- 4.2 Provide an organization chart that identifies the proposed management team that will support the UT System account; include their length of service with the company.

- 4.3 Will your company assign a designated account manager(s) to assume overall responsibility for the work to be performed for an Institutional Participant?
- Yes. If yes, provide resume(s) and define his/her role in supporting the UT System account.
 - No. (If no, please explain why)
- 4.4 How do you select personnel and determine the appropriate staffing level (management and on-site support personnel) and expertise required to provide support to an account?
- 4.5 How is an on-site support team member's position covered during scheduled and unscheduled absences?
- 4.6 Provide your criteria for hiring including screening, criminal background checks, or any other means of verification of employee information, or explain other means for ensuring the integrity and suitability of the Proposer's employees. Your response to address your hiring practices for both US based personnel and non US based personnel.
- 4.7 Identify the staff/personnel resources outside of your company that you typically engage to assist in performing the work contemplated under this RFP and the role they play in performing the services.
- 4.8 Do you have a standard code of ethics for staff? If yes, please provide a copy.
- 4.9 Describe how you measure and evaluate performance of your personnel.
- 4.10 How is your staff rewarded for outstanding customer service and support?
- 4.11 Describe your training and development program for both full time and part-time personnel as it relates to system applications & tools, customer service, policies and procedures, quality control, and general business operations.
- 4.12 Provide details as to how onsite support will be maintained when supplier's personnel are on vacations or holidays, or when illness or emergency strikes.
- 4.13 Please describe your process for resolving and monitoring issues that may arise during the course of providing the contracted services. Attach an escalation matrix detailing the hierarchy of management involvement in issue resolution.
- 4.14 What is your average turnover rate for on-site support personnel?
- 4.15 Describe how you have utilized Historically Underutilized Businesses (HUBs) in the past on contracts you have performed in the State of Texas.
- 4.16 Do you currently have a mentor-protégé program in place with a Hub firm(s)? If yes, provide details of you mentor-protégé relationship(s).

5.0 MSP Program

- 5.1 Provide an overview describing your company's overall capabilities, services, tools and resources to deliver the Managed Service Provider/Vendor Management System (MSP/VMS) services to the UT System and Institutional Participants.
- 5.2 For each of the services listed below, please define what specific activities/tasks are included in your MSP program and describe your approach/process for the delivery of these services.
- 5.2.1 Search (contingent worker)
 - 5.2.2 Prescreening
 - 5.2.3 Background Screening
 - 5.2.4 Credentialing (e.g., licenses, JCAHO, etc.)
 - 5.2.5 On-Boarding
 - 5.2.6 Off-Boarding
 - 5.2.7 Compliance (e.g., I-9 documentation, 1099 reporting)
 - 5.2.8 Staffing Agency audit
 - 5.2.9 *Payrolling (Internal Temp/Contractors)*
 - 5.2.10 *Statement of Work (SOW) Management*
- 5.3 Please define any additional MSP services you offer that are not identified in Question 5.2 above (e.g., direct hire-recruitment services, credential management services). For each additional service you propose, please the specific activities/tasks included and describe your approach/process for the delivery of these services.
- 5.4 Please provide a process flow diagram for Proposer's MSP/VMS program from requisition to assignment.
- 5.5 Does your program allow for the Institutional Participant to identify current contract employees and staffing agencies to be incorporated into Proposer's program? If yes, please describe process.
- 5.6 Does your program allow for the Institutional Participant to identify agencies to be included in the program? If yes, please describe process including timeframe for on-boarding of new staffing agencies.
- 5.7 Do you provide recommendations for optimizing the utilization of suppliers? If yes, please describe process.
- 5.8 Do you have the ability to incorporate a tiered supplier program? If yes, please describe criteria.
- 5.9 Describe your strategy for recruiting new qualified staffing agencies.
- 5.10 Explain your supplier selection process as well as your contracting process and services with other staffing agencies.
- 5.11 Describe your strategy for maintaining long-term relationships with current qualified staffing agencies.

- 5.12 Do you audit invoices for accuracy of hours worked, bill rates and mark-up rates? If yes, please describe process and resolution process for discrepancies.
- 5.13 Do you monitor supplier (staffing agency) performance? If yes, please describe criteria for measuring performance and actions for addressing and correcting any performance issues.
- 5.14 What is your process for communicating and implementing regulatory updates and announcements into proposed MSP/VMS program?
- 5.15 Do you provide contingent workers through your own company, a parent company or subsidiary? If yes, how does Proposer ensure a competitive environment?
- 5.16 Is your program vendor neutral? If yes, how is neutrality established and maintained?
- 5.17 Describe your job classification methodology (standardizing job titles, job descriptions, etc.)
- 5.18 Describe your billing and payment process as it relates to the staffing agencies
- 5.19 Describe your billing and payment process as it relates to Institutional Participants and your company.
- 5.20 Does Proposer assume responsibility for all tax payments, governmental reporting, and staffing agency audits? If no, please explain.
- 5.21 Describe your response time for filling Urgent Needs and Non-urgent Needs. Define response time guarantees.
- 5.22 Define plans and policies you have in place to ensure staffing needs are met without disruption at each Institutional Participant's location(s).
- 5.23 Describe your organization's process of vetting to include certifying employees to meet the needs of the Institutional Participants as well as your organization's ability to ensure candidates licenses and certifications are current and competency requirements are met.
- 5.24 Please indicate all locations (cities/regions) within the State of Texas for which you cannot provide MSP services
- 5.25 Provide details for all resources required from Institutional Participant. If onsite support is provided, define the requirements for work-space, etc.
- 5.26 Describe the optimal support structure an Institutional Participant needs to provide and maintain to support your company in delivery of MSP services.
- 5.27 Define approaches used to ensure adequate labor resources to fill requisitions in a timely manner.
- 5.28 Please explain how your company's business model is capable of sourcing nationwide.
- 5.29 Define your experience with Locum Tenens recruitment for physicians and nurse practitioners/physician assistants.

- 5.30 Describe the resources that would work on Locum Tenens.
- 5.31 Define the resources you have available for 24/7 assistance for clinical labor resource needs (Locum Tenens and allied health clinicians) that may abruptly arise.
- 5.32 Identify what has been your top 10 hard to fill job categories within the State of Texas. Also, if there has been significant regional differences you have experienced across the State, please explain.

6.0 Vendor Management System (VMS)

- 6.1 Provide an overview of the various technology, tools, and methods that you will provide and/or that will be used in the delivery of the Services.
- 6.2 Please provide the following information regarding the proposed VMS tool:
- a. Diagram of architectural design of program
 - b. platform or language of system code
 - c. databases supported
 - d. web browsers supported (include versions)
 - e. flexibility to customize functions, templates, notifications and pages to Institutional Participant's needs
 - f. current software version and when was it deployed
 - g. when is the next scheduled upgrade
 - h. are customers recommendations considered for enhancements
- 6.3 Please provide a detailed plan on how you will implement the proposed VMS solution. Your response to include work performed by your company; technical requirements and resource requirements for customer; and implementation options.
- 6.4 Is the proposed VMS tool developed in-house or is it a third-party tool? If a third party tool, indicate if UT System will be required to enter into a separate agreement with the third party provider.
- 6.5 How many individuals are currently employed by you that are dedicated resources for the proposed VMS tool?
- 6.6 Do you have the ability to create a custom website portal containing the proposed VMS tool for Institutional Participant?
- 6.7 How many levels of approval hierarchy is the proposed VMS tool capable of supporting?
- 6.8 Please indicate if the proposed VMS tool is capable of providing the following. Check all that apply.
- On-line web-based ordering system
 - Customer specific pricing and contract terms
 - Itemized cost center/group/organization usage reports available on-line to all the Institutional Participant's departments
 - Various authorization levels for order placement
 - Ordering system security features
 - Electronic purchasing capabilities, including e-commerce, through the user of a variety of electronic order management systems with real-time access to service information for order fulfillment or web-based platforms with no local or network based software

- Electronic billing
 - Accommodation for 32-digit account numbers
 - Secured access for Institutional Participant users
 - Email notification within a defined security hierarchy
 - HR administrator access to on-line web-based billing rates
 - HR administrator access to on-line web-based candidate availability
- 6.9 Do you have experience integrating VMS tool with the following software? Check all that apply and briefly describe the specific application or scope/type of integration.
- Peoplesoft
 - Workday
 - Sciquest
 - SAP
 - Oracle
 - Other (please specify) _____
- 6.10 Does the proposed VMS tool support the utilization of Procurement cards?
- 6.11 Is the proposed VMS tool available in a hosted format, internally implemented, or both? Please describe.
- 6.12 If the proposed VMS tool is hosted, please describe the Relational Database Management System (RDBMS) platform used.
- 6.13 Please list all RDBMS platforms supported.
- 6.14 Will you provide source code in an escrow account at no charge to UT System?
- 6.15 Does the proposed VMS tool require any third party software not provided by you that an Institutional Participant will need to acquire? If yes, please explain including estimated cost.
- 6.16 Of the services listed in Question 5.2, above are any of these services not supported by the proposed VMS and will need to be processed or managed outside of the VMS? If yes, please provide details.
- 6.17 Does the proposed VMS tool allow requisitions to be entered with multiple requirements (e.g., traveling nurses, travel requirements, skill sets, certifications, shift, urgent need, long term need, time limits for tiered suppliers)?
- 6.18 Does the proposed VMS tool allow for the creation of a contingent worker profile with the ability to attach multiple documents?
- 6.19 Does the proposed VMS tool allow end-users to search for potential candidates based on position requirements and create a list for review?
- 6.20 Does the proposed VMS tool allow end-users to view the candidates qualification and any attached documentation?
- 6.21 Does the proposed VMS tool alert end-users when: Check all that apply
- Selected candidate does not have required certification
 - Selected candidate's certification will expire prior to assignment
 - Selected candidate
 - Selected candidate was designated as a "do not rehire" on a previous assignment

- Selected candidate received a negative evaluation on a previous assignment
 - Selected candidate will violate any length of stay rules during assignment
 - Other (please specify) _____
- 6.22 Does the proposed VMS tool capture negotiated rates and automatically apply those rates to candidate's assignment based on assignment criteria (e.g., shift, job title, facility, etc.)
- 6.23 Please select the methods in which time worked can be collected by the proposed VMS tool. Check all that apply
- web entry
 - interactive voice response
 - time feeds
- 6.24 Is the proposed VMS tool supported 24 hours a day, 7 days a week, 365 days a year?
- 6.25 Is the proposed VMS tool capable of consolidated invoices based on the end-user's needs?
- 6.26 Can the proposed VMS tool automatically create an urgent notification to the account team member and approver hierarchy based on the criticality of the need?
- 6.27 Can the proposed VMS tool send notifications to:
- Email
 - Cell phone
 - PDA
 - Pager
- 6.28 Does the proposed VMS tool provide real-time internet access 24 hours a day?
- 6.29 Does the proposed VMS tool allow end-users to make changes to the requisitions during the assignment?
- 6.30 Does the proposed VMS tool allow for manager to approve time entered by candidate prior to submitting for payment?
- 6.31 Does the proposed VMS tool provide an automatic notification when hours worked are nearing overtime, double-time or other negotiated pay or federal or state law is near violation? If yes, please describe.
- 6.32 Does the proposed VMS tool allow for expenses (e.g., per diems for traveling nurses, training, orientation) and reimbursements to be entered and approved? If yes, please describe.
- 6.33 Describe how the proposed MSP/VMS resources information for JCAHO compliance is tracked (e.g., training, immunizations, licenses, CPR, small pox, military service, fire safety quiz, background checks, physical and TB).
- 6.34 Please provide a demonstration of the proposed VMS tool via interactive link, PowerPoint slide, Pdf. or other means that will be shared with the evaluation committee members.
- 6.35 For the proposed VMS tool, describe the standard interfaces (e.g. users, purchase orders, time, invoices, etc.) and applications that you have successfully integrated with in projects. Indicate if interface was transactional vs. batch and standard vs. custom.
- 6.36 Does the proposed VMS tool support data migration from legacy programs and ERP systems?

- 6.37 Does the proposed VMS tool interface with staffing agencies to facilitate requisitions, invoicing, and visibility into candidate profiles?
- 6.38 Specific to the proposed VMS tool, do you have a disaster recovery plan? If yes, please upload the plan.
- 6.39 Does the proposed VMS tool have a recurring scheduled maintenance plan? If so, what time of day or night is it scheduled, how long does it last and how often does it take place?
- 6.40 How often does the proposed VMS tool experience an outage? When was the last time an outage occurred? How was the outage resolved and what stops were taken to prevent it from reoccurring.
- 6.41 What is the maximum number of users the proposed VMS tool can support simultaneously?
- 6.42 Does the proposed VMS tool support the following log-in and authentication processes?
- user id/password
 - single sign-on integration
- 6.43 Describe the proposed VMS tool's security system. How is confidential information protected? How is client specific information segregated?
- 6.44 Does the proposed VMS tool include online analytical processing (OLAP) systems? If yes, describe.
- 6.45 Does the proposed VMS tool provide back-up and recovery capabilities? If yes, please describe.
- 6.46 Describe how you will transition data from UT System to Proposer.
- 6.47 Please indicate if the proposer's proposed MSP/VMS program allows for the following: (Check all that apply)
- creation of requisition templates
 - access to past requisitions
 - ability to edit requisitions
 - ability to save requisition for future use
 - integration with PO approval/generation process from Institutional Participant's database
 - integration of business rules regarding Cost Center, Location or Department
 - Project management budget tracking
 - Ability to develop a database of job descriptions which can be edited to be used in requisitions
 - Requisition tracking from creation to fulfillment
 - Ability to schedule interviews between requester to supplier
 - Ability to track performance evaluations
 - Ability to send alerts for next step required to be fulfilled
 - Bill rate visibility for requestor
 - Ability to bill by hour, project, deliverables
 - Ability to alert requestor and supplier when approaching overtime
 - Ability to enter multiple billing categories (i.e. hourly, overtime, exempt)
 - Ability to enter time worked in multiple shifts and multiple bill categories on one invoice
 - Ability to enter various approval levels based on authority and availability within a predefined time frame before a requisition can be released

- Ability to alert for on-boarding process
- Ability to alert for off-boarding process
- Ability to enter billable hours via VMS tool
- Ability to verify that federal and state related laws are complied
- Ability to reject requisition if incorrect and provide notification of such rejection

6.48 Reporting Capabilities

- 6.48.1 Provide a list of the standard reports available with the proposed VMS tool. Include the report name, description and sample of each report.
- 6.48.2 Does the proposed VMS tool allow for users to: Check all that apply.
- create ad-hoc/custom reports
 - filter/sort information in reports
 - create report templates for recurring use
 - create report alerts
- 6.48.3 Does the proposed VMS tool allow for the spend reports to be generated by: Check all that apply.
- End User
 - Department
 - Work Location
 - Job Description
 - Hourly Rate
 - % Mark-Up
 - Total Number of Hours Worked
 - Total Spend
 - Supplier Diversity classification
 - Work classification
 - Supplier
 - Contingent worker
 - Staffing agency
 - Tier
- 6.48.4 Does the proposed VMS tool have the capability to automatically generate a report of candidates based on the job position description selected?
- 6.48.5 Does the proposed VMS tool provide a report or a list of candidates who are scheduled to work on a specific date?
- 6.48.6 Does the proposed VMS tool allow user to track all contingent worker and contractor resources that are onsite?
- 6.48.7 Describe other reports and information your company can provide beyond that which is available through the proposed VMS tool.

- 6.49 Describe in detail how the following functions are managed as part of the VMS tool:
- a. high-level explanation of users who access the solution, roles and responsibilities for each user in the business cycle
 - b. how new users are added to the system for access
 - c. how roles and permissions are defined in the solution
 - d. provide a table of which roles and/or permissions can change/delete items in the system and explain how this security issue is handled

7.0 Implementation

- 7.1 Provide a detailed project plan/chronological list or flowchart of events/tasks involved in implementing the Proposer's MSP/VMS solution at a campus. Proposer's responses should include all applicable resources required, roles and responsibilities of each resource to successfully complete the implementation.
- 7.2 Please describe your plan for converting UT System's business from its current suppliers in a seamless manner, including proposed timeline, key milestones, and your key players responsible for the conversion, the steps UT System can take to ensure a seamless conversion, and any major pitfalls that could impede the conversion.
- 7.3 Describe your process for transitioning of another supplier's contingent workers who are on assignment when you begin operations at a new account.
- 7.4 Describe the Proposer's process for communication and change management plan when transitioning into a new account?
- 7.5 What difficulties are anticipated in implementing a contract of this size and scope? How will these difficulties be managed? What assistance is required from the UT System?

8.0 Quality Assurance and Performance Management

- 8.1 Describe your company's quality assurance program. Your response to include, identification of the service and operating elements that are measured, how are they measured and evaluated, how are results reported both internally and to Customer, and how is this information used to improve company performance and service delivery?
- 8.2 Describe your quality review process once a contingent worker completes his/her work assignment.
- 8.3 Describe your process to monitor and provide recommendations to address independent contractor situations where Internal Revenue Service/Department of Labor criteria are not met.
- 8.4 Describe your experience and discuss your management practices for ensuring compliance with credentialing requirements.
- 8.5 Define your approach in handling retired employees of UT System or the State of Texas who may express interest as an employee of a staffing firm or an independent contractor engagement.
- 8.6 Demonstrate specific metrics and reporting within your MSP model related to legal and policy compliance.

- 8.7 Does your company have a corporate approved “Disaster Continuity Plan”? If yes, please provide details outlining the type/severity of the disaster; recovery time; and operating functions/services.
- 8.8 Please describe programs you have in place to assist clients recovering from disasters.
- 8.9 Demonstrate how you will measure the success of the MSP program at 90 days, 180 days, and one year after implementation.
- 8.10 Define the greatest challenge in providing MSP services of the type and kind required by this RFP, how you plan to manage them, and what assistance will you require from UT System.
- 8.11 Describe your processes in addressing non-compliance of client representatives (for example, managers who may not want to follow process or procedure or desire to use unapproved vendors).
- 8.12 Please describe how you will objectively measure the value your services will provide to UT System, including detailed examples with specific metrics for realized cost savings and process improvement & savings.
- 8.13 Please describe all quality and performance guarantees your company extends to UT System and Institutional Participants
- 8.14 Please provide a sample scorecard that includes key performance metrics that you propose be included in a contract between UT System and your company.
- 8.15 If you are awarded this contract, UT System will expect you to guarantee a consistently high level of service and related account management for all Institutional Participants. Thus, UT System may require that you agree to a meaningful Service Level Agreement (SLA). In this regard, please:
- a. Describe the specific service levels you are willing to guarantee (e.g., fill-rate, assignment terminations, etc.)
 - b. Identify any methods for measuring or surveying customer satisfaction, and identify which of your internal departments owns this process and is responsible preparing the results, and sharing the results with customer.
 - c. List your systems for monitoring service levels, including service delivery times.
- 8.16 Describe how you ensure that best practice approaches and solutions are shared with customer throughout the contract relationship.
- 8.17 What percentage of new potential candidates that are declined placement based on the Proposer’s prescreening process?
- 8.18 Does Proposer track and manage client feedback regarding specific assignments, supplier performance (quality, cost, responsiveness,) and what are the steps to resolve/address issues?
- 8.19 Does Proposer have a process for addressing co-employment risk or employee misclassification? If yes, please describe process.
- 8.20 Does Proposer have a process to mitigate risk as it pertains to employment laws and regulations from a federal, state and industry level? If yes, Please explain.

- 8.21 Does Proposer track, manage and report upon contingent worker tenure risk? If yes, describe process.

9.0 Customer Support

- 9.1 Does your company provide support 24 hours/ 7 days a week? If no, please list the days of the week and hours that your company provides support.
- 9.2 Provide details regarding your various Customer Support Programs.
- 9.3 Provide an overview of the various services and training programs your company can provide the Institutional Participants. Your response to include the format of training delivery (e.g., web-based, in-person, etc.)
- 9.4 Describe your “after hours” operations support.
- 9.5 Describe your methods and resources for providing training on the contingent worker management program. Please provide types of training and materials included.

10.0 Cost Proposal

Proposer’s Cost Proposal is to provide a comprehensive structure for all MSP/VMS services to be provided. Proposer’s response must clearly describe all cost elements and the Services Fees associated with each cost element; identify any and all exclusions and their associated, incremental/additional Fees; and identify factors that may affect cost, and how they are assessed. Proposer to provide a single cost structure across all Institutional Participants.

Proposers are asked to incorporate any creative offerings that will provide additional value to UT System and Institutional Participants.

10.1 Labor Rates for Contingent Workers:

- 10.1.1 Please describe your process for establishing market rates for the various labor categories and job classifications?
- 10.1.2 How often are market rates reviewed/evaluated and adjusted?
- 10.1.3 Please describe how market rates are presented to customer; what is the approval process before a rate increase is passed along to the customer?
- 10.1.4 Please state how your company will ensure and maintain rate competitiveness during the full term of the agreement. Indicate how you benchmark your rates and under what conditions will you pass along decreases to the UT System?
- 10.1.5 Is Proposer’s pricing model different for existing contingent workers (i.e., embedded base) versus new contingent workers sourced through the program? If yes, please explain.

10.2 **Service Fees (one-time, annual/recurring fees):**

10.2.1 Base Service Fee:

- a. Please provide the proposed service fee for the UT System account based on a spend volume of \$25M to \$50M per annum for Contingent Workers.
The service fee is considered a component of the market rate and will be deducted from all staffing agency payments processed by Proposer for Contingent Workers provided by the Staffing Agency. UT System will not pay a service fee directly to the selected Proposer.

_____ %

- b. Please identify all services, tools and technology that are included and will be furnished as part of the Base Service Fee.

10.2.2 MVS/VMS Implementation Fee per Institutional Participant: \$ _____

10.2.3 Payrolling Services for Internal Temporary Workers: _____ %

10.2.4 Conversion **(Provide fee structure to convert a contingent worker from temp to hire)**

10.2.5 Credential Management Services

10.2.6 Statement of Work (SOW) Management

10.2.7 Recruitment (Direct Hire)

10.2.8 1099 / Supplier Evaluation Services

10.2.9 Other services and fees

10.2.10 Are there any recurring annual fees, software license fees, maintenance fees and support fees not listed or not already included in your response to Questions 10.2.1-10.2.9? If yes, please provide details.

10.3 **Administration Fee, Incentives and Rebates:**

10.3.1 Please indicate that your company agrees to pay UT System a one percent (1%) Administration Fee for total sales volume of Institutional Participant Purchases

- Yes
- No

10.3.2 Please provide the rebate percentage(s) that will be extended to UT System upon achievement of, in the aggregate for all Institutional Participants, the specific annual volume spend thresholds listed in the Table below.

If the aggregated annual spend under MSP/VMS program:		The rebate percentage will be:
is at least:	but less than:	
\$50M	\$75M	____%
\$75M	\$100M	____%
\$100M	\$125M	____%
\$125M	\$150M	____%
\$150M+	N/A	____%

10.3.3 Does Proposer offer any incentives or rebates to UT System or Institutional Participants in addition to those required under this RFP? If yes, Please describe Proposer's approach to structuring those additional incentive or rebates?

10.3.4 Does Proposer offer early start-up incentives? If yes, Please describe incentive structure.

10.3.5 Identify any rebates, cash incentives or volume discounts included upon contract execution or during the term of the contract.

10.3.6 Does your company offer a tiered discount structure off contract rates for large projects? If yes, please provide details.

10.4 Invoicing and Payment:

10.4.1 Please describe your capabilities to provide electronic consolidated invoice files? What formats and frequencies for sending invoice files are supported?

10.4.2 Please indicate your company's early payment discount terms (e.g., 1% Net 15 days).

10.4.3 Several UT System institutions have implemented the JP Morgan Chase Single Use Account Program. Please indicate that you will accept payment under this program

- Yes
- No

10.4.4 Please indicate that you agree that reimbursement for travel, lodging and per diem will be in accordance with the rates, rules, regulations and guidelines established by the State of Texas.

- Yes
- No

10.4.5 Does Proposer have a written policy for invoicing corrections or adjustments? If yes, please provide actual policy. If no, describe current process.

10.4.6 Several UT System institutions have implemented the JP Morgan Chase Single Use Account Program. Please indicate that you will accept payment under this program

- Yes
- No

10.5 Cost Savings:

10.5.1 Please provide a detailed outline/plan regarding Proposer's overall approach to Cost Savings for UT System's program (both pre/post implementation,) providing specifics around processes, education and implementation practices.

10.5.2 Does Proposer guarantee hard cost savings by implementing the Proposer's MSP/VMS solution in an institution? If yes, please provide specific examples and explain example of how you plan to accomplish.

10.5.3 Does Proposer guarantee soft cost savings? If yes, please provide specific examples and explain example of how you plan to accomplish.

10.5.4 Provide a sample report of how Proposer defines, measures and reports both hard and soft cost savings.

10.5.5 Please advise UT System of any prompt payment discount options available.

10.5.6 Please identify any additional value incentives, disincentives, or value-added programs or services not specifically identified above that will be available to Company Name if you are awarded this contract. Additional value may be considered separately.

11.0 Competitive Advantage

11.1 Please indicate any additional "value added" services or programs not otherwise asked or disclosed herein that should be considered during the evaluation process.

11.2 Please provide any suggested improvements and alternative for doing business with your company that will make this arrangement more cost effective for your company and Institutional Participants.

11.3 Briefly describe your company's current advantage in the marketplace. Please provide only information not previously asked or disclosed herein.

11.4 Describe how your company would proactively approach generating additional cost savings for the Alliance's spend going forward. Please provide only information not previously asked or disclosed herein.

11.5 Please identify any new product lines and or services you have brought to market in the past year and what is planned for 2017 that will benefit our Institutions.

12.0 Historically Underutilized Businesses

In addition to your completion of the HSP (**Appendix Two**), please respond to the following:

- 12.1 Provide a clear statement of your company's commitment and plan to recruit, engage, and utilize HUBs in the work under a contract between your company and UT System.
- 12.2 Describe your current subcontracts/partnering arrangements with HUB firms and the capacity which they are utilized in the delivery of your services

SECTION 6
PRICING SCHEDULE AND AFFIRMATION

6.1 Pricing Schedule

Proposer must submit, as part of its proposal, detailed prices for the Services described in **Section 5.4** (Scope of Work) of this RFP. The prices must include all charges associated with providing the full scope of work.

6.2 Pricing Affirmation

THE FOLLOWING FORM MUST BE COMPLETED, SIGNED AND SUBMITTED WITH THE PROPOSER’S PROPOSAL. FAILURE TO DO SO WILL RESULT IN THE REJECTION OF YOUR PROPOSAL.

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System
Ref.: Managed Services Provider for Contingent Worker Staffing
RFP No.: UTS/A56

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the subject Services upon the pricing terms quoted below.

The prices quoted in in response to this RFP (see **Section 5.6**) will be Proposer’s guaranteed pricing.

Proposer agrees that if Proposer is awarded an agreement under this RFP, it will provide to UT System an administrative fee of one percent (1%) of the Total Net Sales made by Preferred Supplier under the Agreement, as described in **Section 5.2.1** of this RFP. *[Note to Proposer: this will be addressed in the Agreement’s Scope of Work.]* **“Total Net Sales”** means the total revenue received by the Preferred Supplier under the Agreement less credits, returns, taxes, and unpaid invoices.

Subject to the requirements of the Texas Prompt Payment Act (Chapter 2251, *Texas Government Code*), UT System’s standard payment terms are “Net 30 days.” Proposer will provide the following prompt payment discount:

Prompt Payment Discount: _____% _____ days/net 30 days.

Proposer certifies and agrees that all prices proposed in Proposer’s proposal have been reviewed and approved by Proposer’s executive management.

Respectfully submitted,

Proposer: _____
By: _____
(Authorized Signature for Proposer)
Name: _____
Title: _____
Date: _____

APPENDIX ONE

PROPOSAL REQUIREMENTS

SECTION 1 GENERAL INFORMATION

1.1 Purpose

UT System is soliciting competitive sealed proposals from Proposers having suitable qualifications and experience providing goods and services in accordance with the terms, conditions and requirements set forth in this RFP. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by UT System.

By submitting a proposal, Proposer certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity of the goods and services to be performed, the detailed requirements of the goods and services to be provided, and the conditions under which such goods and services are to be performed. Proposer also certifies that it understands that all costs relating to preparing a response to this RFP will be the sole responsibility of Proposer.

PROPOSER IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

1.2 Inquiries and Interpretations

UT System may in its sole discretion respond in writing to written inquiries concerning this RFP and post its response as an Addendum to all parties recorded by UT System as participating in this RFP. Only UT System's responses that are made by formal written Addenda will be binding on UT System. Any verbal responses, written interpretations or clarifications other than Addenda to this RFP will be without legal effect. All Addenda issued by UT System prior to the Submittal Deadline will be and are hereby incorporated as a part of this RFP for all purposes.

Proposers are required to acknowledge receipt of each Addendum by selecting "acknowledge" in the Addendum section of the RFP in SciQuest. Each Addendum must be acknowledged by Proposer prior to the Submittal Deadline and should accompany Proposer's proposal.

1.3 Public Information

Proposer is hereby notified that UT System strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information.

UT System may seek to protect from disclosure all information submitted in response to this RFP until such time as a final agreement is executed.

Upon execution of a final agreement, UT System will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public Information Act (Government Code, Chapter 552.001, et seq.)*. Proposer will be advised of a request for public information that implicates their materials and will have the opportunity to raise any objections to disclosure to the Texas Attorney General. Certain information may be protected from release under Sections 552.101, 552.110, 552.113, and 552.131, *Government Code*.

1.4 Type of Agreement

Preferred Supplier, if any, will be required to enter into an agreement with UT System in a form that (i) includes terms and conditions substantially similar to those set forth in **Section 4** of this RFP, and (ii) is otherwise acceptable to UT System in all respects.

1.5 Proposal Evaluation Process

UT System will select Preferred Supplier by using the competitive sealed proposal process described in this Section. UT System will open the HSP Packet submitted by a Proposer prior to opening Proposer's proposal in order to ensure that Proposer has submitted the completed and signed HUB Subcontracting Plan (also called the HSP) that is required by this RFP (ref. **Section 2.5.4** of the RFP). All proposals submitted by the Submittal Deadline accompanied by the completed and signed HSP required by this RFP will be opened. Any proposals that are not submitted by the Submittal Date or that are not accompanied by the completed and signed HSP required by this RFP will be rejected by UT System as non-responsive due to material failure to comply with advertised specifications. After the opening of the proposals and upon completion of the initial review and evaluation of the proposals, UT System may invite one or more selected Proposers to participate in oral presentations. UT System will use commercially reasonable efforts to avoid public disclosure of the contents of a proposal prior to selection of Preferred Supplier.

UT System may make the selection of Preferred Supplier on the basis of the proposals initially submitted, without discussion, clarification or modification. In the alternative, UT System may make the selection of Preferred Supplier on the basis of negotiation with any of Proposers. In conducting such negotiations, UT System will avoid disclosing the contents of competing proposals.

At UT System's sole option and discretion, UT System may discuss and negotiate all elements of the proposals submitted by selected Proposers within a specified competitive range. For purposes of negotiation, UT System may establish, after an initial review of the proposals, a competitive range of acceptable or potentially acceptable proposals composed of the highest rated proposal(s). In that event, UT System will defer further action on proposals not included within the competitive range pending the selection of Preferred Supplier; provided, however, UT System reserves the right to include additional proposals in the competitive range if deemed to be in the best interests of UT System.

After submission of a proposal but before final selection of Preferred Supplier is made, UT System may permit a Proposer to revise its proposal in order to obtain Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. UT System will provide each

Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. UT System is not obligated to select Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to UT System overall, as determined by UT System.

UT System reserves the right to (a) enter into an agreement for all or any portion of the requirements and specifications set forth in this RFP with one or more Proposers, (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon this selection process, if deemed to be in the best interests of UT System. Proposer is hereby notified that UT System will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by UT System.

1.6 Proposer's Acceptance of Evaluation Methodology

By submitting a proposal, Proposer acknowledges (1) Proposer's acceptance of [a] the Proposal Evaluation Process (ref. **Section 1.5** of **APPENDIX ONE**), [b] the Criteria for Selection (ref. **2.3** of this RFP), [c] the Specifications, Additional Questions and Scope of Work (ref. **Section 5** of this RFP), [d] the terms and conditions set forth in **Section 4** of this RFP, and [e] all other requirements and specifications set forth in this RFP; and (2) Proposer's recognition that some subjective judgments must be made by UT System during this RFP process.

1.7 Solicitation for Proposal and Proposal Preparation Costs

Proposer understands and agrees that (1) this RFP is a solicitation for proposals and UT System has made no representation written or oral that one or more agreements with UT System will be awarded under this RFP; (2) UT System issues this RFP predicated on UT System's anticipated requirements for the related goods and services, and UT System has made no representation, written or oral, that any particular goods or services will actually be required by UT System; and (3) Proposer will bear, as its sole risk and responsibility, any cost that arises from Proposer's preparation of a proposal in response to this RFP.

1.8 Proposal Requirements and General Instructions

- 1.8.1 Proposer should carefully read the information contained herein and submit a complete proposal in response to all requirements and questions as directed.
- 1.8.2 Proposals and any other information submitted by Proposer in response to this RFP will become the property of UT System.
- 1.8.3 UT System will not provide compensation to Proposer for any expenses incurred by Proposer for proposal preparation or for demonstrations or oral presentations that may be made by Proposer, unless otherwise expressly agreed in writing. Proposer submits its proposal at its own risk and expense.
- 1.8.4 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by UT System, at UT System's sole discretion.

- 1.8.5 Proposals should be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, and responsiveness to the requirements and specifications of this RFP.
- 1.8.6 UT System makes no warranty or guarantee that an award will be made as a result of this RFP. UT System reserves the right to accept or reject any or all proposals, waive any formalities, procedural requirements, or minor technical inconsistencies, and delete any requirement or specification from this RFP when deemed to be in UT System's best interest. UT System reserves the right to seek clarification from any Proposer concerning any item contained in its proposal prior to final selection. Such clarification may be provided by telephone conference or personal meeting with or writing to UT System, at UT System's sole discretion. Representations made by Proposer within its proposal will be binding on Proposer.
- 1.8.7 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by UT System, in UT System's sole discretion.

1.9 Preparation and Submittal Instructions

1.9.1 Specifications and Additional Questions

Proposals must include responses to the questions referenced in Specifications, Additional Questions and Scope of Work (ref. **Section 5** of this RFP).

1.9.2 Execution of Offer

Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) as part of its proposal. The Execution of Offer must be signed by a representative of Proposer duly authorized to bind Proposer to its proposal. Any proposal received without a completed and signed Execution of Offer may be rejected by UT System, in its sole discretion.

1.9.3 Pricing Affirmation

Proposer must complete and return the Pricing Affirmation (ref. **Section 6** of this RFP), as part of its proposal.

UT System will not recognize or accept any charges or fees that are not specifically stated in the Pricing Affirmation.

1.9.4 Submission

Proposer should submit all proposal materials via the SciQuest e-sourcing tool. Proposer should ensure that all documents are submitted electronically in accordance with the instructions in **Section 3.1** of this RFP.

Proposer must also submit the HUB Subcontracting Plan (also called the HSP) as required by this RFP (ref. **Section 2.5** of the RFP.)

UT System will not, under any circumstances, consider a proposal that is received after the Submittal Deadline or which is not accompanied by the completed and signed HSP that is required by this RFP.

UT System will not accept proposals submitted by telephone, proposals submitted by Facsimile (“**FAX**”) transmission, or proposals submitted by hard copy (i.e., paper form) in response to this RFP.

Except as otherwise provided in this RFP, no proposal may be changed, amended, or modified after it has been submitted to UT System. However, a proposal may be withdrawn and resubmitted at any time prior to the Submittal Deadline. No proposal may be withdrawn after the Submittal Deadline without UT System’s consent, which will be based on Proposer’s submittal of a written explanation and documentation evidencing a reason acceptable to UT System, in UT System’s sole discretion.

By signing the Execution of Offer (ref. **Section 2 of APPENDIX ONE**) and submitting a proposal, Proposer certifies that any terms, conditions, or documents attached to or referenced in its proposal are applicable to this procurement only to the extent that they (a) do not conflict with the laws of the State of Texas or this RFP and (b) do not place any requirements on UT System that are not set forth in this RFP or in the Appendices to this RFP. Proposer further certifies that the submission of a proposal is Proposer’s good faith intent to enter into the Agreement with UT System as specified herein and that such intent is not contingent upon UT System’s acceptance or execution of any terms, conditions, or other documents attached to or referenced in Proposer’s proposal.

SECTION 2 **EXECUTION OF OFFER**

THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER’S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH PROPOSER’S PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.

2.1 By signature hereon, Proposer represents and warrants the following:

- 2.1.1 Proposer acknowledges and agrees that (1) this RFP is a solicitation for a proposal and is not a contract or an offer to contract; (2) the submission of a proposal by Proposer in response to this RFP will not create a contract between UT System and Proposer; (3) UT System has made no representation or warranty, written or oral, that one or more contracts with UT System will be awarded under this RFP; and (4) Proposer will bear, as its sole risk and responsibility, any cost arising from Proposer’s preparation of a response to this RFP.
- 2.1.2 Proposer is a reputable company that is lawfully and regularly engaged in providing the subject goods and services.
- 2.1.3 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform under the Agreement.

- 2.1.4 Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances.
- 2.1.5 Proposer understands (i) the requirements and specifications set forth in this RFP and (ii) the terms and conditions set forth in Section 4 of this RFP, under which Proposer will be required to operate.
- 2.1.6 If selected by UT System, Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any sub-contractor, except as expressly provided in the Agreement.
- 2.1.7 If selected by UT System, Proposer will maintain any insurance coverage as required by the Agreement during the term thereof.
- 2.1.8 All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. Proposer acknowledges that UT System will rely on such statements, information and representations in selecting Preferred Supplier. If selected by UT System, Proposer will notify UT System immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information.
- 2.1.9 PROPOSER WILL DEFEND WITH COUNSEL APPROVED BY UT SYSTEM, INDEMNIFY, AND HOLD HARMLESS UT SYSTEM, THE STATE OF TEXAS, AND ALL OF THEIR REGENTS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL ACTIONS, SUITS, DEMANDS, COSTS, DAMAGES, LIABILITIES AND OTHER CLAIMS OF ANY NATURE, KIND OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF PROPOSER OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROPOSER IN THE EXECUTION OR PERFORMANCE OF ANY CONTRACT OR AGREEMENT RESULTING FROM THIS RFP.
- 2.1.10 Pursuant to Sections 2107.008 and 2252.903, *Government Code*, any payments owing to Proposer under any contract or agreement resulting from this RFP may be applied directly to any debt or delinquency that Proposer owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.
- 2.2** By signature hereon, Proposer offers and agrees to comply with all terms, conditions, requirements and specifications set forth in this RFP.
- 2.3** By signature hereon, Proposer affirms that it has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its submitted proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting contracts, and Proposer may be removed from all proposal lists at UT System.
- 2.4** By signature hereon, Proposer certifies that it is not currently delinquent in the payment of any taxes due under Chapter 171, *Tax Code*, or that Proposer is exempt from the payment of those taxes, or that Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable. A false certification will be deemed a material breach of any resulting

contract or agreement and, at UT System's option, may result in termination of any resulting contract or agreement.

- 2.5** By signature hereon, Proposer hereby certifies that neither Proposer nor any firm, corporation, partnership or institution represented by Proposer, or anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in Section 15.01, et seq., *Business and Commerce Code*, or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.
- 2.6** By signature hereon, Proposer certifies that the individual signing this document and the documents made a part of this RFP, is authorized to sign such documents on behalf of Proposer and to bind Proposer under any agreements and other contractual arrangements that may result from the submission of Proposer's proposal.
- 2.7** By signature hereon, Proposer certifies as follows:
- "Under Section 231.006, *Family Code*, relating to child support, Proposer certifies that the individual or business entity named in Proposer's proposal is not ineligible to receive the specified contract award and acknowledges that any agreements or other contractual arrangements resulting from this RFP may be terminated if this certification is inaccurate."
- 2.8** By signature hereon, Proposer certifies that (i) no relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint venturers of any Proposer that is a joint venture or the members or managers of any Proposer that is a limited liability company, on one hand, and any member of the Board of Regents of the University of Texas System or an employee of any component of The University of Texas System, on the other hand, other than the relationships which have been previously disclosed to UT System in writing; (ii) Proposer has not been an employee of any component institution of The University of Texas System within the immediate twelve (12) months prior to the Submittal Deadline; and (iii) no person who, in the past four (4) years served as an executive of a state agency was involved with or has any interest in Proposer's proposal or any contract resulting from this RFP (ref. Section 669.003, *Government Code*). All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before UT System enters into a contract or agreement with Proposer.
- 2.9** By signature hereon, Proposer certifies that in accordance with Section 2155.004, *Government Code*, no compensation has been received for its participation in the preparation of the requirements or specifications for this RFP. In addition, Proposer certifies that an award of a contract to Proposer will not violate Section 2155.006, *Government Code*, prohibiting UT System from entering into a contract that involves financial participation by a person who, during the previous five years, has been convicted of violating federal law or assessed a penalty in a federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, Hurricane Katrina, or any other disaster occurring after September 24, 2005. Pursuant to Sections 2155.004 and 2155.006, *Government Code*, Proposer certifies that Proposer is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment withheld if these certifications are inaccurate.

- 2.10** By signature hereon, Proposer certifies its compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.
- 2.11** By signature hereon, Proposer represents and warrants that all products and services offered to UT System in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-596) and the *Texas Hazard Communication Act*, Chapter 502, *Health and Safety Code*, and all related regulations in effect or proposed as of the date of this RFP.
- 2.12** Proposer will and has disclosed, as part of its proposal, any exceptions to the certifications stated in this Execution of Offer. All such disclosures will be subject to administrative review and approval prior to the time UT System makes an award or enters into any contract or agreement with Proposer.
- 2.13** If Proposer will sell or lease computer equipment to UT System under any agreements or other contractual arrangements that may result from the submission of Proposer's proposal then, pursuant to Section 361.965(c), *Health & Safety Code*, Proposer certifies that it is in compliance with the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in Chapter 361, Subchapter Y, *Health & Safety Code* and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in Title 30, Chapter 328, Subchapter I, *Texas Administrative Code*. Section 361.952(2), *Health & Safety Code* states that, for purposes of the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act, the term "computer equipment" means a desktop or notebook computer and includes a computer monitor or other display device that does not contain a tuner.

2.14 Proposer should complete the following information:

If Proposer is a Corporation, then State of Incorporation: _____

If Proposer is a Corporation then Proposer's Corporate Charter Number: _____

RFP No.: UTS/A56

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER SECTIONS 552.021 AND 552.023, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER SECTION 559.004, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER'S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH PROPOSER'S PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.

Submitted and Certified By:

(Proposer Institution's Name)

(Signature of Duly Authorized Representative)

(Printed Name/Title)

(Date Signed)

(Proposer's Street Address)

(City, State, Zip Code)

(Telephone Number)

(FAX Number)

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
JANUARY 2015

APPENDIX III

POLICY ON UTILIZATION HISTORICALLY UNDERUTILIZED BUSINESSES VENDOR/COMMODITIES



**The University of Texas System
Office of HUB Development
Policy on Utilization of Historically Underutilized Businesses (HUBs)**

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**The University of Texas System
Office of HUB Development**

POLICY ON UTILIZATION OF HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS)

Introduction

In accordance with the Texas Government Code, Sections 2161.181-182 and Title 34, Section 20.13 of the Texas Administrative Code (TAC), the Board of Regents of The University of Texas System, acting through the Office of HUB Development shall make a good faith effort to utilize Historically Underutilized Businesses (HUBs) in contracts for construction services, including professional and consulting services; and commodities contracts. The HUB Rules promulgated by the Texas Comptroller of Public Accounts (the "Texas Comptroller"), set forth in 34 TAC Sections 20.10-20.28, encourage the use of HUBs by implementing these policies through race, ethnic and gender-neutral means.

The purpose of the HUB Program is to promote full and equal business opportunities for all business in State contracting in accordance with the following goals as specified in the State of Texas Disparity Study:

- 11.2% for heavy construction other than building contracts;
- 21.1% for all building construction, including general contractors and operative builders contracts;
- 32.9% for all special trade construction contracts;
- 23.7% for professional services contracts;
- 26% for all other services contracts, and
- 21.1% for commodities contracts.

The University of Texas System shall make a good faith effort to meet or exceed the above stated goals to assist HUBs in receiving a portion of the total contract value of all contracts that UT System expects to award in a fiscal year. The University of Texas System may achieve the annual program goals by contracting directly with HUBs or indirectly through subcontracting opportunities in accordance with the Texas Government Code, chapter 2161, Subchapter F.

NOTE: The goals above are the State of Texas HUB goals. For purposes of this procurement, The University of Texas System goals listed in the Special Instructions on page 11 will apply.

SUMMARY OF REQUIREMENTS
Historically Underutilized Business (HUBs) Subcontracting Plan (HSP)

It is the policy of The University of Texas System and each of its component institutions, to promote and encourage contracting and subcontracting opportunities for Historically Underutilized Businesses (HUBs) in all contracts. Accordingly, UT System has adopted “**EXHIBIT H, Policy on Utilization of Historically Underutilized Businesses**”. The policy applies to all contracts with an expected value of \$100,000 or more. The Board of Regents of The University of Texas System is the contracting authority.

1. In all contracts for professional services, contracting services, and/or commodities with an expected value of \$100,000 or more, The University of Texas System, “UT System” or the “University” will indicate in the purchase solicitation (e.g. RFQ, RFP, or CSP) whether or not subcontracting opportunities are probable in connection with the contract. A HUB Subcontracting Plan is a required element of the architect, contractor or vendor Response to the purchase solicitation. The HUB Subcontracting Plan shall be developed and administered in accordance with the Policy. **Failure to submit a required HUB Subcontracting Plan (HSP) will result in rejection of the Response.**
2. If subcontracting opportunities are probable UT System will declare such probability in its invitations for bids, requests for proposals, or other purchase solicitation documents, and shall require submission of the appropriate HUB Subcontracting Plan with the Response.
 - a. When subcontracting opportunities are probable, and the Respondent proposes to subcontract any part of the work, the Respondent shall submit a **HUB Subcontracting Plan as prescribed by the Texas Comptroller** identifying subcontractors **[34 TAC §20.14 (d) (1)(A)(B)(C)(D) (2) (3)(A)(B)(C)(D)(E)(F) (4)(A)(B)]**.
 - b. When subcontracting opportunities are probable, but the Respondent can perform such opportunities with its employees and resources, the Respondent’s HUB Subcontracting Plan shall include **Section 3 –Self Performance [34 TAC §20.14 (d) (5) (A) (B) (C) (D)]**.
3. If subcontracting opportunities are not probable UT System will declare such probability in its invitations or bids, requests for proposals, or other purchase solicitation documents and shall require submission of the appropriate HUB Subcontracting Plan with the Response.
 - a. When subcontracting opportunities are not probable, and the Respondent proposes to perform all the work with its employees and resources, the Respondent shall submit a HUB Subcontracting Plan that includes **Section 3 – Self Performance Justification**.
 - b. When subcontracting opportunities are not probable, but the Respondent proposes to subcontract any part of the work, the Respondent shall submit a **HUB Subcontracting Plan as prescribed by the Texas Comptroller** identifying subcontractors.
4. Respondents shall follow, but are not limited to, procedures listed in the Policy when developing a HUB Subcontracting Plan.
5. **Competitive Sealed Proposals (CSP):** Respondents shall submit a HUB Subcontracting Plan (packaged separately) twenty-four (24) hours following the Response submission date and time or as prescribed by the project manager.
6. In making a determination whether a good faith effort has been made in the development of the required HUB Subcontracting Plan, UT System shall follow the procedures listed in the Policy. If accepted by the

University, the HUB Subcontracting Plan shall become a provision of the Respondent's contract with UT System. **Revisions necessary to clarify and enhance information submitted in the original HUB subcontracting plan may be made in an effort to determine good faith effort.** Any revisions after the submission of the HSP shall be approved by the HUB Coordinator.

7. **Design Build (DB) and Construction Manager @ Risk (CM@R) responses:** Respondents to a "design build" or "construction manager-at-risk" purchase solicitation shall include the Letter of HUB Commitment in their Response attesting that the Respondent has read and understands the Policy on Historically Underutilized Businesses (HUBs), and a HUB Subcontracting Plan for all preconstruction and construction services including a HUB Subcontracting Plan as prescribed by the Texas Comptroller specific to construction services identifying first, second and third tier subcontractors. Respondents proposing to perform Part 1 preconstruction services with their own resources and employees shall submit, as part of their HSP, the Self Performance Justification.
8. **DB and CM@R HUB Contract Requirements:** Contractors engaged under design-build and construction manager-at-risk contracts shall submit a HUB Subcontracting Plan for all preconstruction and construction Phase Services, and, must further comply with the requirements of this Policy by developing and submitting a HUB Subcontracting Plan for each bid package issued in buying out the guaranteed maximum or lump sum price of the project. The HSP shall identify first, second and third tier subcontractors.
9. The University of Texas System shall reject any Response that does not include a fully completed HSP as required. **An incomplete HUB Subcontracting Plan is considered a material failure to comply with the solicitation for proposals.**
10. **Changes to the HUB Subcontracting Plan:** Once a Respondent's HSP is accepted by UT System and becomes a provision of the contract between Respondent and UT System, the Respondent can only change that HSP if (a) the Respondent complies with 34 TAC Section 20.14; (b) the Respondent provides its proposed changes to UT System for review; (c) UT System (including UT System's HUB Coordinator) approves Respondent's proposed changes to its HSP; and (d) UT System and the Respondent amend their contract (in writing signed by authorized officials of both parties) in order to replace the contract's existing HSP with a revised HSP containing the changes approved by UT System.
11. **Expansion of Work:** If, after entering into a contract with a Respondent as a result of a purchase solicitation subject to the Policy, UT System wishes to expand the scope of work that the Respondent will perform under that contract through a change order or any other contract amendment (the "additional work"), UT System will determine if the additional work contains probable subcontracting opportunities not identified in the initial purchase solicitation for that contract. If UT System determines that probable subcontracting opportunities exist for the additional work, then the Respondent must submit to UT System an amended HUB Subcontracting Plan covering those opportunities that complies with the provisions of 34 TAC Section 20.14. Such an amended HSP must be approved by UT System and the Respondent (including UT System's HUB Coordinator) before (a) the contract may be amended by UT System and the Respondent to include the additional work and the amended HSP and (b) the Respondent performs the additional work. If a Respondent subcontracts any of the additional subcontracting opportunities identified by UT System for any additional work (i) without complying with 34 TAC Section 20.14 or (ii) before UT System and that Respondent amend their contract to include a revised HSP that authorizes such subcontracting, then the Respondent will be deemed to be in breach of its contract with UT System. As a result of such breach, UT System will be entitled to terminate its contract with the Respondent, and the Respondent will be subject to any remedial actions provided by Texas law, including those set forth in Chapter 2161, Texas Government Code, and 34 TAC Section 20.14. The University may report a Respondent's nonperformance under a

contract between that Respondent and UT System to the Texas Comptroller in accordance with 34 TAC Sections 20.10 through 20.18.

12. A Response may state that the Respondent intends to perform all the subcontracting opportunities with its own employees and resources in accordance with the Policy. However, if such a Respondent enters into a contract with UT System as a result of such a Response but later desires to subcontract any part of the work set forth in that contract, before the Respondent subcontracts such work it must first change its HUB Subcontracting Plan in accordance with the provisions of Section 10 above.
13. The University of Texas System shall require a professional services firm, contractor or vendor to whom a contract has been awarded to report the identity and the amount paid to its subcontractors on a monthly basis using a **HUB Subcontracting Plan (HSP) Prime Contractor Progress Assessment Report (PAR)** as a condition for payment.
14. If the University of Texas System determines that the successful Respondent failed to implement an approved HUB Subcontracting Plan in good faith, UT System, in addition to any other remedies, may report nonperformance to the Texas Comptroller in accordance with 34 TAC Section 20.14, (g) (1) related remedies of nonperformance to professional services firms, contractor and vendor implementation of the HSP.
15. In the event of any conflict between this “Summary of Requirements” and the remainder of the HUB Policy, the remainder of the HUB Policy will control.
16. These requirements, including the attachments referred to above, may be downloaded over the Internet from <http://utsystem.edu/offices/historically-underutilized-business/hub-forms>. For additional information contact the Office of HUB Development, The University of Texas System, 512/499/4530.

**Other Services/Vendor/Commodities HSP
Summary of Attachments Required from Respondents**

	Letter of Transmittal Page 8	Letter of HUB Commitment Page 9	HUB Subcontracting Plan (HSP) Pages 11-18	Progress Assessment Report (PAR) Page 19
1. UT SYSTEM DETERMINES THAT SUBCONTRACTING OPPORTUNITIES ARE PROBABLE.				
1. A. Respondent Proposes Subcontractors: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are probable</u> .	X		X	
1.B. Respondent Proposes Self-Performance: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are probable</u> , but the Respondent can perform such opportunities with its employees and resources.	X		X	
2. UT SYSTEM DETERMINES THAT SUBCONTRACTING OPPORTUNITIES ARE NOT PROBABLE.				
2.A. Respondent Proposes Self-Performance: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are not probable</u> , but the Respondent can perform such opportunities with its employees and resources.	X		X	
2. B. Respondent Proposes Subcontractors: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are not probable</u> , but the Respondent proposes to subcontract any part of the work.	X		X	
3. INDEFINITE DURATION/INDEFINITE QUANTITY CONTRACTS: Submit with initial qualifications. Attachments required from the Respondent prior to contract execution for each contract associated with a solicitation for miscellaneous services.		X	X	
4. CHANGES IN THE HUB SUBCONTRACTING PLAN AFTER AWARD: Attachments required from the Respondent to whom a contract has been awarded if it desires to make changes to the approved HUB Subcontracting Plan.			X	
5. REPORTING: Progress Assessment Report (PAR) required with all payment requests. The submittal of this attachment is a condition of payment.				X

(RESPONDENT'S BUSINESS LETTERHEAD)

Date

Mr. Hopeton Hay
Director, HUB and Federal Small Business Program
The University of Texas System
201 W. 6th St., Room B.140E
Austin, Texas 78701

RE: Historically Underutilized Business Plan for (Project Title): _____
Project Number: _____ - _____

Dear Mr. Hay,

In accordance with the requirements outlined in the specification section "HUB Participation Program," I am pleased to forward this HUB Subcontracting Plan as an integral part of our response in connection with your invitation for Request for Proposals referencing the above project.

I have read and understand The University of Texas System Policy on Utilization of Historically Underutilized Businesses (HUBs). I also understand the State of Texas Annual Procurement Goal according to 34 Texas Administrative Code Section 20.13, and the goal as stated in the Agency Special Instructions section of the HUB Subcontracting Plan, page 11.

Select one of the following:

- _____ 32.9% for all special trade construction contracts
- _____ 26% for all other services contracts
- _____ 31.04% for commodities contracts

Subcontractors	No. of Subcontractors	Total Subcontract \$ Value	Total Estimated HUB %	% Minority Owned	% Woman Owned	% Service Disabled Veteran
HUB						
NON-HUB						
TOTAL						

I understand the above HUB percentages must represent Texas Comptroller HUB certification standards. For each of the listed HUB firms, I have attached a Texas Comptroller HUB Certification document.

Should we discover additional subcontractors claiming Historically Underutilized Business status during the course of this contract we will notify you of the same. In addition, if for some reason a HUB is unable to fulfill its contract with us, we will notify you immediately in order to take the appropriate steps to amend this contractual obligation.

Sincerely,

(Project Executive)

cc: Contract Administrator

(RESPONDENT'S BUSINESS LETTERHEAD)

Date

Mr. Hopeton Hay
Director, HUB and Federal Small Business Program
The University of Texas System
201 W. 6th St., Room B.140E
Austin, TX 78701

RE: Historically Underutilized Business Plan for (Project Title): _____
Project Number: _____ - _____

Dear Mr. Hay:

In accordance with the requirements outlined in the specification section "HUB Participation Program", I am pleased to forward this HUB Subcontracting Plan as an integral part of our proposal in connection with your invitation for request for proposals, referencing Project Number _____.

I have read and understand The University of Texas System Policy on Utilization of Historically Underutilized Businesses (HUBs).

Good Faith Effort will be documented by a two part HUB Subcontracting Plan (HSP) process. Part one (1) of the HSP submission will reflect self-performance with the appropriate sections completed per the instructions in Option One of the HSP Quick Checklist located on page 10 of The University of Texas Exhibit H Policy on Utilization of Historically Underutilized Businesses (HUBs).

As the scope of work/project is defined under this ID/IQ contract, part two (2) of the process will require a revised HUB Subcontracting Plan (HSP) and the Good Faith Effort will be documented per instructions in Attachment B (page 16-17) and Option Three of the HSP Quick Check List. The revised HUB Subcontracting Plan will be submitted to the HUB Coordinator prior to execution of each contract process. Documentation of subcontracted work will be provided with each pay request.

Sincerely,

(Project Executive)

cc: Contract Administrator



HUB Subcontracting Plan (HSP)

QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

Option One -If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - Yes, I will be subcontracting portions of the contract
- Section 2b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors
- Section 2c. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2b.
- Letter of Transmittal

Option Two - If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract in place for five (5) years or less meets or exceeds the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - Yes, I will be subcontracting portions of the contract
- Section 2b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
- Section 2c. - No
- Section 2d. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2b.
- Letter of Transmittal

Option Three - If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract in place for five (5) years or less does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - Yes, I will be subcontracting portions of the contract
- Section 2b. - List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
- Section 2c. - No
- Section 2d. - No
- Section 4 - Affirmation
- GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2b.
- Letter of Transmittal

Option Four - If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources, complete:

- Section 1 - Respondent and Requisition Information
- Section 2a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources
- Section 3 - Self Performing Justification
- Section 4 - Affirmation
- Letter of HUB Commitment

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- **11.2 percent for heavy construction other than building contracts,**
- **21.1 percent for all building construction, including general contractors and operative builders' contracts,**
- **32.9 percent for all special trade construction contracts,**
- **23.7 percent for professional services contracts,**
- **26.0 percent for all other services contracts, and**
- **21.1 percent for commodities contracts.**

- - Agency Special Instructions/Additional Requirements - -

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only contracts that have been in place for five years or less shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

In accordance with 34 TAC §20.13(d)(1)(D)(iii), the goals below are the applicable goals for the University of Texas System Administration only.

- Other Services HUB Goal – 26%**
- Commodities HUB Goal – 31.04%**
- Special Trades HUB Goal – 32.9%**

- Responses for Special Trades construction shall submit a HUB Subcontracting Plan (HSP) that meets the Good Faith Effort prescribed in Method B (Attachment B). See instruction for Option three on the HSP Quick Check List. No other Good Faith Effort method will be accepted.
- Responses for Miscellaneous Services Agreements for indefinite duration/indefinite quantity- Two (2) part process:
 1. Submit a Letter of HUB Commitment (page 9) and a Good Faith Effort described in Option Four.
 2. Submit a revised HSP prior to execution of each contract process as described in Option Three of Quick Check List.
- Respondents shall submit a completed HUB Subcontracting Plan (HSP) to be considered responsive. Failure to submit a completed HSP shall result in the bid, proposal or other expression of interest to be considered Non-responsive.
- Respondents who intend to Self-Perform all of their work shall submit an HSP for Self Performance HUB Subcontracting Plan (HSP) as described in Option Four.
- Prime contractor Progress Assessment Report (PAR) shall be submitted with each request for payment as a condition of payment.
- Please note that phone logs are no longer acceptable documentation of Good Faith Effort. Only fax, email and certified letter are acceptable.

SECTION-1: RESPONDENT AND REQUISITION INFORM

a. Respondent (Company) Name: _____ State of Texas VID #: _____
 Point of Contact: _____ Phone #: _____
 E-mail Address: _____ Fax #: _____

b. Is your company a State of Texas certified HUB? - Yes - No

c. Requisition #: _____ Bid Open Date: _____

(mm/dd/yyyy)

Enter your company's name here: _____ Requisition #: _____

SECTION 2: SUBCONTRACTING INTENTIONS RESPONDENT

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b, of this SECTION and continue to Item c of this SECTION.)
- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources. (If **No**, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified** HUBs with which you have a **continuous contract*** in place with for five (5) years or less **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "**Agency Special Instructions/Additional Requirements**".

- **Yes** (If **Yes**, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: _____ Requisition #: _____

SECTION-2: SUBCONTRACTING INTENTIONS RESPONDENT (CONTINUATION SHEET)

a. This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract*</u> in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract*</u> in place for <u>more than five (5) years.</u>	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%

**Continuous Contract: Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.*

Enter your company's name here: _____ Requisition #: _____

SECTION-3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4)

Check the appropriate box (Yes or No) that indicates whether your response/proposal contains an explanation demonstrating how your company will fulfill the entire contract with its own resources.

- **Yes** (If *Yes*, in the space provided below list the specific page(s)/section(s) of your proposal which explains how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)
- **No** (If *No*, in the space provided below explain how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)

SECTION-4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Printed Name	Title	Date (mm/dd/yyyy)
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Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method A (Attachment A)

Enter your company's name here: _____ Requisition #: _____

IMPORTANT: If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-a.pdf>.

SECTION A-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: _____ Description: _____

SECTION A-2: SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB

CompanyName	Texas certified HUB	VID Number (Required if Texas certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
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	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Enter your company's name here: _____ Requisition #: _____

IMPORTANT: If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: _____ Description: _____

SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)
- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://mycpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- b. List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

CompanyName	VID Number	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.

- d. List two (2) trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Enter your company's name here: _____ Requisition #: _____

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: _____ Description: _____

b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas certified HUB	VID Number <small>(Required if Texas certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	%
	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	%
	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	%
	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	%
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	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	%
	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	%

c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in **Section B** has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.14 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, at least seven (7) working days prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.11(19)(C).

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in **Section C, Item 2**, reply no later than the date and time identified in **Section C, Item 1**. Submit your response to the point-of-contact referenced in **Section A**.

SECTION: A PRIME CONTRACTOR'S INFORMATION

Company Name: _____ State of Texas VID #: _____
Point-of-Contact: _____ Phone #: _____
E-mail Address: _____ Fax #: _____

Agency Name: _____
Point-of-Contact: _____ Phone #: _____
Requisition #: _____ Bid Open Date: _____
(mm/dd/yyyy)

SECTION: C SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION

1. Potential Subcontractor's Bid Response Due Date:
If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2, we must receive your bid response no later than Select _____ on _____.
Central Time Date (mm/dd/yyyy)

In accordance with 34 TAC §20.14, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, at least seven (7) working days prior to us submitting our bid response to the contracting agency, we must provide notice of each of our subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.11(19)(C).

(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)

2. Subcontracting Opportunity Scope of Work:

3. Required Qualifications: - Not Applicable

4. Bonding/Insurance Requirements: - Not Applicable

5. Location to review plans/specifications: - Not Applicable



HUB Subcontracting Plan (HSP) Prime Contractor Progress Assessment Report

Rev. 10/14

This form must be completed and submitted to the contracting agency each month to document compliance with your HSP.

Contract/Requisition Number: _____ Date of Award: _____ Object Code: _____

Contracting Agency/University Name: _____

Contractor (Company) Name: _____ State of Texas VID : _____

Point of Contact: _____ Phone #: _____

Reporting (Month) Period: _____ Total Amount Paid this Reporting Period to Contractor: \$ _____

Report HUB and Non-HUB subcontractor information

*Note: Texas certified HUB status can be verified on-line at: <https://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>

Subcontractor's Name	*Texas certified HUB? (Yes or No)	Subcontractor's VID or HUB Certificate Number <small>(Required if Texas certified HUB)</small>	Total Contract \$ Amount from HSP with Subcontractor	Total \$ Amount Paid this Reporting Period to Subcontractor	Total Contract \$ Amount Paid to Date to Subcontractor	Object Code <small>(Agency Use Only)</small>
			\$ -	\$ -	\$ -	
			\$ -	\$ -	\$ -	
			\$ -	\$ -	\$ -	
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TOTALS:			\$ -	\$ -	\$ -	

Signature: _____ Title: _____ Date: _____

Printed Name: _____ Phone No. _____

APPENDIX THREE- 300

INSTITUTIONAL PARTICIPATION AGREEMENT

By entering into this Institutional Participation Agreement (“**Institutional Participation Agreement**”), the undersigned institution (“**Institutional Participant**”) agrees to the terms and conditions set forth in the Preferred Supplier Agreement between The University of Texas System and _____, Agreement Number UTSSCA_____, dated effective _____, 20__ (the “**Preferred Supplier Agreement**” or “**PSA**”). All of the terms and conditions of the PSA are incorporated into this Institutional Participation Agreement for all purposes. Unless otherwise specified in this Institutional Participation Agreement, all defined terms used in this Institutional Participation Agreement have the same meaning as assigned to those terms in the PSA.

By entering into this Institutional Participation Agreement, Institutional Participant is authorized to take full advantage of all of the benefits and provisions set forth in the PSA including, but not limited to, the benefits listed below, which are specified in detail in the PSA:

Benefits from Preferred Supplier Agreement:

To obtain a broad range of Services at discounted prices.

Institutional Participant’s Responsibilities

To the extent authorized by applicable law and relevant rules and regulations of UT System and Institutional Participant, Institutional Participant will use commercially reasonable efforts to perform the following responsibilities:

- Identify Preferred Supplier as the primary supplier of managed services for contingent worker staffing.
- Organize and share benefits of the PSA at one or more “kick-off” events.
- Facilitate and promote at least one (1) Preferred Supplier products show per year, involving the services available for purchase under the PSA.
- Assist in the organization of technical presentations by Preferred Supplier.
- Permit Preferred Supplier, at its sole cost, to create and distribute sales and technical materials involving services available for purchase under the PSA and that may include updates on: pricing, new services information, technical developments, and special promotions. All such communications will be subject to prior approval by Institutional Participant.
- Periodically provide information to Preferred Supplier on current and projected opportunities for supply of Preferred Supplier’s services under the PSA.
- On an ongoing basis, make Institutional Participant’s end-users aware of the business relationship with Preferred Supplier and value-generation opportunities.
- Conduct quarterly business reviews to review reports and commitments.
- Facilitate resolution of customer/supplier conflicts.

Institutional Participant's notice address and contact information is:

[Name of Institutional Participant]

Street Address: _____

Fax: _____

Email: _____

Attention: _____

Institutional Participant designates the following contacts who will be responsible for facilitating this Institutional Participation Agreement:

INSTITUTIONAL PARTICIPANT: Primary Contact:

Name: _____

Title: _____

Telephone: _____

Fax: _____

Email: _____

INSTITUTIONAL PARTICIPANT: HUB Contact:

Name: _____

Title: _____

Telephone: _____

Fax: _____

Email: _____

Preferred Supplier designates the following contact who will be responsible for facilitating this Institutional Participation Agreement:

PREFERRED SUPPLIER Primary Contact:

Name: _____

Title: _____

Telephone: _____

Fax: _____

Email: _____

Insurance Paperwork. The insurance provisions of this Agreement require certain certificates and endorsements to be mailed, faxed, or emailed to Institutional Participant. Contact information for the Institutional Participant's representative authorized to receive such certificates and endorsements is as follows:

Name: _____
Title: _____
Address: _____

Fax: _____
Email: _____

Institutional Participant agrees to the terms of this Institutional Participation Agreement:

[Name of Institutional Participant]

By: _____
Printed Name and Title: _____
Signature: _____
Street: _____
City: _____ State: _____ Zip: _____
Date: _____

Upon activation of this Institutional Participation Agreement, Institutional Participant's Primary Contact will receive notification of activation via email. Please return signed completed form to the UT System Supply Chain Alliance Strategic Services Group at utsscainfo@mdanderson.org.

APPENDIX THREE - 400

SUPPLIER RELATIONSHIP MANAGEMENT

[Note: this is a Sample for Discussion]

1.0 Supplier Relationship Management (“SRM”) Program Requirements

Quality Business Reviews (“QBRs”) of Preferred Supplier’s performance under this Agreement will be conducted by the UT System Contract Administrator on behalf of UT System beginning four (4) times annually with each QBR scheduled within sixty (60) days after the close of the calendar year quarter (March, June, September, December). Institutional Participants may elect to establish a local level SRM program by a separate mutual agreement with Preferred Supplier.

2.0 Quarterly Business Reviews

2.1 QBRs will consist of two major components:

- (a) Key Performance Indicators: Preferred Supplier’s performance will be determined as measured against the Service Level for each Performance Measure set forth in **Table 1**, below.
- (b) Business Relationship Indicators: The Business Relationship Indicators (defined and set forth in **Table 2**, below) are designed to confirm that the objectives and goals of the relationship between Preferred Supplier and the Alliance remain aligned and moving in a mutually beneficial direction.

Table 1- Key Performance Indicators

Category	Service Level	Variance	Maximum Score	Definition
Requisition to Candidate Submittal	48 hours	$\geq 90\%$ $< 90\% - \geq 85\%$ $< 85\% - \geq 75\%$ $< 75\%$	10 8 5 0	The number of business days from the time Preferred Suppliers receives a requisition for contingent labor from an institution’s requestor to the time Preferred Supplier submits to institution requester a qualified candidate(s). Measured quarterly
Percentage (%) of contingent workers that receive a less than satisfactory rating or are terminated early	8%	$\geq 90\%$ $< 90\% - \geq 85\%$ $< 85\% - \geq 75\%$ $< 75\%$	20 16 12 0	Total number of workers whose performance is at a less than satisfactory rating, or disengaged from an assignment due to unacceptable performance compliance, or who resigned their assignment prior to completion of 80% of their contract term as compared to the total number of workers who were disengaged during the reporting period. Measured quarterly.
Percentage of filled positions	95% for all positions		15	Total Number of positions filled as compared number of requisitions submitted by institutional participants. Measured quarterly

Customer Satisfaction- Institutional Participants	75%	≥90% <90%-≥85% <85%-≥75% <75%	25 20 15 0	Measured Semi-Annually (method to be determined)
Customer Satisfaction- Suppliers	75%	≥90% <90%-≥85% <85%-≥75% <75%	10 8 5 0	Measured Semi- Annually (method to be determined)
Cost Saving Report	Not more than five (5) days late	Yes No	5 0	Submitted within 45 days after the close of each calendar quarter.
Administrative Fees and Rebate Payments	Not more than five (5) days late	Yes No	5 0	Paid accurately and on time and within contract schedules
HUB Reporting	Not more than five (5) days late	Yes No	5 0	Submitted within 45 days after the end of each calendar year quarter includes summary by each institutional participant

Table 2-Business Relationship Indicators

Performance Measure	Goal	Definition
Recruitment of HUB Firms (activities and outreach)	3 events per calendar year	Implement an outreach and educational program for Historically Underutilized Businesses within the State of Texas.
Educational Webinars	2 events per calendar year	Implement targeted communications and educational programs for HR personnel and “requisitioners” at each Institutional Participant to: a) increase understanding of the value of this Agreement, b) create greater awareness of savings and savings opportunities; c) trends and issues within the industry; regulatory changes; best practices.
Cost Savings	Minimum X% overall	Incremental saving of x% over the savings achieved and reported for all Institutional Participant in prior calendar year measured as a percentage of total spend for all Institutional Participant. For example, if in calendar year 2016 Institutional Participants attained a 10 % savings on \$XXM spend then, for calendar year 2017 the savings goal is 11.0%.

HUB Participation	33%	Preferred Suppliers demonstration of Good Faith Effort (“GFE”) to award 33% of contract Spend to HUB suppliers. GFE includes, but not limited to, number of new HUB firms added and participating in supplier network, Mentor-Protégé program participation; and presentation of candidates from HUB firms to Institutional Participants
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2.2 Business Relationship Indicators

Within sixty (60) days after the Effective Date of this Agreement, Preferred Supplier will submit for approval to the UT System Contractor Administrator a written Strategic Action Plan to achieve goals 1 through 3 in **Table 2**, above. At a minimum the Strategic Action Plan will define the specific strategies, tasks, responsibilities, reports, and timelines to be executed to achieve each goal.

2.3 QBR Meeting Reports and Metrics

Preferred Supplier will prepare and deliver to the UT System Contract Administrator for review at each QBR a report of the Key Performance Indicators and Business Relationship Indicators. The Key Performance Indicator report will be provided both in the aggregate, reflecting the total score for all Institutional Participants, and also will be reported separately for each Institutional Participant.

An advance copy of the Key Performance Indicator Report will be sent to the UT System Contract Administrator no less than ten (10) days prior to the scheduled QBR meeting date.

All report requirements may be modified by Institutional Participants within Preferred Supplier’s reasonable capabilities to meet local requirements and service levels. Metrics may be revised upon mutual agreement between Preferred Supplier and the UT System Contract Administrator or the applicable Institutional Participant.

3.0 Preferred Supplier Evaluation and Rating

No less than once each quarter the UT System Contract Administrator will prepare and present to Preferred Supplier a scorecard of Preferred Supplier’s performance based on their measured results under each of the KPIs for the preceding quarter. The scorecard will be presented and reviewed by Preferred Supplier and the UT System Contract Administrator during each QBR.

Preferred Supplier must obtain a minimum composite score of 85 from UT System for each quarter during the remaining term of this Agreement.

4.0 Corrective Action Plan

The UT System Contract Administrator will notify Preferred Supplier during a QBR if Preferred Supplier receives a composite score of less than 85 during the previous quarter or a score of

Zero (“0”) for any KPI. Within fifteen (15) calendar days after receipt of such notice, Preferred Supplier will provide the UT System Contract Administrator with a written corrective action plan (“CAP”) acceptable to the UT System Contract Administrator to address such unacceptable scores. At a minimum, the CAP will address Preferred Supplier’s performance issues resulting in unacceptable score(s) and contain a root cause analysis of the problems causing such performance issue, proposed solutions to those problems, proposed process modifications to prevent recurrence of such problems, a time frame for Preferred Supplier’s implementation of the proposed solutions and process modifications, and the person(s) who will be responsible for Preferred Supplier’s implementation of the CAP. The CAP will be presented to the UT System Contract Administrator for concurrence prior to implementation. Concurrence with the CAP by the UT System Contract Administrator will not be unreasonably withheld or delayed. Concurrence with the CAP will not constitute a waiver by UT System of any rights regarding remedies.

5.0 Corrective Action and Remedies

If Preferred Supplier’s implementation of the CAP does not result in a minimum composite score of 85 or better or if two (2) or more KPI’s remain with a score of Zero (“0”) during each subsequent calendar quarter, UT System may, at its sole discretion:

- Permit Preferred Supplier to resubmit a further Corrective Action Plan, or
- exercise other remedies available under this Agreement or applicable law.

APPENDIX THREE

SAMPLE PREFERRED SUPPLIER AGREEMENT

For a

MANAGED SERVICES PROVIDER FOR CONTINGENT WORKER STAFFING

between

THE UNIVERSITY OF TEXAS SYSTEM

and

University of Texas Agreement Number: _____

This Preferred Supplier Agreement, dated effective as of _____, 20__ (“**Effective Date**”), is made by and between **The University of Texas System (“UT System”)**, a state agency and institution of higher education authorized under the laws of the State of Texas, and _____ (“**Preferred Supplier**”), a _____ corporation, Federal Tax Identification Number _____, with its principal offices located at _____.

This Agreement specifies the terms and conditions applicable to the supply by Preferred Supplier of certain managed services for contingent worker staffing services to institutional participants, all as further described below.

Now, therefore, the parties, intending to be legally bound, agree as follows:

SECTION 1 – Definitions

“**Alliance**” means The University of Texas System Supply Chain Alliance, an in-house group purchasing organization established by UT System to conduct and coordinate strategic purchasing initiatives across UT System. UT System health and academic institutions are members of the Alliance. The Alliance is also affiliated with other institutions of higher education that have executed an Alliance affiliate agreement.

“**Institutional Participant**” means an Alliance member or affiliated institution of higher education, as designated by the Alliance, that has executed an Institutional Participation Agreement in connection with this Agreement.

“**Institutional Participation Agreement**” or “**IPA**” means the Institutional Participation Agreement attached to this Agreement as **Rider 300** and incorporated for all purposes, to be executed by each Institutional Participant.

“**Services**” means the managed services for contingent worker staffing, as described in **Rider 100**, Scope of Work.

“**UT Party**” means, as applicable, UT System and/or the Institutional Participants.

“**UT System Contract Administrator**” means the Director of the Alliance, who will be the initial contact for all contractual concerns related to this Agreement.

SECTION 2 – Term:

The term of this Agreement will begin on the Effective Date and expire _____ [*initial fixed term of five years*], unless earlier terminated in accordance with the provisions of this Agreement. UT System will have the option to extend the term of this Agreement for an additional two-year period, upon written notice given to Preferred Supplier at least 90 days in advance of the renewal term.

The Parties acknowledge that, prior to any scheduled expiration of this Agreement, UT System may conduct a competitive procurement for the purchase of products and services comparable to the Services, for the period following expiration. If Preferred Supplier is not selected as the source for the succeeding period, Institutional Participants may need to transition over a period of time to purchasing the products and services primarily from the new source, rather than from Preferred Supplier. In such event, in order to allow for an orderly transition, Institutional Participants may wish to continue purchasing from Preferred Supplier for a limited period of time after the anticipated expiration of this Agreement. As a result, Preferred Supplier agrees that, notwithstanding any other provision of this Agreement:

- Preferred Supplier will make the Services available for purchase by Institutional Participants after _____, 20__ (or the anticipated expiration date under any extended term of this Agreement), for a transitional period of six months (the “**Transition Period**”), on the same terms and conditions set forth in this Agreement.
- The Administrative Fee provided for in **Rider 100** (Scope of Work) will apply to all Services purchased hereunder during the Transition Period, and all related obligations of Preferred Supplier under this Agreement (such as to report sales volumes to UT System) will continue during such period.
- The Administrative Fee will apply to all future payments made by Institutional Participants for purchases of Services initiated during this Agreement, including the Transition Period, even if such payments are made following expiration of this Agreement.
- All incentive / rebate trigger amounts that may be established in this Agreement for any calendar year will be pro-rated automatically on a straight-line basis, to account for partial calendar years during which this Agreement exists, including the Transition Period.

SECTION 3 – Amendment:

No change, modification, alteration, or waiver of this Agreement will be effective unless it is set forth in a written agreement that is signed by UT System and Preferred Supplier.

SECTION 4 – Performance by Preferred Supplier:

Preferred Supplier will perform its obligations under this Agreement to the satisfaction of UT Party. Time is of the essence in connection with this Agreement. UT Party will not have any obligation to accept late performance or waive timely performance by Preferred Supplier. Preferred Supplier will obtain, at its own cost, any and all approvals, licenses, filings, registrations and permits required by federal, state or local laws, regulations or ordinances, for its performance hereunder.

SECTION 5 – Family Code Child Support Certification:

Pursuant to Section 231.006, *Family Code*, Preferred Supplier certifies that it is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

SECTION 6 – Eligibility Certifications:

Pursuant to Sections 2155.004 and 2155.006, *Texas Government Code*, Preferred Supplier certifies that it has not received compensation for participation in the preparation of the Request for Proposal related to this Agreement and is not ineligible to receive the award of or payments under this Agreement; and acknowledges that this Agreement may be terminated and payment withheld if these certifications are inaccurate.

SECTION 7 – Tax Certification:

If Preferred Supplier is a taxable entity as defined by Chapter 171, Texas Tax Code (“**Chapter 171**”), then Preferred Supplier certifies that it is not currently delinquent in the payment of any taxes due under Chapter 171, or that Preferred Supplier is exempt from the payment of those taxes, or that Preferred Supplier is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable.

SECTION 8 – Payment of Debt or Delinquency to the State:

Pursuant to Sections 2107.008 and 2252.903, *Texas Government Code*, Preferred Supplier agrees that any payments owing to Preferred Supplier under this Agreement may be applied directly toward any debt or delinquency that Preferred Supplier owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

SECTION 9 – Loss of Funding:

Performance by UT Party under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the “**Legislature**”) and/or allocation of funds by the Board of Regents of The University of Texas System (the “**Board**”). If the Legislature fails to appropriate or allot the necessary funds, or the Board fails to allocate the necessary funds, then UT Party will issue written notice to Preferred Supplier and UT Party may terminate this Agreement without further duty or obligation hereunder, other than payment for goods and

services already delivered or provided to Institutional Participant. Preferred Supplier acknowledges that appropriation, allotment, and allocation of funds are beyond the control of UT Party.

SECTION 10 – Force Majeure:

None of the parties to this Agreement will be liable or responsible to another for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character (“**force majeure occurrence**”). Provided, however, in the event of a force majeure occurrence, Preferred Supplier agrees to use its best efforts to mitigate the impact of the occurrence so that UT Party may continue to provide healthcare services during the occurrence.

SECTION 11 – Notices:

Except as otherwise provided in this Section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Agreement will be in writing and will be sent via registered or certified mail, overnight courier, confirmed facsimile transmission (to the extent a facsimile number is set forth below), or email (to the extent an email address is set forth below), and notice will be deemed given (i) if mailed, when deposited, postage prepaid, in the United States mail, (ii) if sent by overnight courier, one business day after delivery to the courier, (iii) if sent by facsimile (to the extent a facsimile number is set forth below), when transmitted, and (iv) if sent by email (to the extent an email address is set forth below), when received:

If to UT System:

Office of Business Affairs
The University of Texas System
201 W. 7th Street
Attn: Executive Vice Chancellor for Business Affairs
Austin, Texas 78701-2982
Fax: 512-499-4289
Email: Lloyd@utsystem.edu

with copy to:

The University of Texas System Supply Chain Alliance
Mid Campus Building
7007 Bertner Ave., Suite 11.2339
Houston, TX 77030
Attention: Director
Fax : 713-792-8084
Email:jfjoshua@mdanderson.org

If to Preferred Supplier:

Attn: _____
Fax: _____
Email: _____

If to an Institutional Participant: The contact information for Institutional Participant as set forth in its IPA.

with copy to:

Office of Business Affairs
The University of Texas System
201 W. 7th Street
Attn: Executive Vice Chancellor for Business Affairs
Austin, Texas 78701-2982
Fax: 512-499-4289
Email: LegalNotices@utsystem.edu

and

The University of Texas System Supply Chain Alliance
Mid Campus Building
7007 Bertner Ave., Suite 11.2339
Houston, TX 77030
Attention: Director
Fax: 713-792-8084
Email: jfjoshua@mdanderson.org

or such other person or address as may be given in writing by either party to the other in accordance with the aforesaid.

SECTION 12 – Preferred Supplier's Obligations.

12.1 Preferred Supplier represents that it has the knowledge, ability, skills, and resources to perform its obligations hereunder.

12.2 Preferred Supplier will maintain a staff of properly trained and experienced personnel to ensure satisfactory performance hereunder. Preferred Supplier will cause all persons connected with the Preferred Supplier directly in charge of performance hereunder to be duly registered and/or licensed under all applicable federal, state and municipal, laws, regulations, codes, ordinances and orders, including the rules, regulations and procedures promulgated by the Board or Institutional Participants, and those of any other body or authority having jurisdiction (collectively, "**Applicable Law**").

12.3 Preferred Supplier represents, warrants and agrees that (a) it will use commercially reasonable efforts to perform hereunder, in a good and workmanlike manner and in accordance with commercially reasonable standards of Preferred Supplier's profession or business, and (b) all good and services provided hereunder will be of the quality that prevails among similar businesses engaged in providing similar products and services in major United States urban areas under the same or similar circumstances.

12.4 Preferred Supplier warrants and agrees that all Services supplied under this Agreement will be accurate and free from any material defects. Preferred Supplier's performance hereunder will at no time be in any way diminished by reason of any approval by UT Party nor will Preferred Supplier be released from any liability by reason of any approval by UT Party, it being agreed that UT Party at all times is relying upon Preferred Supplier's skill and knowledge in performing hereunder. Preferred Supplier will, at its own cost, correct all material defects in Services supplied under this Agreement, as soon as practical after Preferred Supplier becomes aware of the defects. If Preferred Supplier fails to correct such material defects within a reasonable time, then

UT Party may correct the defect at Preferred Supplier's expense. This remedy is in addition to, and not in substitution for, any other remedy for the defect that UT Party may have at law or in equity.

12.5 Preferred Supplier will call to the attention of UT Party, in writing, all information in any materials supplied to Preferred Supplier (by UT Party or any other party) that Preferred Supplier regards as unsuitable, improper or inaccurate in connection with the purposes for which the material is furnished.

12.6 Preferred Supplier represents that if (i) it is a corporation or limited liability company, then it is a corporation duly organized, validly existing and in good standing under the laws of the State of Texas, or a foreign corporation or limited liability company duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary corporate power and has received all necessary corporate approvals to execute and deliver this Agreement, and the individual executing this Agreement on behalf of Preferred Supplier has been duly authorized to act for and bind Preferred Supplier; or (ii) if it is a partnership, limited partnership, limited liability partnership, or limited liability company then it has all necessary power and has secured all necessary approvals to execute and deliver this Agreement and perform all its obligations hereunder, and the individual executing this Agreement on behalf of Preferred Supplier has been duly authorized to act for and bind Preferred Supplier.

12.7 Preferred Supplier will provide the warranties more particularly described in Section ___ of **Rider 100**, Scope of Work.

12.8 Preferred Supplier represents and warrants that neither the execution and delivery of this Agreement by Preferred Supplier nor Preferred Supplier's performance hereunder will (a) result in the violation of any provision [i] if a corporation, of Preferred Supplier's articles of incorporation or by-laws, [ii] if a limited liability company, of its articles of organization or regulations, or [iii] if a partnership, of any partnership agreement by which Preferred Supplier is bound; (b) result in the violation of any provision of any agreement by which Preferred Supplier is bound; or (c) to the best of Preferred Supplier's knowledge and belief, conflict with any order or decree of any court or other body or authority having jurisdiction.

SECTION 13 – State Auditor's Office:

Preferred Supplier understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "**Auditor**"), to conduct an audit or investigation in connection with those funds pursuant to Sections 51.9335(c), 73.115(c) and 74.008(c), Education Code. Preferred Supplier agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. Preferred Supplier will include this provision in all contracts with permitted subcontractors.

SECTION 14 – Governing Law:

Travis County, Texas, will be the proper place of venue for suit on or in respect of this Agreement. This Agreement and all of the rights and obligations of the parties thereto and all of the terms and conditions thereof will be construed, interpreted and applied in accordance with and governed by and enforced under the internal laws of the State of Texas.

SECTION 15 – Breach of Contract Claims:

15.1 To the extent that Chapter 2260, Texas Government Code, as it may be amended from time to time ("**Chapter 2260**"), is applicable to this Agreement and is not preempted by other Applicable Law, the dispute resolution process provided for in Chapter 2260 will be used, as further described herein, by UT Party and Preferred Supplier to attempt to resolve any claim for breach of contract made by Preferred Supplier:

15.1.1 Preferred Supplier's claims for breach of this Agreement that the parties cannot resolve pursuant to other provisions of this Agreement or in the ordinary course of business will be submitted to the negotiation process provided in subchapter B of Chapter 2260. To initiate the process, Preferred Supplier will submit written notice, as required by subchapter B of Chapter 2260, to UT Party in accordance with the notice provisions in this Agreement. Preferred Supplier's notice will specifically state that the provisions of subchapter B of Chapter 2260 are being invoked, the date and nature of the event giving rise to the claim, the specific contract provision that UT Party allegedly breached, the amount of damages Preferred Supplier seeks, and the method used to calculate the damages. Compliance by Preferred Supplier with subchapter B of Chapter 2260 is a required prerequisite to Preferred Supplier's filing of a contested case proceeding under subchapter C of Chapter 2260. The UT Party's chief business officer, or another officer of UT Party as may be designated from time to time by UT Party by written notice thereof to Preferred Supplier in accordance with the notice provisions in this Agreement, will examine Preferred Supplier's claim and any counterclaim and negotiate with Preferred Supplier in an effort to resolve the claims.

15.1.2 If the parties are unable to resolve their disputes under Section 15.1.1, the contested case process provided in subchapter C of Chapter 2260 is Preferred Supplier's sole and exclusive process for seeking a remedy for any and all of Preferred Supplier's claims for breach of this Agreement by UT Party.

15.1.3 Compliance with the contested case process provided in subchapter C of Chapter 2260 is a required prerequisite to seeking consent to sue from the Legislature under Chapter 107, Civil Practices and Remedies Code. The parties hereto specifically agree that (i) neither the execution of this Agreement by UT Party nor any other conduct, action or inaction of any representative of UT Party relating to this Agreement constitutes or is intended to constitute a waiver of UT Party's or the state's sovereign immunity to suit and (ii) UT Party has not waived its right to seek redress in the courts.

15.2 The submission, processing and resolution of Preferred Supplier's claim is governed by the published rules adopted by the Texas Attorney General pursuant to Chapter 2260, as currently effective, thereafter enacted or subsequently amended.

15.3 UT Party and Preferred Supplier agree that any periods set forth in this Agreement for notice and cure of defaults are not waived.

SECTION 16 – Compliance with Law:

Preferred Supplier will perform hereunder in compliance with all Applicable Law. Preferred Supplier represents and warrants that neither Preferred Supplier nor any firm, corporation or institution represented by Preferred Supplier, nor anyone acting for such firm, corporation or institution, (1) has violated the antitrust laws of the State of Texas, Chapter 15, *Texas Business and Commerce Code*, or federal antitrust laws, or (2) has communicated directly or indirectly the

content of Preferred Supplier's response to UT System's procurement solicitation to any competitor or any other person engaged in a similar line of business during the procurement process.

SECTION 17 – UT System's Right to Audit:

At any time during the term of this Agreement and for a period of four (4) years thereafter UT System or a duly authorized audit representative of UT System, or the State of Texas, at its expense and at reasonable times, reserves the right to audit Preferred Supplier's records and books directly related to charges paid for all products and services provided under this Agreement. The right will not extend to any fixed fee component of the charges or to any services performed more than one year prior to the date of request for review. In the event such an audit by UT System reveals any errors or overpayments by UT System which error or overpayment is confirmed by Preferred Supplier, Preferred Supplier will refund UT System the full amount of such overpayments within thirty (30) days of such audit findings, or UT System, at its option, reserves the right to deduct such amounts owing to UT System from any payments due Preferred Supplier

SECTION 18 – Access to Documents:

To the extent applicable to this Agreement, in accordance with Section 1861(v)(l)(i) of the Social Security Act (42 U.S.C. 1395x) as amended, and the provisions of 42 CFR Section 420.300, et seq., Preferred Supplier agrees to allow, during and for a period of not less than four (4) years after this Agreement term, access to this Agreement and its books, documents, and records; and contracts between Preferred Supplier and its subcontractors or related organizations, including books, documents and records relating to same, by the Comptroller General of the United States, the U.S. Department of Health and Human Services and their duly authorized representatives.

SECTION 19 – Insurance:

19.1 Preferred Supplier, consistent with its status as an independent contractor, will carry and will cause its subcontractors to carry, at least the following insurance, with companies authorized to do insurance business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code, having an A.M. Best Rating of A:VII or better, and in amounts not less than the following minimum limits of coverage:

19.1.1 Workers' Compensation Insurance with statutory limits, and Employer's Liability Insurance with limits of not less than \$1,000,000. Policy must include a waiver of subrogation in favor of The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant. (blanket waiver endorsement is acceptable).

19.1.2 Commercial General Liability Insurance with limits of not less than:

- Each Occurrence Limit \$1,000,000
- Damage to Rented Premises \$ 300,000
- Personal & Advertising Injury \$1,000,000
- General Aggregate \$2,000,000

19.1.3 Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 Combined Single Limit per

accident for Bodily Injury and Property Damage. This coverage will apply only to business autos used in activities under this Agreement.

19.1.4 Employee Crime Insurance to protect the assets and property of each Institutional Participant with limits of not less than \$250,000 to \$1,000,000 per claim (amount determined by each Institutional Participant). Preferred Supplier's Employee Crime coverage will provide loss payee status for The University of Texas System.

19.1.5 Umbrella/Excess Liability Insurance with limits of not less than \$2,000,000 per occurrence and aggregate with a deductible of no more than \$10,000 with coverage no less broad than the underlying policies, and with the same inception and expiration dates. If the umbrella/excess liability insurance does not have the same inception and/or expiration dates as the underlying policies, then the policy will contain a non-concurrency endorsement.

19.2 Preferred Supplier will require all of its subcontractors under this Agreement to comply with the relevant insurance requirements as outlined in the following Supplier Insurance Matrix and elsewhere in this **Section 19**:

COVERAGE TYPE	CLINICAL	NON-CLINICAL (NO INTERFACE WITH PATIENTS)	POLICY INCLUSIONS
Workers' Compensation Insurance	Statutory limits	Statutory limits	Policy must include a waiver of subrogation in favor of The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant (blanket waiver endorsement is acceptable).
Employer's Liability	Not less than: \$1,000,000 Each Accident \$1,000,000 Each Employee \$1,000,000 Policy Limit	Not less than: \$1,000,000 Each Accident \$1,000,000 Each Employee \$1,000,000 Policy Limit	
Commercial General Liability	Not less than \$1,000,000 each occurrence/\$2,000,000 in the aggregate Not less than \$300,000 damage to rented premises Not less than \$1,000,000 personal & advertising injury	Not less than \$1,000,000 each occurrence/\$2,000,000 in the aggregate Not less than \$300,000 damage to rented premises Not less than \$1,000,000 personal & advertising injury	For shuttle bus drivers (policy can include a hired and non-owned policy endorsement) for shuttle driver services. Required limits of not less than \$5,000,000 single limit for 16 or more passengers and not less than \$1,500,000 single limit for 15 or fewer passengers. Alternatively this coverage can be provided under a Business Auto Liability policy with the same limits.
Business Auto Liability	Not less than \$1,000,000 combined single limit per accident	Not less than \$1,000,000 combined single limit per accident	Covering all owned, non-owned or hired automobiles, per accident for bodily injury and property damage
Employee Crime	Not less than \$250,000 to \$1,000,000 per claim (amount determined by each Institutional Participant)	Not less than \$250,000 to \$1,000,000 per claim (amount determined by each Institutional Participant)	Will name The Board of Regents of The University of Texas System, The University of Texas System, and the Institutional Participant as Loss Payee

Garage Keepers Liability Policy		Not less than \$150,000 for comprehensive and collision coverage on a primary basis with contractor responsible for any and all deductibles.	For Valet Parking service providers. Must include the garage address where operations are provided.
Professional Liability (Errors & Omissions)	N/A	Not less than \$1,000,000 each occurrence /\$3,000,000 aggregate	For coverage written on a <u>claims-made basis</u> : (a) any policy must be effective no later than commencement of subcontractor's performance; (b) the policy must include an extended reporting period effective for two full years following expiration or cancellation of the policy. For coverage written on an <u>occurrence basis</u> , coverage must be provided for at least two years following expiration or cancellation of the policy.
Medical Professional Liability	Not less than \$1,000,000 each occurrence/ \$3,000,000 aggregate	N/A	The same rules specified under Professional Liability for "claims-made" and "occurrence" policies apply to Medical Professional Liability.
Umbrella/Excess Liability	Not less than \$2,000,000 per occurrence and aggregate with a deductible of no more than \$10,000	Not less than \$2,000,000 per occurrence and aggregate with a deductible of no more than \$10,000	Coverage no less broad than the underlying policies, and with the same inception and expiration dates.

19.3 Preferred Supplier will deliver, and cause its subcontractors to deliver, to UT System and Institutional Participants (as further detailed below) evidence of required insurance on an approved Texas Department of Insurance certificate form verifying the existence of all insurance (a) prior to the performance of related services, and (b) within 30 days' after any insurance renewal. Preferred Supplier will deliver its own certificates of insurance to UT System, i.e., the Alliance. Preferred Supplier also will deliver its own certificates of insurance, and will cause its subcontractors to deliver their certificates of insurance, to the relevant Institutional Participants. UT System and the Institutional Participants, as applicable, will identify to Preferred Supplier the individuals (and their email and fax information) to whom the certificates of insurance must be delivered.

19.4 All Commercial General Liability, Business Auto Liability and Umbrella/Excess Liability (unless follow form) insurance policies will be endorsed to name The Board of Regents of The University of Texas System, The University of Texas System and the relevant Institutional Participant as an Additional Insured for activities arising out of this Agreement (blanket additional insured endorsements are acceptable). In the case of insurance provided by a Preferred Supplier subcontractor, the policies also will be endorsed to name Preferred Supplier as an Additional Insured.

19.5 Commercial General Liability and Business Auto Liability policies will be endorsed to provide primary and non-contributory coverage, if possible. If not possible, then the policies will provide a waiver of subrogation in favor of The Board of Regents of The University of Texas System, The University of Texas System and the relevant Institutional Participant.

19.6 Preferred Supplier will notify UT System and the relevant Institutional Participants, and will cause Preferred Supplier subcontractors to notify Preferred Supplier, at least 30 days prior to any cancellation, material change, or non-renewal of coverage. Upon receiving any such notification from its subcontractors, Preferred Supplier immediately will provide the notification to the Board of Regents of The University of Texas System, The University of Texas System (i.e., the Alliance) and the relevant Institutional Participants.

19.7 Preferred Supplier will keep in force, and will require its subcontractors to keep in force, all insurance policies mandated in this **Section 19**, until receipt by Preferred Supplier or the subcontractors, as applicable, of final payment under the relevant contract, except for Workers' Compensation Insurance and Employer's Liability Insurance, which will be kept in force until all work under the contract is fully performed.

SECTION 20 – Indemnification:

20.1 TO THE FULLEST EXTENT PERMITTED BY LAW, PREFERRED SUPPLIER WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UT PARTY, AND HOLD HARMLESS UT PARTY AND ITS AFFILIATED ENTERPRISES, REGENTS, OFFICERS, DIRECTORS, ATTORNEYS, EMPLOYEES, REPRESENTATIVES AND AGENTS (COLLECTIVELY "**INDEMNITEES**") FROM AND AGAINST ALL DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, EXPENSES, AND OTHER CLAIMS OF ANY NATURE, KIND, OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING (COLLECTIVELY "**CLAIMS**") BY ANY PERSON OR ENTITY, ARISING OUT OF, CAUSED BY, OR RESULTING FROM PREFERRED SUPPLIER'S PERFORMANCE UNDER OR BREACH OF THIS AGREEMENT, AND THAT ARE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT, NEGLIGENT OMISSION OR WILLFUL MISCONDUCT OF PREFERRED SUPPLIER, ANYONE DIRECTLY EMPLOYED BY PREFERRED SUPPLIER OR ANYONE FOR WHOSE ACTS PREFERRED SUPPLIER MAY BE LIABLE. THE PROVISIONS OF THIS SECTION WILL NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT WHICH ANY INDEMNITEE HAS BY LAW OR EQUITY. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

20.2 IN ADDITION, PREFERRED SUPPLIER WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UT PARTY, AND HOLD HARMLESS INDEMNITEES FROM AND AGAINST ALL CLAIMS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER PROPRIETARY INTEREST ARISING BY OR OUT OF THE PERFORMANCE OF SERVICES OR THE PROVISION OF GOODS BY PREFERRED SUPPLIER, OR THE USE BY INDEMNITEES, AT THE DIRECTION OF PREFERRED SUPPLIER, OF ANY ARTICLE OR MATERIAL; PROVIDED, THAT, UPON BECOMING AWARE OF A SUIT OR THREAT OF SUIT FOR INFRINGEMENT, UT PARTIES WILL PROMPTLY NOTIFY PREFERRED SUPPLIER AND PREFERRED SUPPLIER WILL BE GIVEN THE OPPORTUNITY TO NEGOTIATE A SETTLEMENT. IN THE EVENT OF LITIGATION, UT PARTIES AGREE TO REASONABLY COOPERATE WITH PREFERRED SUPPLIER. ALL

PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

SECTION 21 – Ethics Matters; No Financial Interest:

Preferred Supplier and its employees, agents, representatives and subcontractors have read and understand UT System's Conflicts of Interest Policy available at <http://www.utsystem.edu/policy/policies/int160.html>, UT System's Standards of Conduct Guide available at <http://www.utsystem.edu/systemcompliance/>, and applicable state ethics laws and rules available at www.utsystem.edu/ogc/ethics. Neither Preferred Supplier nor its employees, agents, representatives or subcontractors will assist or cause UT Party's employees to violate UT System's Conflicts of Interest Policy, provisions described by UT System's Standards of Conduct Guide, or applicable state ethics laws or rules. Preferred Supplier represents and warrants that no member of the Board has a direct or indirect financial interest in the transaction that is the subject of this Agreement.

SECTION 22 – Assignment of Overcharge Claims:

Preferred Supplier hereby assigns to UT Party any and all claims for overcharges associated with this Agreement arising under the antitrust laws of the United States, 15 U.S.C.A., Sec. 1 et seq., or arising under the antitrust laws of the State of Texas, Business and Commerce Code, Sec. 15.01, et seq.

SECTION 23 – Assignment and Subcontracting:

Except as specifically provided in any Historically Underutilized Business Subcontracting Plan (“HSP”) attached as **Rider 500** and incorporated for all purposes, neither Preferred Supplier's interest in this Agreement, its duties and obligations under this Agreement nor fees due to Preferred Supplier under this Agreement may be subcontracted, assigned, delegated or otherwise transferred to a third party, in whole or in part, and any attempt to do so will (1) not be binding on UT Party; and (2) be a breach of this Agreement for which Preferred Supplier will be subject to any remedial actions provided by Texas law, including Chapter 2161, Texas Government Code, and 34 Texas Administrative Code (“TAC”) Section 20.14. UT Party may report nonperformance under this Agreement to the Texas Procurement and Support Services Division of the Texas Comptroller of Public Accounts or any successor agency (collectively, “TPSS”) in accordance with 34 TAC Chapter 20, Subchapter F, Vendor Performance and Debarment Program. The benefits and burdens of this Agreement are, however, assignable by UT Party.

SECTION 24 – Historically Underutilized Business Subcontracting Plan:

24.1 If an HSP is attached to this Agreement, Preferred Supplier agrees to use good faith efforts to subcontract the scope of work in accordance with the HSP. Preferred Supplier agrees to maintain business records documenting its compliance with the HSP and to submit a monthly compliance report to UT Party in the format required by the TPSS. Submission of compliance reports will be required as a condition for payment under this Agreement. If UT Party determines that Preferred Supplier has failed to subcontract as set out in the HSP, UT Party will notify Preferred Supplier of any deficiencies and give Preferred Supplier an opportunity to submit documentation and explain why the failure to comply with the HSP should not be attributed to a lack of good faith effort by Preferred Supplier. If UT Party determines that Preferred Supplier failed to implement the HSP in good faith, UT Party, in addition to any other remedies, may report nonperformance to the TPSS in accordance with 34 TAC Chapter 20, Subchapter F, Vendor Performance and Debarment Program. UT Party may also revoke this Agreement for breach and make a claim against the Preferred Supplier.

24.2 If at any time during the term of this Agreement, Preferred Supplier desires to change the HSP, before the proposed changes become effective (1) Preferred Supplier must comply with 34 TAC Section 20.14; (2) the changes must be reviewed and approved by UT Party; and (3) if UT Party approves changes to the HSP, this Agreement must be amended in accordance with Section 2.5.3 to replace the HSP with the revised subcontracting plan.

24.3 If UT Party expands the scope of this Agreement through a change order or any other amendment, UT Party will determine if the additional scope of work contains probable subcontracting opportunities not identified in the initial solicitation for the scope of work. If UT Party determines additional probable subcontracting opportunities exist, Preferred Supplier will submit an amended subcontracting plan covering those opportunities. The amended subcontracting plan must comply with the provisions of 34 TAC Section 20.14 before (1) this Agreement may be amended to include the additional scope of work; or (2) Preferred Supplier may perform the additional scope of work. If Preferred Supplier subcontracts any of the additional subcontracting opportunities identified by UT Party without prior authorization and without complying with 34 TAC Section 20.14, Preferred Supplier will be deemed to be in breach of this Agreement under Section 4.19 and will be subject to any remedial actions provided by Texas law including Chapter 2161, Texas Government Code, and 34 TAC Section 20.14. UT Party may report nonperformance under this Agreement to the TPSS in accordance with 34 TAC Chapter 20, Subchapter F, Vendor Performance and Debarment Program.

SECTION 25 – Payment and Invoicing:

Institutional Participant agrees to pay fees due under this Agreement in accordance with the Texas Prompt Payment Act (“Act”), Chapter 2251, *Texas Government Code*. Pursuant to the Act, payment will be deemed late on the 31st day after the later of: 1) the date the performance is completed, or 2) the date Institutional Participant receives an invoice for the related goods or services. Institutional Participant will be responsible for interest on overdue payments equal to the sum of: 1) one percent, plus 2) the prime rate as published in the Wall Street Journal on the first day of July of the preceding fiscal year (Institutional Participant’s fiscal year begins September 1) that does not fall on a Saturday or Sunday. Institutional Participant will have the right to verify the details set forth in Preferred Supplier's invoices and supporting documentation, either before or after payment, by (a) inspecting the books and records of Preferred Supplier at mutually convenient times; (b) examining any reports with respect to the related goods or services; and (c) other reasonable action.

Section 51.012, *Texas Education Code*, authorizes UT Party to make any payment through electronic funds transfer methods. Preferred Supplier agrees to receive payments from UT Party through electronic funds transfer methods, including the automated clearing house system (also known as ACH). Prior to the first payment under this Agreement, UT Party will confirm Preferred Supplier’s banking information. Any changes to Preferred Supplier's banking information will be communicated by Preferred Supplier to UT Party in writing at least thirty (30) days in advance of the effective date of the change.

SECTION 26 – Limitations:

The parties to this Agreement are aware that there are constitutional and statutory limitations on the authority of UT Party (a state agency) to enter into certain terms and conditions of this Agreement, including, but not limited to, those terms and conditions relating to disclaimers and limitations of warranties; disclaimers and limitations of liability for damages; waivers, disclaimers and limitations of legal rights, remedies, requirements and processes; limitations of periods to bring legal action; granting control of litigation or settlement to another party; liability for acts or omissions of third parties; payment of attorneys’ fees; dispute resolution; indemnities; and confidentiality (collectively, the “**Limitations**”), and terms and conditions related to the Limitations will not be binding on UT Party except to the extent authorized by the laws and Constitution of the State of Texas.

SECTION 27 – Affirmative Action:

Preferred Supplier agrees that either a written copy of Preferred Supplier’s Civil Rights "Affirmative Action Compliance Program" or, if Preferred Supplier is not required to have such a written program, the reason Preferred Supplier is not subject to such requirement, is attached to this Agreement as **Rider 600** and incorporated for all purposes.

SECTION 28 – OSHA Compliance:

Preferred Supplier represents and warrants that all products and services furnished under this Agreement meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-598) and its regulations in effect or proposed as of the date of this Agreement.

SECTION 29 - Certifications of Nonsegregated Facilities and Equal Employment Opportunities Compliance:

Preferred Supplier certifies that, except for restrooms and wash rooms and one (1) or more lactation rooms each of which is segregated on the basis of sex: (1) it does not maintain or provide for its employees any segregated facilities at any of its establishments and that it does not permit its employees to perform their services at any location under its control where segregated facilities are maintained; (2) it will not maintain or provide for its employees any segregated facilities at any of its establishments; and (3) it will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. Preferred Supplier agrees that a breach of this certification is a violation of the Equal Opportunity clause in this Agreement. The term "**segregated facilities**" means any waiting rooms, work area, rest rooms and wash rooms, entertainment areas, transportation, or housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin, because of habit, local custom, or otherwise. Preferred Supplier further agrees that, except where it has contracts prior to the award with subcontractors exceeding \$10,000.00 which are not exempt from the provisions of the Equal Opportunity clause, Preferred Supplier will retain such certifications for each one of its subcontractors in Preferred Supplier's files, and that it will forward the following notice to all proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES - A Certification on Nonsegregated Facilities must be submitted prior to the award of any subcontract exceeding \$10,000.00 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e. quarterly, semiannually, or annually).

Preferred Supplier understands that the penalty for making false statements regarding the subject matters of this Section is prescribed in 18 U.S.C. 1001.

SECTION 30 – Premises Rules:

If this Agreement requires Preferred Supplier's presence on UT Party's premises or in UT Party's facilities, Preferred Supplier agrees to cause its representatives, agents, employees and permitted subcontractors (if any) to become aware of, fully informed about, and in full compliance with all applicable UT Party rules and policies, including, without limitation, those relative to personal health, security, environmental quality, safety, fire prevention, noise, smoking, and access restrictions; consideration for students, patients and their families as well as employees; parking; and security.

SECTION 31 – Debarment:

Preferred Supplier confirms that neither Preferred Supplier nor its Principals are suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from the award of contracts from United States ("U.S.") federal government procurement or nonprocurement programs, or are listed in the List of Parties Excluded from Federal Procurement or Nonprocurement Programs issued by the U.S. General Services Administration. "**Principals**" means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g. general manager, plant manager, head

of a subsidiary, division or business segment, and similar positions). Preferred Supplier will provide immediate written notification to UT Party if, at any time prior to award, Preferred Supplier learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. This certification is a material representation of fact upon which reliance will be placed when UT Party executes this Agreement. If it is later determined that Preferred Supplier knowingly rendered an erroneous certification, in addition to the other remedies available to UT Party, UT Party may terminate this Agreement for default by Preferred Supplier.

SECTION 32 – Office of Inspector General Certification:

Preferred Supplier acknowledges that UT Party is prohibited by federal regulations from allowing any employee, subcontractor, or agent of Preferred Supplier to work on site at UT Party premises or facilities if that individual is not eligible to work on federal healthcare programs such as Medicare, Medicaid, or other similar federal programs. Therefore, Preferred Supplier will not assign any employee, subcontractor or agent that appears on the List of Excluded Individuals issued by the United States Office of the Inspector General ("**OIG**") to work on site at UT Party premises or facilities. Preferred Supplier will perform an OIG sanctions check quarterly on each of its employees, subcontractors and agents during the time such employees, subcontractors and agents are assigned to work on site at UT Party premises or facilities. Preferred Supplier acknowledges that UT Party will require immediate removal of any employee, subcontractor or agent of Preferred Supplier assigned to work at UT Party premises or facilities if such employee, subcontractor or agent is found to be on the OIG's List of Excluded Individuals. The OIG's List of Excluded Individuals may be accessed through the following Internet website: <http://www.dhhs.gov/progorg/oig/cumsan/index.htm>.

SECTION 33 – Termination:

33.1 In the event of a material failure by either party to perform in accordance with the terms of this Agreement ("**default**"), the other, non-defaulting party may terminate this Agreement upon thirty (30) days' written notice of termination setting forth the nature of the material failure. The termination will not be effective if the material failure is fully cured prior to the end of the 30-day period. No such termination will relieve the defaulting party from liability for the underlying default or breach of this Agreement or any other act or omission.

33.2 UT System may terminate this Agreement, without cause, upon written notice to Preferred Supplier; provided, however, this Agreement will not terminate until the later of (1) 90 days after receipt of notice of termination, or (2) the date that performance is complete under all purchase orders issued by Institutional Participant to Preferred Supplier prior to receipt of notice of termination. Institutional Participant may not issue any purchase orders after receipt of notice of termination. Termination of this Agreement will not relieve any party from liability for its default under or breach of this Agreement or any other act or omission of that party. In the event that this Agreement is terminated, then within thirty (30) days after termination, Preferred Supplier will reimburse UT Party for all fees paid by UT Party to Preferred Supplier that were (a) not earned by Preferred Supplier prior to termination, or (b) for goods or services that UT Party did not receive from Preferred Supplier prior to termination.

33.3 UT System or Institutional Participant may terminate an IPA, without cause, upon written notice to Preferred Supplier; provided, however, the IPA will not terminate until the later of (1) thirty (30) days after receipt of notice of termination, or (2) the date that performance is complete under all purchase orders issued by Institutional Participant to Preferred Supplier prior to receipt of

notice of termination. Institutional Participant may not issue any purchase orders after receipt of notice of termination. Termination of an IPA will not relieve any party from liability for its default under or breach of the IPA or any other act or omission of that party. In the event that an IPA is terminated, then within thirty (30) days after termination, Preferred Supplier will reimburse Institutional Participant for all fees paid by Institutional Participant to Preferred Supplier that were (a) not earned by Preferred Supplier prior to termination, or (b) for goods or services that Institutional Participant did not receive from Preferred Supplier prior to termination.

SECTION 34 – Authority:

The individuals executing this Agreement on behalf of each party have been duly authorized to act for and bind the party they represent.

SECTION 35 – Survival of Provisions:

Expiration or termination of this Agreement will not relieve either party of any obligations under this Agreement that by their nature survive such expiration or termination.

SECTION 36 – Confidentiality; Press Releases; Public Information:

36.1 Confidentiality and Safeguarding of UT Party Records. Under this Agreement, Preferred Supplier may (1) create, (2) receive from or on behalf of UT Party, or (3) have access to, UT Party's records or record systems (collectively, "**UT Party Records**"). Among other things, UT Party Records may contain social security numbers, credit card numbers, or data protected or made confidential or sensitive by applicable federal, state and local, laws, regulations, and ordinances. Preferred Supplier represents, warrants, and agrees that it will: (1) hold UT Party Records in strict confidence and will not use or disclose UT Party Records except as (a) permitted or required by this Agreement, (b) required by law, or (c) otherwise authorized by UT Party in writing; (2) safeguard UT Party Records according to reasonable administrative, physical and technical standards commonly in effect within Preferred Supplier's industry and that are no less rigorous than the standards by which Preferred Supplier protects its own confidential information; (3) continually monitor its operations in accordance with reasonable standards commonly in effect within Preferred Supplier's industry and take any action necessary to ensure that UT Party Records are safeguarded and that the confidentiality of UT Party Records is maintained in accordance with all applicable federal, state and local, laws, regulations, and ordinances, and the terms of this Agreement; and (4) comply with UT Party's rules, policies, and procedures regarding access to and use of UT Party's computer systems. At the request of UT Party, Preferred Supplier will provide UT Party with a written summary of the procedures Preferred Supplier uses to safeguard and maintain the confidentiality of UT Party Records.

36.2 Notice of Impermissible Use. If an impermissible use or disclosure of any UT Party Records occurs, Preferred Supplier will provide written notice to UT Party within one (1) business day after Preferred Supplier's discovery of that use or disclosure. Preferred Supplier will promptly provide UT Party with all information requested by UT Party regarding the impermissible use or disclosure.

36.3 Return of UT Party Records. Preferred Supplier agrees that within thirty (30) days after the expiration or termination of this Agreement, for any reason, all UT Party Records created or received from or on behalf of UT Party will be (1) returned to UT Party, with no copies retained by Preferred Supplier; or (2) if return is not feasible, destroyed. Twenty (20) days before destruction of any UT Party Records, Preferred Supplier will provide UT Party with written notice of Preferred

Supplier's intent to destroy UT Party Records. Within five (5) days after destruction, Preferred Supplier will confirm to UT Party in writing the destruction of UT Party Records.

36.3 Disclosure. If Preferred Supplier discloses any UT Party Records to a subcontractor or agent, Preferred Supplier will require the subcontractor or agent to comply with the same restrictions and obligations as are imposed on Preferred Supplier by this **Section 36**.

36.4 Press Releases. Preferred Supplier will not make any press releases, public statements, or advertisement referring to this Agreement, or release any information relative to this Agreement for publication, advertisement or any other purpose, without the prior written approval of UT Party.

36.5 Public Information. UT Party strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information under the *Texas Public Information Act* ("TPIA"), Chapter 552, *Texas Government Code*. In accordance with Section 552.002 of TPIA and Section 2252.907, *Texas Government Code*, and at no additional charge to UT Party, Preferred Supplier will make any information created or exchanged with UT Party pursuant to this Agreement (and not otherwise exempt from disclosure under TPIA) available in a format reasonably requested by UT Party that is accessible by the public.

36.6 Termination. In addition to any other termination rights set forth in this Agreement, and any other rights at law or equity, if UT Party reasonably determines that Preferred Supplier has breached any of the restrictions or obligations set forth in this Section, UT Party may immediately terminate this Agreement without notice or opportunity to cure.

36.7 Duration. The restrictions and obligations under this Section will survive expiration or termination of this Agreement for any reason.

SECTION 37 – FERPA Compliance:

37.1 The Parties agree that UT Party Records, as referenced in **Section 36**, that Preferred Supplier may (1) create, (2) receive from or on behalf of UT Party, or (3) have access to, may include records that (a) are subject to the Federal Education Rights and Privacy Act ("**FERPA**") or (b) contain personally identifiable information from "Education Records" as defined by and subject to FERPA (collectively, "**FERPA Records**"). FERPA Records include all such data in any form whatsoever, including electronic, written and machine readable form. If any specific use of Preferred Supplier's Services under this Agreement will involve Preferred Supplier's access to FERPA Records or personally identifiable information of any kind, Preferred Supplier and UT Party will document such access in writing.

Preferred Supplier will also ensure that all Staffing Agencies providing Contingent Workers to Institutional Participants agree in writing to comply with the requirements of this Section 37.

37.2 With respect to all UT Party Records that also constitute FERPA Records, Preferred Supplier is designated as a UT Party Official with a legitimate educational interest in and with respect to such FERPA Records, only to the extent to which Preferred Supplier is required to create, receive or maintain FERPA Records to carry out this Agreement.

37.3 In addition to all of the other obligations imposed upon Preferred Supplier with regard to UT Party Records pursuant to this Agreement, Preferred Supplier understands and agrees to abide by the following terms and conditions as to all FERPA Records, without reservation. To the

extent that this **Section 37** conflicts with any other terms of this Agreement, this **Section 37** will prevail.

- 37.3.1** Prohibition on Unauthorized Use or Disclosure of FERPA Records: Preferred Supplier will hold FERPA Records in strict confidence. Preferred Supplier will not use or disclose FERPA Records received from or on behalf of UT System, except as permitted or required by this Agreement.
- 37.3.2** Maintenance of the Security of FERPA Records: Preferred Supplier will use administrative, technical and physical security measures, including secure encryption in the case of electronically maintained or transmitted FERPA Records, approved by UT Party that are at least as stringent as the requirements of UT System's Information and Resource Use & Security Policy, UTS165 (ref. <http://www.utsystem.edu/bor/procedures/policy/policies/uts165.html>), to preserve the confidentiality and security of all FERPA Records received from, or on behalf of UT Party, its students or any third party pursuant to this Agreement.
- 37.3.3** Reporting of Unauthorized Disclosures or Misuse of FERPA Records and Information: Preferred Supplier, within one (1) day after discovery, will report to UT System any use or disclosure of FERPA Records not authorized by this Agreement. Preferred Supplier's report will identify: (i) the nature of the unauthorized use or disclosure, (ii) the FERPA Records used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Preferred Supplier has done or will do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Preferred Supplier has taken or will take to prevent future similar unauthorized use or disclosure. Preferred Supplier will provide such other information, including written reports, as reasonably requested by UT System. For purposes of this **Section 37.3.3**, an unauthorized disclosure or use includes any access or use of an "Education Record" (as defined by FERPA) by an Preferred Supplier employee or agent that the employee or agent does not require to perform Services or access by any employee or agent that does not involve the provision of Services.
- 37.3.4** Right to Audit: If UT Party has a reasonable basis to believe that Preferred Supplier is not in compliance with the terms of this **Section 37**, UT System may audit Preferred Supplier's compliance with FERPA as such compliance relates to FERPA Records maintained by Preferred Supplier.
- 37.3.5** Five-Year Exclusion for Improper Disclosure of Education Records. Under the federal regulations implementing FERPA, improper disclosure or redisclosure of personally identifiable information from "Education Records" (as defined by FERPA) by Preferred Supplier or its employees or agents may result in Preferred Supplier's complete exclusion from eligibility to contract with UT Party for at least five (5) years.
- 37.3.6** Secure Destruction of FERPA Records. Preferred Supplier agrees that no later than 30 days after expiration or termination of this Agreement for any reason, or within thirty (30) days after UT System's written request, Preferred Supplier will halt all access, use, creation, or processing of FERPA Records and will Securely Destroy all FERPA Records, including any copies created by Preferred Supplier or any subcontractor; and Preferred Supplier will certify in writing to UT System that

all FERPA records have been Securely Destroyed. “**Securely Destroy**” means shredding, erasing or otherwise modifying a record so as to make it unreadable or indecipherable.

- 37.3.7 Disclosure.** Preferred Supplier will restrict disclosure of FERPA Records solely to those employees, subcontractors or agents of Preferred Supplier that have a need to access the FERPA Records in order for Preferred Supplier to perform its obligations under this Agreement. If Preferred Supplier discloses any FERPA Records to a contractor or agent, Preferred Supplier will require the subcontractor or agent to comply with restrictions and obligations that align with the restrictions and obligations imposed on Preferred Supplier by this Agreement, including requiring each subcontractor or agent to agree to the same restrictions and obligations in writing.
- 37.3.8 Termination.** Preferred Supplier’s duties under this **Section 37** will survive expiration or termination of this Agreement as to any FERPA Records that have not been Securely Destroyed by Preferred Supplier as required by **Section 37.3.6**.
- 37.3.9 Breach.** In the event of a breach, threatened breach or intended breach of this **Section 37** by Preferred Supplier, UT Party (in addition to any other rights and remedies available to UT Party at law or in equity) will be entitled to preliminary and final injunctions, enjoining and restraining such breach, threatened breach or intended breach.

SECTION 38 – Tax Exemption

UT Party may be an agency of the State of Texas or other non-profit entity and may be exempt from certain state taxes under various exemption statutes, including Texas Sales & Use Tax in accordance with Section 151.309, *Tax Code*, and Title 34 *Texas Administrative Code* (“**TAC**”) Section 3.322. Notwithstanding its exemption from certain state taxes, UT Party will be responsible for any taxes (except corporate income taxes, franchise taxes, and taxes on Preferred Supplier’s personnel, including personal income tax and social security taxes) from which UT Party is not exempt. Preferred Supplier will provide reasonable cooperation and assistance to UT Party in obtaining any tax exemptions to which UT Party is entitled.

SECTION 39 – Undocumented Workers:

The *Immigration and Nationality Act* (8 *United States Code* 1324a) (“**Immigration Act**”) makes it unlawful for an employer to hire or continue employment of undocumented workers. The United States Immigration and Customs Enforcement Service has established the Form I-9 Employment Eligibility Verification Form (“**I-9 Form**”) as the document to be used for employment eligibility verification (8 *Code of Federal Regulations* 274a). Among other things, Preferred Supplier is required to: (1) have all employees complete and sign the I-9 Form certifying that they are eligible for employment; (2) examine verification documents required by the I-9 Form to be presented by the employee and ensure the documents appear to be genuine and related to the individual; (3) record information about the documents on the I-9 Form, and complete the certification portion of the I-9 Form; and (4) retain the I-9 Form as required by law. It is illegal to discriminate against any individual (other than a citizen of another country who is not authorized to work in the United States) in hiring, discharging, or recruiting because of that individual's national origin or citizenship status. If Preferred Supplier employs unauthorized workers during performance of this Agreement in violation of the Immigration Act then, in addition to other remedies or penalties prescribed by

law, UT Party may terminate this Agreement in accordance with Section 4.31. Preferred Supplier represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Act.

SECTION 40 – No Required Quantities or Minimum Amounts:

Preferred Supplier understands that this Agreement does not obligate UT Party to purchase any specific amount of goods or services from Preferred Supplier under this Agreement or otherwise. For example, this Agreement does not establish any minimum quantity or minimum dollar amount of goods or services that UT Party must purchase from Preferred Supplier during the term of this Agreement.

SECTION 41 – Access by Individuals with Disabilities:

Preferred Supplier represents and warrants (“**EIR Accessibility Warranty**”) that the electronic and information resources and all associated information, documentation, and support that it provides under this Agreement (collectively, the “**EIRs**”) comply with the applicable requirements set forth in Title 1, Chapter 213, *Texas Administrative Code*, and Title 1, Chapter 206, Rule §206.70, *Texas Administrative Code* (as authorized by Chapter 2054, Subchapter M, *Government Code*). To the extent Preferred Supplier becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Preferred Supplier represents and warrants that it will, at no cost to UT Party, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event Preferred Supplier fails or is unable to do so, UT Party may terminate this Agreement, and Preferred Supplier will refund to UT Party all amounts UT Party has paid under this Agreement within thirty (30) days after the termination date.

SECTION 42 – Background Checks:

Preferred Supplier will not knowingly assign any individual to provide services on a UT Party’s campus if the individual has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses. If requested by any UT Party to comply with its policy, Preferred Supplier will perform appropriate criminal background checks on each individual who will provide such services on the UT Party’s campus.

SECTION 43 – Business Associate Agreements:

Preferred Supplier acknowledges that the Institutional Participants may be subject to the Health Insurance Portability and Accountability Act of 1996, Public 104-191 (“**HIPAA**”) as amended by the Health Information Technology for Economic and Clinical Health, Title XII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) (“**HITECH Act**”). UT System and the respective Institutional Participants are separate entities for purposes of HIPAA. Therefore, Preferred Supplier will enter into a separate HIPAA Business Associate Agreement (“**BAA**”) with each Institutional Participant, as applicable, prior to accessing any Protected Health Information, as that term is defined by HIPAA, as part of the Services to be provided under this Agreement.

SECTION 44 – Entire Agreement; Modifications:

This Agreement supersedes all prior agreements, written or oral, between Preferred Supplier and UT System and will constitute the entire agreement and understanding between the parties with respect to the subject matter of this Agreement. This Agreement and each of its provisions will be

binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by UT System and Preferred Supplier.

SECTION 45 – Captions:

The captions of sections and subsections in this Agreement are for convenience only and will not be considered or referred to in resolving questions of interpretation or construction.

SECTION 46 – Waivers:

No delay or omission in exercising any right accruing upon a default in performance of this Agreement will impair any right or be construed to be a waiver of any right. A waiver of any default under this Agreement will not be construed to be a waiver of any subsequent default under this Agreement.

SECTION 47 – Binding Effect:

This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective permitted assigns and successors.

SECTION 48 – Limitations of Liability:

Except for UT Party's obligation (if any) to pay Preferred Supplier certain fees and expenses, UT Party will have no liability to Preferred Supplier or to anyone claiming through or under Preferred Supplier by reason of the execution or performance of this Agreement. Notwithstanding any duty or obligation of UT Party to Preferred Supplier or to anyone claiming through or under Preferred Supplier, no present or future affiliated enterprise, subcontractor, agent, officer, director, employee, representative, attorney or regent of UT Party, or anyone claiming under UT Party has or will have any personal liability to Preferred Supplier or to anyone claiming through or under Preferred Supplier by reason of the execution or performance of this Agreement.

SECTION 49 – Relationship of the Parties:

For all purposes of this Agreement and notwithstanding any provision of this Agreement to the contrary, Preferred Supplier is an independent contractor and is not a state employee, partner, joint venturer, or agent of UT Party. Preferred Supplier will not bind nor attempt to bind UT Party to any agreement or contract. As an independent contractor, Preferred Supplier is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort, including workers' compensation insurance.

SECTION 50 – Severability:

In case any provision of this Agreement will, for any reason, be held invalid or unenforceable in any respect, the invalidity or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if the invalid or unenforceable provision had not been included.

SECTION 51 – External Terms:

This Agreement completely supplants, replaces, and overrides all other terms and conditions or agreements, written or oral ("**External Terms**"), concerning Preferred Supplier's performance

under this Agreement. Such External Terms are null and void and will have no effect under this Agreement, regardless of whether UT Party or any of its employees, contractors, or agents consents or agrees to External Terms. External Terms include any shrinkwrap, clickwrap, browserwrap, web-based terms and conditions of use, and any other terms and conditions displayed in any format that UT Party, or its employees, contractors, or agents are required to accept or agree to before or in the course of accessing or using any goods or services provided solely by Preferred Supplier.

SECTION 52 – Conflicts:

In the event of a conflict between the terms and conditions of this Agreement and those of an IPA, the terms of this Agreement will control and govern.

SECTION 53 – Attachments:

The Riders listed below are attached to and fully incorporated into this Agreement as substantive parts of this Agreement:

- Rider 100** – Scope of Work
- Rider 200** – Pricing Schedule
- Rider 300** – Institutional Participation Agreement Form
- Rider 400** – Supplier Relationship Management
- Rider 500** – HUB Subcontracting Plan
- Rider 600** – Affirmative Action Compliance Program

Having agreed to the foregoing terms, and with the intention of being legally bound, the parties have executed this Agreement on the dates shown below.

THE UNIVERSITY OF TEXAS SYSTEM

[PREFERRED SUPPLIER]

Signed: _____
Scott C. Kelley, Executive Vice
Chancellor for Business Affairs

Signed: _____

Printed Name: _____

Date: _____

Title: _____

Date: _____

APPENDIX FOUR

ACCESS BY INDIVIDUALS WITH DISABILITIES

Access by Individuals with Disabilities. Preferred Supplier represents and warrants (“**EIR Accessibility Warranty**”) that the electronic and information resources and all associated information, documentation, and support that it provides under this Agreement (collectively, the “**EIRs**”) comply with the applicable requirements set forth in Title 1, Chapter 213, *Texas Administrative Code*, and Title 1, Chapter 206, Rule §206.70, *Texas Administrative Code* (as authorized by Chapter 2054, Subchapter M, *Government Code*). To the extent Preferred Supplier becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Preferred Supplier represents and warrants that it will, at no cost to UT Party, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event Preferred Supplier fails or is unable to do so, UT Party may terminate this Agreement, and Preferred Supplier will refund to UT Party all amounts UT Party has paid under this Agreement within thirty (30) days after the termination date.

APPENDIX FIVE

ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX FIVE** will be incorporated into the Agreement.

Basic Specifications

1. If the EIR will be hosted by Institutional Participant, please describe the overall environment requirements for the EIR (size the requirements to support the number of concurrent users, the number of licenses and the input/output generated by the application as requested in the application requirements).
 - A. Hardware: If Proposer will provide hardware, does the hardware have multiple hard drives utilizing a redundant RAID configuration for fault tolerance? Are redundant servers included as well?
 - B. Operating System and Version:
 - C. Web Server: Is a web server required? If so, what web application is required (Apache or IIS)? What version? Are add-ins required?
 - D. Application Server:
 - E. Database:
 - F. Other Requirements: Are any other hardware or software components required?
 - G. Assumptions: List any assumptions made as part of the identification of these environment requirements.
 - H. Storage: What are the space/storage requirements of this implementation?
 - I. Users: What is the maximum number of users this configuration will support?
 - J. Clustering: How does the EIR handle clustering over multiple servers?
 - K. Virtual Server Environment: Can the EIR be run in a virtual server environment?
2. If the EIR will be hosted by Proposer, describe in detail what the hosted solution includes, and address, specifically, the following issues:
 - A. Describe the audit standards of the physical security of the facility; and
 - B. Indicate whether Proposer is willing to allow an audit by Institutional Participant or its representative.
3. If the user and administrative interfaces for the EIR are web-based, do the interfaces support Firefox on Mac as well as Windows and Safari on the Macintosh?
4. If the EIR requires special client software, what are the environment requirements for that client software?
5. Manpower Requirements: Who will operate and maintain the EIR? Will additional Institutional

Participant full time employees (FTEs) be required? Will special training on the EIR be required by Proposer's technical staff? What is the estimated cost of required training.

6. Upgrades and Patches: Describe Proposer's strategy regarding EIR upgrades and patches for both the server and, if applicable, the client software. Included Proposer's typical release schedule, recommended processes, estimated outage and plans for next version/major upgrade.

Security

1. Has the EIR been tested for application security vulnerabilities? For example, has the EIR been evaluated against the Open Web Application Security Project ("**OWASP**") Top 10 list that includes flaws like cross site scripting and SQL injection? If so, please provide the scan results and specify the tool used. Institutional Participant will not take final delivery of the EIR if Institutional Participant determines there are serious vulnerabilities within the EIR.
2. Which party, Proposer or Institutional Participant, will be responsible for maintaining critical EIR application security updates?
3. If the EIR is hosted, indicate whether Proposer's will permit Institutional Participant to conduct a penetration test on Institutional Participant's instance of the EIR.
4. If confidential data, including HIPAA or FERPA data, is stored in the EIR, will the data be encrypted at rest and in transmittal?

Integration

1. Is the EIR authentication Security Assertion Markup Language ("**SAML**") compliant? Has Proposer ever implemented the EIR with Shibboleth authentication? If not, does the EIR integrate with Active Directory? Does the EIR support TLS connections to this directory service?
2. Does the EIR rely on Active Directory for group management and authorization or does the EIR maintain a local authorization/group database?
3. What logging capabilities does the EIR have? If this is a hosted EIR solution, will Institutional Participant have access to implement logging with Institutional Participant's standard logging and monitoring tools, RSA's Envision?
4. Does the EIR have an application programming interface ("**API**") that enables us to incorporate it with other applications run by the Institutional Participant? If so, is the API .Net based? Web Services-based? Other?
5. Will Institutional Participant have access to the EIR source code? If so, will the EIR license permit Institutional Participant to make modifications to the source code? Will Institutional Participant's modifications be protected in future upgrades?

6. Will Proposer place the EIR source code in escrow with an escrow agent so that if Proposer is no longer in business or Proposer has discontinued support, the EIR source code will be available to Institutional Participant.

Accessibility Information

Proposer must provide the following, as required by Title 1, Rule §213.38(b) of the *Texas Administrative Code*:

1. Accessibility information for the electronic and information resources (“EIR”)¹ products or services proposed by Proposer, where applicable, through one of the following methods:
 - (A) the URL to completed Voluntary Product Accessibility Templates (“VPATs”)² or equivalent reporting templates;
 - (B) an accessible electronic document that addresses the same accessibility criteria in substantially the same format as VPATs or equivalent reporting templates; or
 - (C) the URL to a web page which explains how to request completed VPATs, or equivalent reporting templates, for any product under contract; and
2. Credible evidence of Proposer’s capability or ability to produce accessible EIR products and services. Such evidence may include, but is not limited to, Proposer’s internal accessibility policy documents, contractual warranties for accessibility, accessibility testing documents, and examples of prior work results.

¹ Electronic and information resources are defined in Section 2054.451, *Texas Government Code* ([link](#)) and Title 1, Rule §213.1 (6) of the *Texas Administrative Code* ([link](#)).

² Voluntary Product Accessibility Templates are defined in Title 1, Rule §213.1 (19) of the *Texas Administrative Code* ([link](#)). For further information, see this [link](#) to a VPAT document provided by the Information Technology Industry Council.

APPENDIX SIX

SECURITY CHARACTERISTICS AND FUNCTIONALITY OF CONTRACTOR'S INFORMATION RESOURCES

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX SIX** will be incorporated into the Agreement.

"Information Resources" means any and all computer printouts, online display devices, mass storage media, and all computer-related activities involving any device capable of receiving email, browsing Web sites, or otherwise capable of receiving, storing, managing, or transmitting Data including, but not limited to, mainframes, servers, Network Infrastructure, personal computers, notebook computers, hand-held computers, personal digital assistant (PDA), pagers, distributed processing systems, network attached and computer controlled medical and laboratory equipment (i.e. embedded technology), telecommunication resources, network environments, telephones, fax machines, printers and service bureaus. Additionally, it is the procedures, equipment, facilities, software, and Data that are designed, built, operated, and maintained to create, collect, record, process, store, retrieve, display, and transmit information.

"Institutional Participant Records" means records or record systems that Proposer (1) creates, (2) receives from or on behalf of Institutional Participant, or (3) has access, and which may contain confidential information (including credit card information, social security numbers, and private health information ("**PHI**") subject to Health Insurance Portability and Accountability Act ("**HIPAA**") of 1996 (Public Law 104-191), or education records subject to the Family Educational Rights and Privacy Act ("**FERPA**").

General Protection of Institutional Participant Records

1. Describe the security features incorporated into Information Resources to be provided or used by Proposer pursuant to this RFP.
2. List all products, including imbedded products that are a part of Information Resources and the corresponding owner of each product.
3. Describe any assumptions made by Proposer in its proposal regarding information security outside those already listed in the proposal.

Complete the following additional questions if the Information Resources will be hosted by Proposer:

4. Describe the monitoring procedures and tools used for monitoring the integrity and availability of all products interacting with Information Resources, including procedures and tools used to, detect security incidents and to ensure timely remediation.
5. Describe the physical access controls used to limit access to Proposer's data center and network components.

6. What procedures and best practices does Proposer follow to harden all systems that would interact with Information Resources, including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed?
7. What technical security measures does the Proposer take to detect and prevent unintentional, accidental and intentional corruption or loss of Institutional Participant Records?
8. Will the Proposer agree to a vulnerability scan by Institutional Participant of the web portal application that would interact with Information Resources, including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed? If Proposer objects, explain basis for the objection to a vulnerability scan.
9. Describe processes Proposer will use to provide Institutional Participant assurance that the web portal and all systems that would hold or process Institutional Participant Records can provide adequate security of Institutional Participant Records.
10. Does Proposer have a data backup and recovery plan supported by policies and procedures, in place for Information Resources? If yes, briefly describe the plan, including scope and frequency of backups, and how often the plan is updated. If no, describe what alternative methodology Proposer uses to ensure the restoration and availability of Institutional Participant Records.
11. Does Proposer encrypt backups of Institutional Participant Records? If yes, describe the methods used by Proposer to encrypt backup data. If no, what alternative safeguards does Proposer use to protect backups against unauthorized access?
12. Describe the security features incorporated into Information Resources to safeguard Institutional Participant Records containing confidential information.

Complete the following additional question if Information Resources will create, receive, or access Institutional Participant Records containing PHI subject to HIPAA:

13. Does Proposer monitor the safeguards required by the HIPAA Security Rule (45 C.F.R. § 164 subpts. A, E (2002)) and Proposer's own information security practices, to ensure continued compliance? If yes, provide a copy of or link to the Proposer's HIPAA Privacy & Security policies and describe the Proposer's monitoring activities and the frequency of those activities with regard to PHI.

Access Control

1. How will users gain access (i.e., log in) to Information Resources?
2. Do Information Resources provide the capability to use local credentials (i.e., federated authentication) for user authentication and login? If yes, describe how Information Resources provide that capability.
3. Do Information Resources allow for multiple security levels of access based on affiliation (e.g., staff, faculty, and student) and roles (e.g., system administrators, analysts, and information consumers), and organizational unit (e.g., college, school, or department)? If yes, describe how Information Resources provide for multiple security levels of access.

4. Do Information Resources provide the capability to limit user activity based on user affiliation, role, and/or organizational unit (i.e., who can create records, delete records, create and save reports, run reports only, etc.)? If yes, describe how Information Resources provide that capability. If no, describe what alternative functionality is provided to ensure that users have need-to-know based access to Information Resources.
5. Do Information Resources manage administrator access permissions at the virtual system level? If yes, describe how this is done.
6. Describe Proposer's password policy including password strength, password generation procedures, password storage specifications, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

Complete the following additional questions if Information Resources will be hosted by Proposer:

7. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that would have access to the environment hosting Institutional Participant Records to ensure need-to-know-based access?
8. What procedures and best practices does Proposer have in place to ensure that user credentials are updated and terminated as required by changes in role and employment status?
9. Describe Proposer's password policy including password strength, password generation procedures, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

Use of Data

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that have access to the environment hosting all systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed, to ensure that Institutional Participant Records will not be accessed or used in an unauthorized manner?
2. What safeguards does Proposer have in place to segregate Institutional Participant Records from system data and other customer data and/or as applicable, to separate specific Institutional Participant data, such as HIPAA and FERPA protected data, from Institutional Participant Records that are not subject to such protection, to prevent accidental and unauthorized access to Institutional Participant Records ?
3. What safeguards does Proposer have in place to prevent the unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access, or disclosure of Institutional Participant Records?
4. What procedures and safeguards does Proposer have in place for sanitizing and disposing of Institutional Participant Records according to prescribed retention schedules or following the conclusion of a project or termination of a contract to render Institutional Participant Records

unrecoverable and prevent accidental and unauthorized access to Institutional Participant Records? Describe the degree to which sanitizing and disposal processes addresses Institutional Participant data that may be contained within backup systems. If Institutional Participant data contained in backup systems is not fully sanitized, describe processes in place that would prevent subsequent restoration of backed-up Institutional Participant data.

Data Transmission

1. Do Information Resources encrypt all Institutional Participant Records in transit and at rest? If yes, describe how Information Resources provide that security. If no, what alternative methods are used to safeguard Institutional Participant Records in transit and at rest?

Complete the following additional questions if Information Resources will be hosted by Proposer:

2. How does data flow between Institutional Participant and Information Resources? If connecting via a private circuit, describe what security features are incorporated into the private circuit. If connecting via a public network (e.g., the Internet), describe the way Proposer will safeguard Institutional Participant Records.

3. Do Information Resources secure data transmission between Institutional Participant and Proposer? If yes, describe how Proposer provides that security. If no, what alternative safeguards are used to protect Institutional Participant Records in transit?

Notification of Security Incidents

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe Proposer's procedures to isolate or disable all systems that interact with Information Resources in the event a security breach is identified, including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed.

2. What procedures, methodology, and timetables does Proposer have in place to detect information security breaches and notify Institutional Participant and other customers? Include Proposer's definition of security breach.

3. Describe the procedures and methodology Proposer has in place to detect information security breaches, including unauthorized access by Proposer's and subcontractor's own employees and agents and provide required notifications in a manner that meets the requirements of the state breach notification law.

Compliance with Applicable Legal & Regulatory Requirements

Complete the following additional questions if Information Resources will be hosted by Proposer:

1. Describe the procedures and methodology Proposer has in place to retain, preserve, backup, delete, and search data in a manner that meets the requirements of state and federal electronic discovery rules, including how and in what format Institutional Participant Records are kept and what tools are available to Institutional Participant to access Institutional Participant Records.

2. Describe the safeguards Proposer has in place to ensure that systems (including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed) that interact with Information Resources reside within the United States of America. If no such controls, describe Proposer's processes for ensuring that data is protected in compliance with all applicable US federal and state requirements, including export control.

3. List and describe any regulatory or legal actions taken against Proposer for security or privacy violations or security breaches or incidents, including the final outcome.

APPENDIX SEVEN

CERTIFICATE OF INTERESTED PARTIES (Texas Ethics Commission Form 1295)

This is a sample of the Texas Ethics Commission’s FORM 1295 – DISCLOSURE OF INTERESTED PARTIES. Contractor must use the Texas Ethics Commission electronic filing web page (at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm) to complete the most current Disclosure of Interested Parties form and submit the form as instructed to the Texas Ethics Commission and UT System. **The Certificate of Interested Parties will be submitted to UT System by Preferred Supplier only when the Agreement resulting from this RFP is signed.**

CERTIFICATE OF INTERESTED PARTIES		FORM 1295	
Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.		OFFICE USE ONLY	
1 Name of business entity filing form, and the city, state and country of the business entity's place of business.			
2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.			
3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.			
4		Nature of Interest (check applicable)	
Name of Interested Party	City, State, Country (place of business)	Controlling	Intermediary
5 Check only if there is NO Interested Party. <input type="checkbox"/>			
6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.			
_____ Signature of authorized agent of contracting business entity			
AFFIX NOTARY STAMP / SEAL ABOVE			
Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20 _____, to certify which, witness my hand and seal of office.			
_____ Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath			
ADD ADDITIONAL PAGES AS NECESSARY			

Proposer's Survey (Section 5.5)
RFP UTS/A56-Managed Services Provider for Contingent Workforce and Related Services (2016)

1.0 Company Profile and Overview

- 1.1 Provide your company's name.
- 1.2 Provide your company's main address, telephone and fax number.
- 1.3 Provide your company's Federal Employer Identification Number (FEIN).
- 1.4 Provide your company's DUNS number.
- 1.5 Provide your company's main contact for this RFP including telephone number & email address.
- 1.6 Provide your company's legal structure (e.g., corporation, partnership, etc.).
- 1.7 Provide name of Parent Company, if any: _____
- 1.8 Indicate the number of regular, full-time employees in your company: _____
- 1.9 For all individuals, groups, corporations, etc. that holds 25% or greater equity in the company list their name and their percentage (%) held.
- 1.10 Provide any details of all past or pending litigation or claims filed against your company that would affect your company's performance under an Agreement with UT System.
- 1.11 Has your company, or any of its parents or subsidiaries, ever had a Bankruptcy Petition filed in its name, voluntarily or involuntarily? If yes, specify the date, circumstances, and resolution.
- 1.12 Is your company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity. If yes, specify date(s), details, circumstances, and prospects for resolution.
- 1.13 Is your company currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, please explain the impact both in organizational and directional terms.
- 1.14 Please disclose any planned changes to your corporate governance, ownership, alliances, or relevant products or services (e.g., plans for product line expansion/discontinuation, technology road map, sales force expansion, etc.).
- 1.15 Provide a brief overview of your company, its history, products & services, and markets served.
- 1.16 Provide a detailed description of all operating units, subsidiaries, and affiliated companies that will support the requirements of this RFP.
- 1.17 Has your company been recognized by any professional or trade organization for the services in this RFP? If yes, please provide details.
- 1.18 Please estimate your share of the relevant market in terms of annual revenue as a MSP for contingent worker staffing.

2.0 Proposal Executive Summary

As part of your proposal, please submit an executive, high-level summary that demonstrates your understanding of and ability to perform the scope and requirements of this RFP, and summarizes the key components and value of your business proposal including, but not limited to, rates & fees, discounts, and incentives. Please limit the length of your summary to 2-3 pages.

3.0 References

- 3.1 Provide a listing of three (3) current customers (Texas-based healthcare or academic institutions, preferred) to whom you provide products and services of the type and kind required under this RFP. Your customer reference should include the company name; contact person including telephone number; e-mail address, scope of services (including the categories of contingent workers provided), annual sales volume (\$), and a period of time for which work was performed.
- 3.2 Provide a customer reference list of all customers for whom you have provided products and services of the type and kind required under this RFP within the past five (5) years. Reference list to include, company name, contact person, and telephone number, e-mail address, description of the services provided and the dates (begin and end) when services were performed.
- 3.3 If you did not provide your DUNS number as requested in response to question 1.4 above, please provide two financial references (1 trade reference and 1 financial institution/bank reference). List should include company name, mailing address, telephone number, contact person (include email address) and length of financial relationship.
- 3.4 Please list all new all new accounts (customer name and location) established within last 6 months projected to exceed \$25 million in annual sales.
- 3.5 Provide a listing of all contracts your company has had that were terminated by customer prior to completion within the last 3 years. Your response to include the circumstances surrounding such early termination.
- 3.6 If requested, please indicate your company's agreement to provide the company's audited financial statement for the last two (2) years.

4.0 Account Management and Staffing

- 4.1 Will your company assign a designated account manager(s) to assume overall responsibility for the work to be performed for UT System?
 - Yes. If yes, provide resume(s) and define his/her role in supporting the UT System account.
 - No. (If no, please explain why)
- 4.2 Provide an organization chart that identifies the proposed management team that will support the UT System account; include their length of service with the company.

- 4.3 Will your company assign a designated account manager(s) to assume overall responsibility for the work to be performed for an Institutional Participant?
- Yes. If yes, provide resume(s) and define his/her role in supporting the UT System account.
 - No. (If no, please explain why)
- 4.4 How do you select personnel and determine the appropriate staffing level (management and on-site support personnel) and expertise required to provide support to an account?
- 4.5 How is an on-site support team member's position covered during scheduled and unscheduled absences?
- 4.6 Provide your criteria for hiring including screening, criminal background checks, or any other means of verification of employee information, or explain other means for ensuring the integrity and suitability of the Proposer's employees. Your response to address your hiring practices for both US based personnel and non US based personnel.
- 4.7 Identify the staff/personnel resources outside of your company that you typically engage to assist in performing the work contemplated under this RFP and the role they play in performing the services.
- 4.8 Do you have a standard code of ethics for staff? If yes, please provide a copy.
- 4.9 Describe how you measure and evaluate performance of your personnel.
- 4.10 How is your staff rewarded for outstanding customer service and support?
- 4.11 Describe your training and development program for both full time and part-time personnel as it relates to system applications & tools, customer service, policies and procedures, quality control, and general business operations.
- 4.12 Provide details as to how onsite support will be maintained when supplier's personnel are on vacations or holidays, or when illness or emergency strikes.
- 4.13 Please describe your process for resolving and monitoring issues that may arise during the course of providing the contracted services. Attach an escalation matrix detailing the hierarchy of management involvement in issue resolution.
- 4.14 What is your average turnover rate for on-site support personnel?
- 4.15 Describe how you have utilized Historically Underutilized Businesses (HUBs) in the past on contracts you have performed in the State of Texas.
- 4.16 Do you currently have a mentor-protégé program in place with a Hub firm(s)? If yes, provide details of you mentor-protégé relationship(s).

5.0 MSP Program

- 5.1 Provide an overview describing your company's overall capabilities, services, tools and resources to deliver the Managed Service Provider/Vendor Management System (MSP/VMS) services to the UT System and Institutional Participants.
- 5.2 For each of the services listed below, please define what specific activities/tasks are included in your MSP program and describe your approach/process for the delivery of these services.
- 5.2.1 Search (contingent worker)
 - 5.2.2 Prescreening
 - 5.2.3 Background Screening
 - 5.2.4 Credentialing (e.g., licenses, JCAHO, etc.)
 - 5.2.5 On-Boarding
 - 5.2.6 Off-Boarding
 - 5.2.7 Compliance (e.g., I-9 documentation, 1099 reporting)
 - 5.2.8 Staffing Agency audit
 - 5.2.9 *Payrolling (Internal Temp/Contractors)*
 - 5.2.10 *Statement of Work (SOW) Management*
- 5.3 Please define any additional MSP services you offer that are not identified in Question 5.2 above (e.g., direct hire-recruitment services, credential management services). For each additional service you propose, please the specific activities/tasks included and describe your approach/process for the delivery of these services.
- 5.4 Please provide a process flow diagram for Proposer's MSP/VMS program from requisition to assignment.
- 5.5 Does your program allow for the Institutional Participant to identify current contract employees and staffing agencies to be incorporated into Proposer's program? If yes, please describe process.
- 5.6 Does your program allow for the Institutional Participant to identify agencies to be included in the program? If yes, please describe process including timeframe for on-boarding of new staffing agencies.
- 5.7 Do you provide recommendations for optimizing the utilization of suppliers? If yes, please describe process.
- 5.8 Do you have the ability to incorporate a tiered supplier program? If yes, please describe criteria.
- 5.9 Describe your strategy for recruiting new qualified staffing agencies.
- 5.10 Explain your supplier selection process as well as your contracting process and services with other staffing agencies.
- 5.11 Describe your strategy for maintaining long-term relationships with current qualified staffing agencies.

- 5.12 Do you audit invoices for accuracy of hours worked, bill rates and mark-up rates? If yes, please describe process and resolution process for discrepancies.
- 5.13 Do you monitor supplier (staffing agency) performance? If yes, please describe criteria for measuring performance and actions for addressing and correcting any performance issues.
- 5.14 What is your process for communicating and implementing regulatory updates and announcements into proposed MSP/VMS program?
- 5.15 Do you provide contingent workers through your own company, a parent company or subsidiary? If yes, how does Proposer ensure a competitive environment?
- 5.16 Is your program vendor neutral? If yes, how is neutrality established and maintained?
- 5.17 Describe your job classification methodology (standardizing job titles, job descriptions, etc.)
- 5.18 Describe your billing and payment process as it relates to the staffing agencies
- 5.19 Describe your billing and payment process as it relates to Institutional Participants and your company.
- 5.20 Does Proposer assume responsibility for all tax payments, governmental reporting, and staffing agency audits? If no, please explain.
- 5.21 Describe your response time for filling Urgent Needs and Non-urgent Needs. Define response time guarantees.
- 5.22 Define plans and policies you have in place to ensure staffing needs are met without disruption at each Institutional Participant's location(s).
- 5.23 Describe your organization's process of vetting to include certifying employees to meet the needs of the Institutional Participants as well as your organization's ability to ensure candidates licenses and certifications are current and competency requirements are met.
- 5.24 Please indicate all locations (cities/regions) within the State of Texas for which you cannot provide MSP services
- 5.25 Provide details for all resources required from Institutional Participant. If onsite support is provided, define the requirements for work-space, etc.
- 5.26 Describe the optimal support structure an Institutional Participant needs to provide and maintain to support your company in delivery of MSP services.
- 5.27 Define approaches used to ensure adequate labor resources to fill requisitions in a timely manner.
- 5.28 Please explain how your company's business model is capable of sourcing nationwide.
- 5.29 Define your experience with Locum Tenens recruitment for physicians and nurse practitioners/physician assistants.

- 5.30 Describe the resources that would work on Locum Tenens.
- 5.31 Define the resources you have available for 24/7 assistance for clinical labor resource needs (Locum Tenens and allied health clinicians) that may abruptly arise.
- 5.32 Identify what has been your top 10 hard to fill job categories within the State of Texas. Also, if there has been significant regional differences you have experienced across the State, please explain.

6.0 Vendor Management System (VMS)

- 6.1 Provide an overview of the various technology, tools, and methods that you will provide and/or that will be used in the delivery of the Services.
- 6.2 Please provide the following information regarding the proposed VMS tool:
- a. Diagram of architectural design of program
 - b. platform or language of system code
 - c. databases supported
 - d. web browsers supported (include versions)
 - e. flexibility to customize functions, templates, notifications and pages to Institutional Participant's needs
 - f. current software version and when was it deployed
 - g. when is the next scheduled upgrade
 - h. are customers recommendations considered for enhancements
- 6.3 Please provide a detailed plan on how you will implement the proposed VMS solution. Your response to include work performed by your company; technical requirements and resource requirements for customer; and implementation options.
- 6.4 Is the proposed VMS tool developed in-house or is it a third-party tool? If a third party tool, indicate if UT System will be required to enter into a separate agreement with the third party provider.
- 6.5 How many individuals are currently employed by you that are dedicated resources for the proposed VMS tool?
- 6.6 Do you have the ability to create a custom website portal containing the proposed VMS tool for Institutional Participant?
- 6.7 How many levels of approval hierarchy is the proposed VMS tool capable of supporting?
- 6.8 Please indicate if the proposed VMS tool is capable of providing the following. Check all that apply.
- On-line web-based ordering system
 - Customer specific pricing and contract terms
 - Itemized cost center/group/organization usage reports available on-line to all the Institutional Participant's departments
 - Various authorization levels for order placement
 - Ordering system security features
 - Electronic purchasing capabilities, including e-commerce, through the user of a variety of electronic order management systems with real-time access to service information for order fulfillment or web-based platforms with no local or network based software

- Electronic billing
 - Accommodation for 32-digit account numbers
 - Secured access for Institutional Participant users
 - Email notification within a defined security hierarchy
 - HR administrator access to on-line web-based billing rates
 - HR administrator access to on-line web-based candidate availability
- 6.9 Do you have experience integrating VMS tool with the following software? Check all that apply and briefly describe the specific application or scope/type of integration.
- Peoplesoft
 - Workday
 - Sciquest
 - SAP
 - Oracle
 - Other (please specify) _____
- 6.10 Does the proposed VMS tool support the utilization of Procurement cards?
- 6.11 Is the proposed VMS tool available in a hosted format, internally implemented, or both? Please describe.
- 6.12 If the proposed VMS tool is hosted, please describe the Relational Database Management System (RDBMS) platform used.
- 6.13 Please list all RDBMS platforms supported.
- 6.14 Will you provide source code in an escrow account at no charge to UT System?
- 6.15 Does the proposed VMS tool require any third party software not provided by you that an Institutional Participant will need to acquire? If yes, please explain including estimated cost.
- 6.16 Of the services listed in Question 5.2, above are any of these services not supported by the proposed VMS and will need to be processed or managed outside of the VMS? If yes, please provide details.
- 6.17 Does the proposed VMS tool allow requisitions to be entered with multiple requirements (e.g., traveling nurses, travel requirements, skill sets, certifications, shift, urgent need, long term need, time limits for tiered suppliers)?
- 6.18 Does the proposed VMS tool allow for the creation of a contingent worker profile with the ability to attach multiple documents?
- 6.19 Does the proposed VMS tool allow end-users to search for potential candidates based on position requirements and create a list for review?
- 6.20 Does the proposed VMS tool allow end-users to view the candidates qualification and any attached documentation?
- 6.21 Does the proposed VMS tool alert end-users when: Check all that apply
- Selected candidate does not have required certification
 - Selected candidate's certification will expire prior to assignment
 - Selected candidate
 - Selected candidate was designated as a "do not rehire" on a previous assignment

- Selected candidate received a negative evaluation on a previous assignment
 - Selected candidate will violate any length of stay rules during assignment
 - Other (please specify) _____
- 6.22 Does the proposed VMS tool capture negotiated rates and automatically apply those rates to candidate's assignment based on assignment criteria (e.g., shift, job title, facility, etc.)
- 6.23 Please select the methods in which time worked can be collected by the proposed VMS tool. Check all that apply
- web entry
 - interactive voice response
 - time feeds
- 6.24 Is the proposed VMS tool supported 24 hours a day, 7 days a week, 365 days a year?
- 6.25 Is the proposed VMS tool capable of consolidated invoices based on the end-user's needs?
- 6.26 Can the proposed VMS tool automatically create an urgent notification to the account team member and approver hierarchy based on the criticality of the need?
- 6.27 Can the proposed VMS tool send notifications to:
- Email
 - Cell phone
 - PDA
 - Pager
- 6.28 Does the proposed VMS tool provide real-time internet access 24 hours a day?
- 6.29 Does the proposed VMS tool allow end-users to make changes to the requisitions during the assignment?
- 6.30 Does the proposed VMS tool allow for manager to approve time entered by candidate prior to submitting for payment?
- 6.31 Does the proposed VMS tool provide an automatic notification when hours worked are nearing overtime, double-time or other negotiated pay or federal or state law is near violation? If yes, please describe.
- 6.32 Does the proposed VMS tool allow for expenses (e.g., per diems for traveling nurses, training, orientation) and reimbursements to be entered and approved? If yes, please describe.
- 6.33 Describe how the proposed MSP/VMS resources information for JCAHO compliance is tracked (e.g., training, immunizations, licenses, CPR, small pox, military service, fire safety quiz, background checks, physical and TB).
- 6.34 Please provide a demonstration of the proposed VMS tool via interactive link, PowerPoint slide, Pdf. or other means that will be shared with the evaluation committee members.
- 6.35 For the proposed VMS tool, describe the standard interfaces (e.g. users, purchase orders, time, invoices, etc.) and applications that you have successfully integrated with in projects. Indicate if interface was transactional vs. batch and standard vs. custom.
- 6.36 Does the proposed VMS tool support data migration from legacy programs and ERP systems?

- 6.37 Does the proposed VMS tool interface with staffing agencies to facilitate requisitions, invoicing, and visibility into candidate profiles?
- 6.38 Specific to the proposed VMS tool, do you have a disaster recovery plan? If yes, please upload the plan.
- 6.39 Does the proposed VMS tool have a recurring scheduled maintenance plan? If so, what time of day or night is it scheduled, how long does it last and how often does it take place?
- 6.40 How often does the proposed VMS tool experience an outage? When was the last time an outage occurred? How was the outage resolved and what stops were taken to prevent it from reoccurring.
- 6.41 What is the maximum number of users the proposed VMS tool can support simultaneously?
- 6.42 Does the proposed VMS tool support the following log-in and authentication processes?
- user id/password
 - single sign-on integration
- 6.43 Describe the proposed VMS tool's security system. How is confidential information protected? How is client specific information segregated?
- 6.44 Does the proposed VMS tool include online analytical processing (OLAP) systems? If yes, describe.
- 6.45 Does the proposed VMS tool provide back-up and recovery capabilities? If yes, please describe.
- 6.46 Describe how you will transition data from UT System to Proposer.
- 6.47 Please indicate if the proposer's proposed MSP/VMS program allows for the following: (Check all that apply)
- creation of requisition templates
 - access to past requisitions
 - ability to edit requisitions
 - ability to save requisition for future use
 - integration with PO approval/generation process from Institutional Participant's database
 - integration of business rules regarding Cost Center, Location or Department
 - Project management budget tracking
 - Ability to develop a database of job descriptions which can be edited to be used in requisitions
 - Requisition tracking from creation to fulfillment
 - Ability to schedule interviews between requester to supplier
 - Ability to track performance evaluations
 - Ability to send alerts for next step required to be fulfilled
 - Bill rate visibility for requestor
 - Ability to bill by hour, project, deliverables
 - Ability to alert requestor and supplier when approaching overtime
 - Ability to enter multiple billing categories (i.e. hourly, overtime, exempt)
 - Ability to enter time worked in multiple shifts and multiple bill categories on one invoice
 - Ability to enter various approval levels based on authority and availability with in a predefined time frame before a requisition can be released

- Ability to alert for on-boarding process
- Ability to alert for off-boarding process
- Ability to enter billable hours via VMS tool
- Ability to verify that federal and state related laws are complied
- Ability to reject requisition if incorrect and provide notification of such rejection

6.48 Reporting Capabilities

- 6.48.1 Provide a list of the standard reports available with the proposed VMS tool. Include the report name, description and sample of each report.
- 6.48.2 Does the proposed VMS tool allow for users to: Check all that apply.
- create ad-hoc/custom reports
 - filter/sort information in reports
 - create report templates for recurring use
 - create report alerts
- 6.48.3 Does the proposed VMS tool allow for the spend reports to be generated by: Check all that apply.
- End User
 - Department
 - Work Location
 - Job Description
 - Hourly Rate
 - % Mark-Up
 - Total Number of Hours Worked
 - Total Spend
 - Supplier Diversity classification
 - Work classification
 - Supplier
 - Contingent worker
 - Staffing agency
 - Tier
- 6.48.4 Does the proposed VMS tool have the capability to automatically generate a report of candidates based on the job position description selected?
- 6.48.5 Does the proposed VMS tool provide a report or a list of candidates who are scheduled to work on a specific date?
- 6.48.6 Does the proposed VMS tool allow user to track all contingent worker and contractor resources that are onsite?
- 6.48.7 Describe other reports and information your company can provide beyond that which is available through the proposed VMS tool.

- 6.49 Describe in detail how the following functions are managed as part of the VMS tool:
- a. high-level explanation of users who access the solution, roles and responsibilities for each user in the business cycle
 - b. how new users are added to the system for access
 - c. how roles and permissions are defined in the solution
 - d. provide a table of which roles and/or permissions can change/delete items in the system and explain how this security issue is handled

7.0 Implementation

- 7.1 Provide a detailed project plan/chronological list or flowchart of events/tasks involved in implementing the Proposer's MSP/VMS solution at a campus. Proposer's responses should include all applicable resources required, roles and responsibilities of each resource to successfully complete the implementation.
- 7.2 Please describe your plan for converting UT System's business from its current suppliers in a seamless manner, including proposed timeline, key milestones, and your key players responsible for the conversion, the steps UT System can take to ensure a seamless conversion, and any major pitfalls that could impede the conversion.
- 7.3 Describe your process for transitioning of another supplier's contingent workers who are on assignment when you begin operations at a new account.
- 7.4 Describe the Proposer's process for communication and change management plan when transitioning into a new account?
- 7.5 What difficulties are anticipated in implementing a contract of this size and scope? How will these difficulties be managed? What assistance is required from the UT System?

8.0 Quality Assurance and Performance Management

- 8.1 Describe your company's quality assurance program. Your response to include, identification of the service and operating elements that are measured, how are they measured and evaluated, how are results reported both internally and to Customer, and how is this information used to improve company performance and service delivery?
- 8.2 Describe your quality review process once a contingent worker completes his/her work assignment.
- 8.3 Describe your process to monitor and provide recommendations to address independent contractor situations where Internal Revenue Service/Department of Labor criteria are not met.
- 8.4 Describe your experience and discuss your management practices for ensuring compliance with credentialing requirements.
- 8.5 Define your approach in handling retired employees of UT System or the State of Texas who may express interest as an employee of a staffing firm or an independent contractor engagement.
- 8.6 Demonstrate specific metrics and reporting within your MSP model related to legal and policy compliance.

- 8.7 Does your company have a corporate approved “Disaster Continuity Plan”? If yes, please provide details outlining the type/severity of the disaster; recovery time; and operating functions/services.
- 8.8 Please describe programs you have in place to assist clients recovering from disasters.
- 8.9 Demonstrate how you will measure the success of the MSP program at 90 days, 180 days, and one year after implementation.
- 8.10 Define the greatest challenge in providing MSP services of the type and kind required by this RFP, how you plan to manage them, and what assistance will you require from UT System.
- 8.11 Describe your processes in addressing non-compliance of client representatives (for example, managers who may not want to follow process or procedure or desire to use unapproved vendors).
- 8.12 Please describe how you will objectively measure the value your services will provide to UT System, including detailed examples with specific metrics for realized cost savings and process improvement & savings.
- 8.13 Please describe all quality and performance guarantees your company extends to UT System and Institutional Participants
- 8.14 Please provide a sample scorecard that includes key performance metrics that you propose be included in a contract between UT System and your company.
- 8.15 If you are awarded this contract, UT System will expect you to guarantee a consistently high level of service and related account management for all Institutional Participants. Thus, UT System may require that you agree to a meaningful Service Level Agreement (SLA). In this regard, please:
- a. Describe the specific service levels you are willing to guarantee (e.g., fill-rate, assignment terminations, etc.)
 - b. Identify any methods for measuring or surveying customer satisfaction, and identify which of your internal departments owns this process and is responsible preparing the results, and sharing the results with customer.
 - c. List your systems for monitoring service levels, including service delivery times.
- 8.16 Describe how you ensure that best practice approaches and solutions are shared with customer throughout the contract relationship.
- 8.17 What percentage of new potential candidates that are declined placement based on the Proposer’s prescreening process?
- 8.18 Does Proposer track and manage client feedback regarding specific assignments, supplier performance (quality, cost, responsiveness,) and what are the steps to resolve/address issues?
- 8.19 Does Proposer have a process for addressing co-employment risk or employee misclassification? If yes, please describe process.
- 8.20 Does Proposer have a process to mitigate risk as it pertains to employment laws and regulations from a federal, state and industry level? If yes, Please explain.

- 8.21 Does Proposer track, manage and report upon contingent worker tenure risk? If yes, describe process.

9.0 Customer Support

- 9.1 Does your company provide support 24 hours/ 7 days a week? If no, please list the days of the week and hours that your company provides support.
- 9.2 Provide details regarding your various Customer Support Programs.
- 9.3 Provide an overview of the various services and training programs your company can provide the Institutional Participants. Your response to include the format of training delivery (e.g., web-based, in-person, etc.)
- 9.4 Describe your “after hours” operations support.
- 9.5 Describe your methods and resources for providing training on the contingent worker management program. Please provide types of training and materials included.

10.0 Cost Proposal

Proposer’s Cost Proposal is to provide a comprehensive structure for all MSP/VMS services to be provided. Proposer’s response must clearly describe all cost elements and the Services Fees associated with each cost element; identify any and all exclusions and their associated, incremental/additional Fees; and identify factors that may affect cost, and how they are assessed. Proposer to provide a single cost structure across all Institutional Participants.

Proposers are asked to incorporate any creative offerings that will provide additional value to UT System and Institutional Participants.

10.1 Labor Rates for Contingent Workers:

- 10.1.1 Please describe your process for establishing market rates for the various labor categories and job classifications?
- 10.1.2 How often are market rates reviewed/evaluated and adjusted?
- 10.1.3 Please describe how market rates are presented to customer; what is the approval process before a rate increase is passed along to the customer?
- 10.1.4 Please state how your company will ensure and maintain rate competitiveness during the full term of the agreement. Indicate how you benchmark your rates and under what conditions will you pass along decreases to the UT System?
- 10.1.5 Is Proposer’s pricing model different for existing contingent workers (i.e., embedded base) versus new contingent workers sourced through the program? If yes, please explain.

10.2 **Service Fees (one-time, annual/recurring fees):**

10.2.1 Base Service Fee:

- a. Please provide the proposed service fee for the UT System account based on a spend volume of \$25M to \$50M per annum for Contingent Workers.
The service fee is considered a component of the market rate and will be deducted from all staffing agency payments processed by Proposer for Contingent Workers provided by the Staffing Agency. UT System will not pay a service fee directly to the selected Proposer.

_____ %

- b. Please identify all services, tools and technology that are included and will be furnished as part of the Base Service Fee.

10.2.2 MVS/VMS Implementation Fee per Institutional Participant: \$ _____

10.2.3 Payrolling Services for Internal Temporary Workers: _____ %

10.2.4 Conversion **(Provide fee structure to convert a contingent worker from temp to hire)**

10.2.5 Credential Management Services

10.2.6 Statement of Work (SOW) Management

10.2.7 Recruitment (Direct Hire)

10.2.8 1099 / Supplier Evaluation Services

10.2.9 Other services and fees

10.2.10 Are there any recurring annual fees, software license fees, maintenance fees and support fees not listed or not already included in your response to Questions 10.2.1-10.2.9? If yes, please provide details.

10.3 **Administration Fee, Incentives and Rebates:**

10.3.1 Please indicate that your company agrees to pay UT System a one percent (1%) Administration Fee for total sales volume of Institutional Participant Purchases

- Yes
- No

10.3.2 Please provide the rebate percentage(s) that will be extended to UT System upon achievement of, in the aggregate for all Institutional Participants, the specific annual volume spend thresholds listed in the Table below.

If the aggregated annual spend under MSP/VMS program:		The rebate percentage will be:
is at least:	but less than:	
\$50M	\$75M	____%
\$75M	\$100M	____%
\$100M	\$125M	____%
\$125M	\$150M	____%
\$150M+	N/A	____%

10.3.3 Does Proposer offer any incentives or rebates to UT System or Institutional Participants in addition to those required under this RFP? If yes, Please describe Proposer's approach to structuring those additional incentive or rebates?

10.3.4 Does Proposer offer early start-up incentives? If yes, Please describe incentive structure.

10.3.5 Identify any rebates, cash incentives or volume discounts included upon contract execution or during the term of the contract.

10.3.6 Does your company offer a tiered discount structure off contract rates for large projects? If yes, please provide details.

10.4 Invoicing and Payment:

10.4.1 Please describe your capabilities to provide electronic consolidated invoice files? What formats and frequencies for sending invoice files are supported?

10.4.2 Please indicate your company's early payment discount terms (e.g., 1% Net 15 days).

10.4.3 Several UT System institutions have implemented the JP Morgan Chase Single Use Account Program. Please indicate that you will accept payment under this program

- Yes
- No

10.4.4 Please indicate that you agree that reimbursement for travel, lodging and per diem will be in accordance with the rates, rules, regulations and guidelines established by the State of Texas.

- Yes
- No

10.4.5 Does Proposer have a written policy for invoicing corrections or adjustments? If yes, please provide actual policy. If no, describe current process.

10.4.6 Several UT System institutions have implemented the JP Morgan Chase Single Use Account Program. Please indicate that you will accept payment under this program

- Yes
- No

10.5 Cost Savings:

10.5.1 Please provide a detailed outline/plan regarding Proposer's overall approach to Cost Savings for UT System's program (both pre/post implementation,) providing specifics around processes, education and implementation practices.

10.5.2 Does Proposer guarantee hard cost savings by implementing the Proposer's MSP/VMS solution in an institution? If yes, please provide specific examples and explain example of how you plan to accomplish.

10.5.3 Does Proposer guarantee soft cost savings? If yes, please provide specific examples and explain example of how you plan to accomplish.

10.5.4 Provide a sample report of how Proposer defines, measures and reports both hard and soft cost savings.

10.5.5 Please advise UT System of any prompt payment discount options available.

10.5.6 Please identify any additional value incentives, disincentives, or value-added programs or services not specifically identified above that will be available to Company Name if you are awarded this contract. Additional value may be considered separately.

11.0 Competitive Advantage

11.1 Please indicate any additional "value added" services or programs not otherwise asked or disclosed herein that should be considered during the evaluation process.

11.2 Please provide any suggested improvements and alternative for doing business with your company that will make this arrangement more cost effective for your company and Institutional Participants.

11.3 Briefly describe your company's current advantage in the marketplace. Please provide only information not previously asked or disclosed herein.

11.4 Describe how your company would proactively approach generating additional cost savings for the Alliance's spend going forward. Please provide only information not previously asked or disclosed herein.

11.5 Please identify any new product lines and or services you have brought to market in the past year and what is planned for 2017 that will benefit our Institutions.

12.0 Historically Underutilized Businesses

In addition to your completion of the HSP (**Appendix Two**), please respond to the following:

- 12.1 Provide a clear statement of your company's commitment and plan to recruit, engage, and utilize HUBs in the work under a contract between your company and UT System.
- 12.2 Describe your current subcontracts/partnering arrangements with HUB firms and the capacity which they are utilized in the delivery of your services



SUPPLY CHAIN ALLIANCE
THE UNIVERSITY of TEXAS SYSTEM
Creating Value Through Collaboration

RFP Submittal Deadline: **May 19, 2016** at **3:00**
PM(CST)

ADDENDUM 1
REQUEST FOR PROPOSAL
UTS/A56
Managed Services Provider for
Contingent Worker Staffing

Addendum Issue Date: **May 4, 2016**

DIRECT QUESTIONS TO: Jeffery Bonnardel via the SciQuest System

ACKNOWLEDGEMENT OF THIS ADDENDUM 1 IS REQUIRED IN ACCORDANCE WITH **SECTION 1.2, OF APPENDIX ONE**, TO THE RFP. THIS RFP ADDENDUM IS A FURTHERANCE OF RFP **UTS/A56** AND IS NOT A CONTRACT OR OFFER TO CONTRACT. RFP UTS/A56 IS HEREBY AMENDED AS FOLLOWS:

Item One:

The following Documents are attached hereto and made a part of this Addendum 1.

1. Pre-Bid Presentation
2. Pre-Proposal In Person Attendees List
3. Pre-Proposal Webinar Attendees List
4. Responses to Questions

All other terms, conditions and requirements set forth in RFP UTS/A56 remain unchanged and in effect.

END OF ADDENDUM

RFP UTS/A56 Managed Services Provider for Contingent Worker Staffing

Questions and Answers

Q.1 Do you have a current MSP/VMS provider? If yes, who and why are you looking to replace the incumbent.

A.1 The Alliance has had in place since 2011 a MSP/VMS program. Our current provider is RightSourcing, Inc. Our contract term is soon to expire. As a public entity our contracts are subject to competitive bidding requirements upon expiration.

Q.2 Do you have a preference as to where program team is located? If yes, where? If at one of your locations will you provide internet, phone and office furniture?

A.2 Staffing and facility requirements at each participating institution's location may vary. Please respond to Proposer's Survey (RFP Section 5.5) questions 4.4 and 5.25.

Q.3 In the RFP, I see that you mention both 1% and 2% admin fees. Which is correct?

A.3 1% is correct. Please note that SciQuest Section 5, Question 5.1.2 has been corrected to reflect the 1% Administrative Fee.

Q.4 The 1% is defined as net sales/revenue received by the selected supplier. Is that correct?

A.4 Please refer to the definition contained in Section 6, Pricing Schedule and Affirmation.

Q.5 When looking at the business units in the UT System, is there an option to Opt in or Out for each university/business unit? If so, what is the guarantee regarding participation for the UT system managers?

A.5 Yes, there is an opt-in or opt-out for each institution. There is not a guarantee of volume or participation as stated in RFP Section 1.3.

Q.6 What is the current process that UTS follows when procuring temporary contractors?

A.6 Institutions participating under the MSP program obtain their temporary contractors through the MSP and or on a direct basis with staffing agencies and independent contractors as circumstances warrant.

Q.7 Is there a technology or VMS associated with the contract labor process?

A.7 Yes. The VMS (PeopleFluent) is furnished through our current Managed Services Provider.

Q.8 Would a Texas entity be able to compete with your UT System MSP bidders? That is to say, could we be competing with a Texas in-house government entity to provide MSP services?

A.8 Such an event is not contemplated.

Q.9 Is there a preference given to MSP providers who are 8a, small business, HUB or diversity owned business?

A.9 No

Q.10 In the RFP there are HUB goals that range from 23.7% to 33%. What is the goal for this contract?

A.10 26%

Q.11 We are very interested in being one of the suppliers under your chosen MSP/VMS. Will you be sending a separate RFP in the near future to choose the staffing suppliers you will utilize under your MSP/VMS model?

A.11 We currently do not plan to issue a separate RFP for selection of staffing agencies under the MSP/VMS model.

Q.12 Please confirm so we can price MSP fee correctly. Scope mentions \$60M. Pricing section of response requests pricing for scope of volume of \$25M to \$50M per annum. This range is too broad to effectively price our fee. Can you be more concise please?

A.12 It is difficult to more narrowly scope the volume. As indicated under Question 5, institutions may opt in or opt out. Further, as we factor the possibility of transition of providers, year one projections could vary greatly during this period. If there are incremental pricing tiers you wish to propose in addition to what is requested, please do so.

Q.13 Please confirm the goal of the RFP is to identify one prime MSP/VMS and that all others firms interested in participating must do so through a MSP/VMS if they do not have this capability.

A.13 Yes, it is the goal to identify one MSP/VMS as an outcome of this RFP. Firms that believe they are not positioned to compete on their own may pursue alignment with other firms.

Q.14 Where can we get previous awarded RFP for this same type solicitation for pricing?

A.14 Your request must be submitted to:

<http://www.utsystem.edu/offices/general-counsel/open-records>

Q.15 Is the HUB goal ONLY applicable to State of Texas HUB program participants or can "credit" be given for any Staffing Company Supplier participating in the MSP program that is an Historically Underutilized Business, regardless of its' US location?

A.15 Yes. Only State of Texas Certified Historically Underutilized Business are considered eligible to be credited toward HUB goal achievement.

Q.16 Re: Appendix Four, the MSP, nor staffing company supplier companies would be responsible to upgrade or alter any state owned infrastructure to comply with this requirement, correct?

A.16 Correct.

Q.17 In question 6.10, “Does the proposed VMS tool support the utilization of Procurement cards” can you please indicate what Procurement cards mean to UTS, as they may mean different things to different organizations.

A.17 This question refers to a mastercard/visa that can be used for purchase and payment of services.

Attendee Sign-In sheet

Pre-Proposal Conference-RFP UTS/A56 Managed Services Provider for Contingent Workers
May 3, 2016

Name	Company	eMail	Telephone #
Chrissy Chabarra	Premier Staffing Source	cchabarra@premierstaffing.com	301-306-0502
Nichole Myers	Premier Staffing Source	nmyers@premierstaffing.com	301-306-0502
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Manly Oliver	Staff Management	moliver@staffmanagement.com	832-608-9503
Lisa Clark	Aero Service Corp	lclark@aerocorp.com	832-596-4880
RANDY SPARKS	AMN HEALTHCARE	RANDI.SPARKS@AMNHEALTHCARE.COM	469-524-5542
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Shawn McIn	Aerotech	smcIn@aerotech.com	713 640 3645
Dawn Sutton	Right Sourcing	dsutton@rightsourcingusa.com	(713) 745-6034
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HUB Company

HUB-

HUB

ATTENDEE REPORT-MANAGED SERVICES PROVIDER FOR CONTINGENT WORKER STAFFING (UTS/A56)

Report Generated:
5/3/16 12:27 PM CDT

Webinar ID	Actual Start Date/Time	Duration	# Registered	# Attended	Clicked Registration Link	Opened Invitation
127-479-627	5/3/16 9:13 AM CDT	1 hour 52 minutes		60	45	89

Attended	Last Name	First Name	Email Address	Registration Date/Time	Join Time	Leave Time
Yes	Alexander	Patricia	patricia.alexander@oncestaffingservices.com	5/3/16 10:18 AM CDT	5/3/16 10:19 AM CDT	5/3/16 11:02 AM CDT
Yes	Armstrong	Megan	megan.armstrong@pontoonsolutions.com	5/3/16 9:47 AM CDT	5/3/16 9:48 AM CDT	5/3/16 11:04 AM CDT
Yes	Arnold	Erin	Erin.Arnold@keystaffinc.com	4/28/16 12:44 PM CDT	5/3/16 9:53 AM CDT	5/3/16 11:03 AM CDT
Yes	Bastian	Diane	dbastian@insynonline.net	5/3/16 10:03 AM CDT	5/3/16 10:06 AM CDT	5/3/16 10:52 AM CDT
Yes	Berk	Candace	cberk@RightSourcingusa.com	5/3/16 9:56 AM CDT	5/3/16 9:57 AM CDT	5/3/16 11:04 AM CDT
Yes	Bilal	Melanie	mbilal@premierstaffingsource.com	5/3/16 10:07 AM CDT	5/3/16 10:08 AM CDT	5/3/16 11:03 AM CDT
Yes	Bishop	Joanne	jbishop@nursesetc.net	4/27/16 12:10 PM CDT	5/3/16 9:53 AM CDT	5/3/16 11:01 AM CDT
Yes	Blakey	JoAnn	jblakey@preciseinfosystems.com	4/28/16 9:28 AM CDT	5/3/16 10:25 AM CDT	5/3/16 11:04 AM CDT
Yes	Burrall	Grant	grant.burrall@hays.com	5/3/16 9:59 AM CDT	5/3/16 10:00 AM CDT	5/3/16 11:04 AM CDT
Yes	Candler	David	dcandler@tapfin.com	5/3/16 8:23 AM CDT	5/3/16 9:46 AM CDT	5/3/16 11:04 AM CDT
Yes	Cantu	Jence	jence@medrelief.com	5/2/16 11:30 AM CDT	5/3/16 10:29 AM CDT	5/3/16 10:57 AM CDT
Yes	Carney	Michael	mcarney@cctc.com	5/3/16 9:56 AM CDT	5/3/16 9:56 AM CDT	5/3/16 11:04 AM CDT
Yes	Cooks	Myrna	mcooks@premierstaffingsource.com	5/3/16 9:55 AM CDT	5/3/16 9:56 AM CDT	5/3/16 11:04 AM CDT
Yes	Cooks	Simone	scooks@premierstaffingsource.com	5/3/16 9:16 AM CDT	5/3/16 9:16 AM CDT	5/3/16 11:01 AM CDT
Yes	Davis	James	jdavis@isymphony.net	5/3/16 9:23 AM CDT	5/3/16 9:23 AM CDT	5/3/16 11:04 AM CDT
Yes	Fortunato	Erin	erin.fortunato@yoh.com	5/3/16 9:45 AM CDT	5/3/16 9:45 AM CDT	5/3/16 11:01 AM CDT
Yes	Gottlieb	Adam	agottlieb@crosscountry.com	5/3/16 9:58 AM CDT	5/3/16 9:58 AM CDT	5/3/16 11:04 AM CDT
Yes	Harms	Laurie	laurie.harms@advantageresourcing.com	5/2/16 3:46 PM CDT	5/3/16 9:49 AM CDT	5/3/16 11:03 AM CDT
Yes	Harris	Elizabeth	eharris@premierstaffingsource.com	5/3/16 9:57 AM CDT	5/3/16 10:06 AM CDT	5/3/16 11:04 AM CDT
Yes	Harris	Justin	compliance@ingenesis.com	5/3/16 9:15 AM CDT	5/3/16 9:56 AM CDT	5/3/16 11:04 AM CDT
Yes	Hays	Robert	robert.moffat@hays.com.hk	5/3/16 9:28 AM CDT	5/3/16 9:34 AM CDT	5/3/16 10:53 AM CDT
Yes	Herman	Roxy	rherman@staffmanagement.com	4/27/16 12:33 PM CDT	5/3/16 9:57 AM CDT	5/3/16 11:01 AM CDT
Yes	Holt	Gloria	gholt@synergisticsdme.com	5/3/16 9:58 AM CDT	5/3/16 9:58 AM CDT	5/3/16 11:04 AM CDT
Yes	Lafayette	Lauren	Lauren@aspiremedicalstaffing.com	5/2/16 5:41 PM CDT	5/3/16 9:57 AM CDT	5/3/16 11:03 AM CDT
Yes	Laskar	Shahnaaz	shahnaazl@lancesoft.com	5/3/16 9:06 AM CDT	5/3/16 9:14 AM CDT	5/3/16 11:04 AM CDT
Yes	Lemere	Anne	alemere@crosscountry.com	5/3/16 10:00 AM CDT	5/3/16 10:01 AM CDT	5/3/16 11:04 AM CDT
Yes	M	N	nmarq28@me.com	5/3/16 9:57 AM CDT	5/3/16 9:57 AM CDT	5/3/16 10:32 AM CDT
Yes	Martin	Mary	mary.martin@pinnacle1.com	5/3/16 9:59 AM CDT	5/3/16 9:59 AM CDT	5/3/16 11:04 AM CDT
Yes	McCoy	Samantha	smccoy@agile1.com	5/3/16 7:45 AM CDT	5/3/16 10:10 AM CDT	5/3/16 11:04 AM CDT
Yes	McCree	Peter	peter.mccree@systemoneservices.com	5/3/16 10:02 AM CDT	5/3/16 10:02 AM CDT	5/3/16 11:04 AM CDT
Yes	Morgan	Rebecca	rebecca@mitprof.com	5/3/16 10:19 AM CDT	5/3/16 10:20 AM CDT	5/3/16 11:01 AM CDT

Yes	Murray	Curtis	curtis@deanstaff.com	4/27/16 6:31 PM CDT	5/3/16 9:26 AM CDT	5/3/16 11:04 AM CDT
Yes	Park	Stephanie	spark@utsystem.edu	5/3/16 9:01 AM CDT	5/3/16 9:58 AM CDT	5/3/16 11:04 AM CDT
Yes	Pedigo	Debbie	debbiep@pedigostaffing.com	5/3/16 10:00 AM CDT	5/3/16 10:01 AM CDT	5/3/16 10:52 AM CDT
Yes	Reilly	E	effie.reilly@yoh.com	5/3/16 9:57 AM CDT	5/3/16 9:58 AM CDT	5/3/16 11:04 AM CDT
Yes	Rhodes	Leon	lrhodes@zerochaos.com	4/29/16 1:24 PM CDT	5/3/16 9:13 AM CDT	5/3/16 11:04 AM CDT
Yes	Santiago	Diane	dianes@lancesoft.com	4/27/16 12:03 PM CDT	5/3/16 9:51 AM CDT	5/3/16 11:01 AM CDT
Yes	Schreck	Josh	jschreck@populusgroup.com	5/2/16 5:10 PM CDT	5/3/16 9:52 AM CDT	5/3/16 11:04 AM CDT
Yes	Shaikh	Mohsin	rfp.vtech@vtechsolution.com	5/3/16 8:32 AM CDT	5/3/16 9:57 AM CDT	5/3/16 11:04 AM CDT
Yes	Spence	Merilee	merilee.spence@impellam.com	4/27/16 3:57 PM CDT	5/3/16 9:56 AM CDT	5/3/16 11:02 AM CDT
Yes	Sullivan	Monty	monty.sullivan@roberthalf.com	5/3/16 9:44 AM CDT	5/3/16 9:44 AM CDT	5/3/16 11:01 AM CDT
Yes	Waller	Shilonda	swaller@premierstaffingsource.com	5/3/16 9:56 AM CDT	5/3/16 9:57 AM CDT	5/3/16 11:01 AM CDT
Yes	Young	Jennifer	jennifer@dcshq.com	5/2/16 2:49 PM CDT	5/3/16 9:52 AM CDT	5/3/16 11:02 AM CDT
Yes	Young	Teri	tyoung@chasesource.com	5/3/16 8:01 AM CDT	5/3/16 9:45 AM CDT	5/3/16 11:04 AM CDT
Yes	gascoigne	neil	neil.gascoigne@hays.com	5/3/16 10:11 AM CDT	5/3/16 10:13 AM CDT	5/3/16 11:01 AM CDT
No	Arthur	Kumani	kumani.arthur@manpowergroup.com	5/2/16 10:00 AM CDT	--	--
No	Barton	Kyle	kdbarton@mdanderson.org	5/3/16 8:35 AM CDT	--	--
No	Bushman	Jay	jbushman@managementapps.com	5/3/16 9:55 AM CDT	--	--
No	Greene	Gary	ggreene@zerochaos.com	5/3/16 9:20 AM CDT	--	--
No	Hayes	Zakrysha	zak@preciseinfosystems.com	4/28/16 9:29 AM CDT	--	--
No	Layton	Kimberly	kimberly.layton@hppstaffing.com	5/2/16 3:03 PM CDT	--	--
No	Lockwood	Michele	mlockwoo@utmb.edu	5/2/16 4:37 PM CDT	--	--
No	Main	Byron	BCMain@mdanderson.org	5/2/16 4:59 PM CDT	--	--
No	Malik	Fatima	fatima.malik@advantageresourcing.com	5/2/16 3:46 PM CDT	--	--
No	Pena-Salisbury	Susan	susan.salisbury@adeccona.com	5/2/16 4:19 PM CDT	--	--
No	Price	Mike	mprice1@mdanderson.org	4/29/16 11:43 AM CDT	--	--
No	Reagan	Dawn	dreagan@ingenesiis.org	4/27/16 12:19 PM CDT	--	--
No	Tutt	Michelle	michelle.tutt@adeccona.com	5/2/16 3:47 PM CDT	--	--
No	Watson	Raven	raven.watson@adeccona.com	5/2/16 4:29 PM CDT	--	--
No	Wofford-Garcia	Wendy	wofford@ingenesiis.org	4/27/16 1:17 PM CDT	--	--

Note: The following companies have provided additional, supplemental contact information :

Shelly Nihalani
 TexcelVision Inc.
shelly@texcelvision.com
 Ph:832 217 9502
 State of TX HUB vendor

Rebecca Morgan
MIT Professionals, Inc.
rebecca@mitprof.com
 713-934-9700 x100
www.mitprof.com
 State of TX Certified HUB

ChaseSource, LP
 TX HUB Certified
 Teri Young
 713-874-5831
tyoung@chasesource.com

Attendee Sign -In sheet

Pre-Proposal Conference-RFP UTS/A56 Managed Services Provider for Contingent Workers
 May 3, 2016

Name	Company	eMail	Telephone #
Cindy Davis	Knowledge Services	Cindy.De.knowledgeservices.com	317-806-6104
Jeff Niles	ShiftWise	jeff.niles@shiftwise.com	630-9136629
Calvin Smith	ShiftWise	calvin.smith@shiftwise.com	921-634-0988
Darren Montgomery	Cross Country Healthcare	Dmontgomery@ccrn.com	946-595-1257
Anne Florenoy	ExecuTeam	anne@executeam.com	713-952-6760
Dellie Ellis	RightSource	Dellie.RightSourceusa.com	409-747-6725

HUB



SUPPLY CHAIN ALLIANCE
THE UNIVERSITY of TEXAS SYSTEM
Creating Value Through Collaboration

RFP UTS/A56
Managed Services Provider for
Contingent Worker Staffing
Pre-Proposal Conference

Teleconference #: 877-226-9790

Participant Code: 727 7429#

May 3, 2016 10:00 AM

Agenda

- 👤 Introduction
- 👤 UT System Supply Chain Alliance (UTSSCA) Overview
- 👤 Sourcing Event Overview
- 👤 UT System HUB Program Overview
- 👤 SciQuest e-Sourcing Platform
- 👤 Questions & Answers
- 👤 Key Reminders
- 👤 Sourcing Event Contact(s)

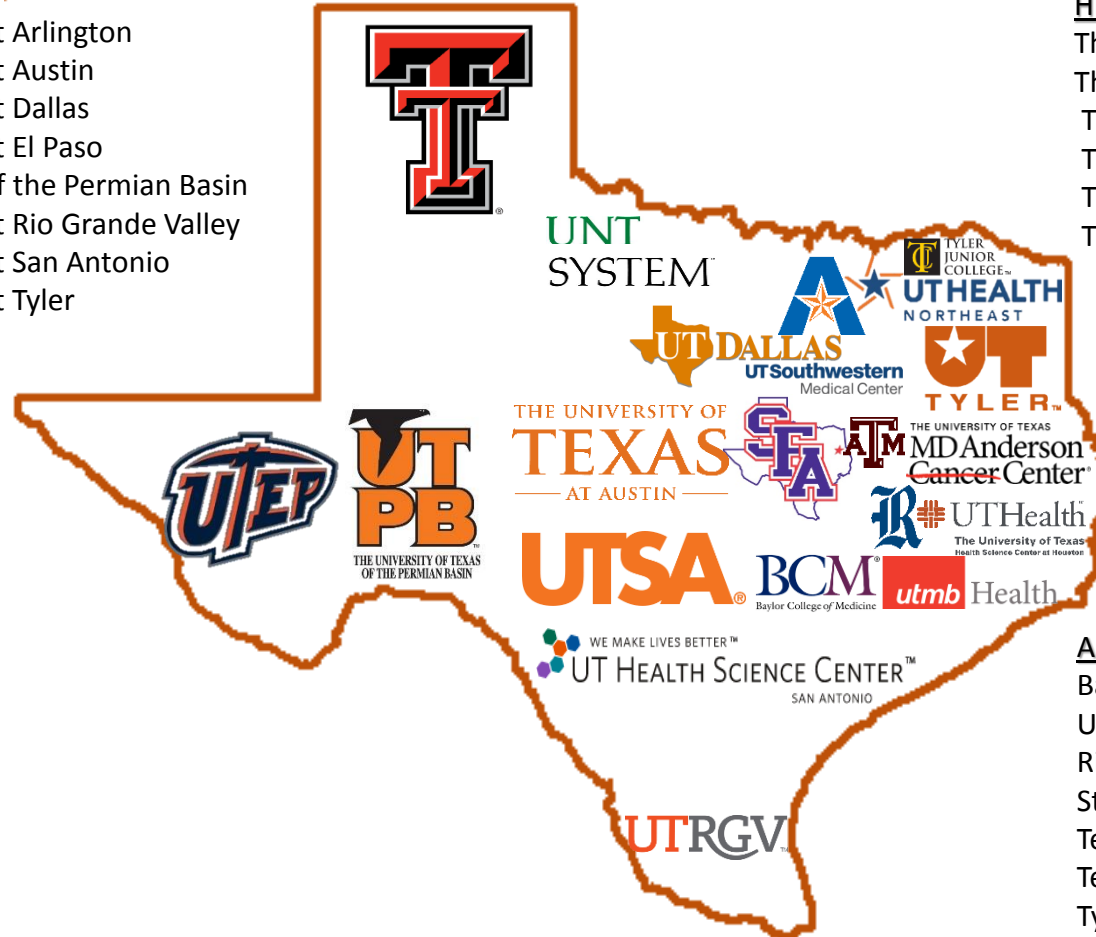
UT System Supply Chain Alliance (UTSSCA) Overview



The UT System Supply Chain Alliance

ACADEMIC

The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas of the Permian Basin
The University of Texas at Rio Grande Valley
The University of Texas at San Antonio
The University of Texas at Tyler



HEALTH

The University of Texas Southwestern Medical Center at Dallas
The University of Texas Medical Branch at Galveston
The University of Texas Health Science Center at Houston
The University of Texas Health Science Center at San Antonio
The University of Texas MD Anderson Cancer Center
The University of Texas Health Northeast

AFFILIATES

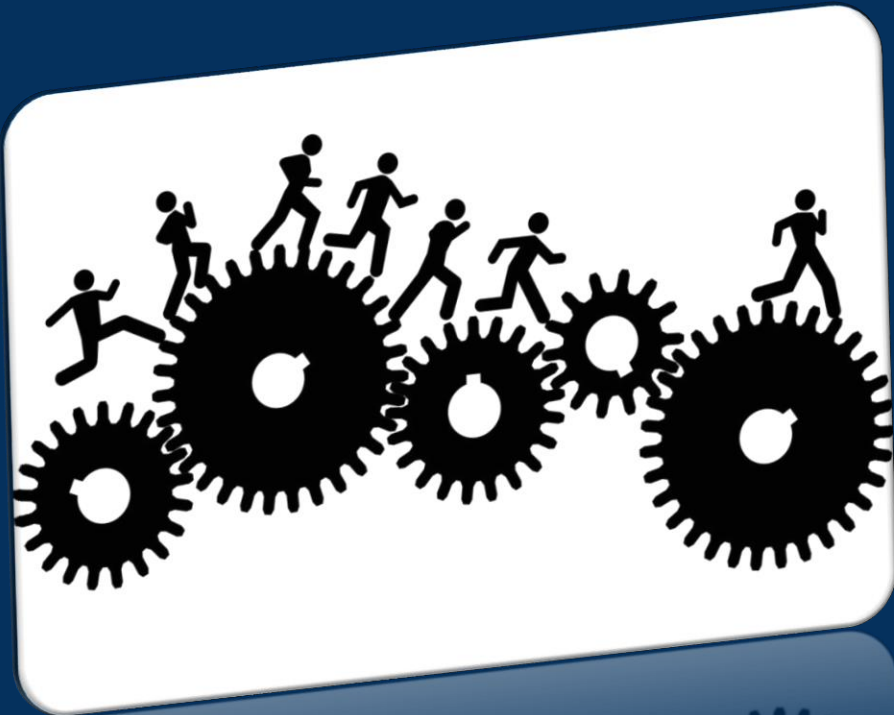
Baylor College of Medicine
University of North Texas System
Rice University
Stephen F. Austin
Texas A&M University System
Texas Tech University
Tyler Junior College System

University of Tennessee
Baylor University

“Creating Value Through Collaboration”

You can view the Supply Chain Alliance video online on our YouTube Channel:
<https://www.youtube.com/watch?v=klep1pw5u1E&feature=youtu.be>

UTSSCA Key Successes



FY16 marks the 9th year of operations for the Alliance

The Alliance contracts create a potential savings opportunity of over \$124M

The Alliance has more than 40 strategic supplier agreements and a GPO collaboration

Uniqueness of Alliance Contracts

- Commitment to deliver spend to Preferred Suppliers
- Institutional accountability for non-compliant spend
- Marketing and promotion of Preferred Suppliers
- Strategic Services Group – Advocates for both institutions and Preferred Suppliers
- Lower cost structure for Preferred Supplier to do business



UTSSCA UTS/A56
**Managed Services Provider for
Contingent Worker Staffing**

RFP Overview

Scope of Opportunity

- UT System estimates that the spend under the agreement will be upwards of \$60 million annually.
- The new contract will have a base term of up to 7 years subject to the competitiveness of the proposal we receive.
- The contract is available to all UT System institutions and Affiliates

Objective- Sourcing Event

- Comprehensive and guaranteed service and pricing structure
- Achieve cost savings for Institutional Participants
- Meet the needs of Institutional Participants for *ad hoc* staffing requirements and project staffing requirements
- Meet our HUB and Small Business Goals
- Improve overall customer satisfaction
- Team with Preferred Supplier to develop positive long term mutual benefiting solutions

Sourcing Event Key Dates

Date	Time	Event
4-18-2016	1:00 pm	Issue RFP Documents
5-3-2016	10:00 am	Pre-Proposal Meeting
5-5-2016	12:00 pm	<u>Deadline</u> to Submit Questions for clarification to RFP requirements - Section 2.2 of this RFP
5-13-2015	12:00 pm	<u>Deadline</u> for preliminary review of HUB plan
5-19-2015	3:00 pm	Proposal Submittal <u>Deadline</u>
July 2016		Selection of Finalists
August-Sept. 2016		Finalists Interviews and Negotiations
September 2016		Anticipated Contract Awards(s)

RFP Document Sections

Section 1

Introduction

- Description of UT
- Objective
- Background

Section 2

Notice to Proposer

- Timeline
- Contact Details

Section 3

Submission of Proposal

- Submittal Checklist

Section 4

General Terms & Conditions

- Exceptions Uploaded in SciQuest (Section 5.3.2)

Section 5

Specifications, Additional Questions, & Scope of Work

- Proposer's Survey

Section 6

Pricing Schedule & Affirmation

- Download & Return Signed Affirmation



Section 3.4: Submittal Checklist

- 3.4.1 Signed and Completed Execution of Offer (ref. **Section 2** of **APPENDIX ONE**).
- 3.4.2 Responses to questions and requests for information in the Specifications, Additional Questions, and Scope of Work Section (ref. **Section 5** of this RFP).
- 3.4.3 Signed and Completed Pricing Affirmation (ref. **Section 6** of this RFP).
- 3.4.4 Signed and completed copy of the **HUB Subcontracting Plan** or other applicable documents (ref. **Section 2.5** of this RFP and **APPENDIX TWO**).
- 3.4.5 Responses to Proposer's Survey (ref. **Section 5.5** of this RFP).

RFP Appendices

- Appendix 1 Proposal Requirements
- Appendix 2 UT System Policy on HUBs
- Appendix 3 Sample Preferred Supplier Agreement
- Appendix 4 Access by Individuals with Disabilities
- Appendix 5 **Electronic and Information Resources (“EIR”) Environment Specifications.**
- Appendix 6 **Security Characteristics and Functionality of Contractor’s Information Resources.**

Historically Underutilized Business (HUB) Overview

A "Historically Underutilized Business"...

- is a for-profit entity that has not exceeded the size standards prescribed by 34 TAC §20.23, and has its principal place of business in Texas, and
- is at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American, American woman and/or Service Disabled Veteran, who reside in Texas and actively participate in the control, operations and management of the entity's affairs.

Completing the HUB Sub-Contracting Plan (HSP)

- UT System Policy #137 requires a “good-faith effort” to include minority and woman-owned businesses in all of our procurement opportunities.
- All firms or individuals, both HUB and non-HUB, in-state or out-of-state, who propose on UT System opportunities, valued over \$100,000 are required to submit a HUB Subcontracting Plan with their RFP.
- Responses that do not include an HSP will be rejected as a material failure to comply with advertised specifications in accordance with the request for proposal.
- HUB Goal for this RFP is 26.00%

HSP Option 1: Subcontracting, all HUB vendors

OPTION 1 – If all of your subcontracting opportunities will be performed using only HUB vendors, complete the following sections

SEC 1.

- Respondent and Requisition Information

SEC 2.

- A. Yes, I will be subcontracting portions of the contract
- B. List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to HUB vendors
- C. Yes

SEC 3.

- Not applicable

SEC 4.

- Affirmation (*Signature Required*)

Attach &
Upload

- Sections 1-4
- Good Faith Effort (Attachment A) – Complete this attachment for each subcontracting opportunity from Section 2B.
- Letter of Transmittal

HSP Option 2: Subcontracting, HUB & Non-HUB

Meets or Exceeds the HUB Goal

OPTION 2 – If you are subcontracting with HUB & Non-HUB Vendors and the total % of HUB subcontractors meets or exceeds the HUB goal, complete the following sections

SEC 1.

- Respondent and Requisition Information

SEC 2.

- A. Yes, I will be subcontracting portions of the contract
- B. List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
- C. No
- D. Yes

SEC 3.

- Not Applicable

SEC 4.

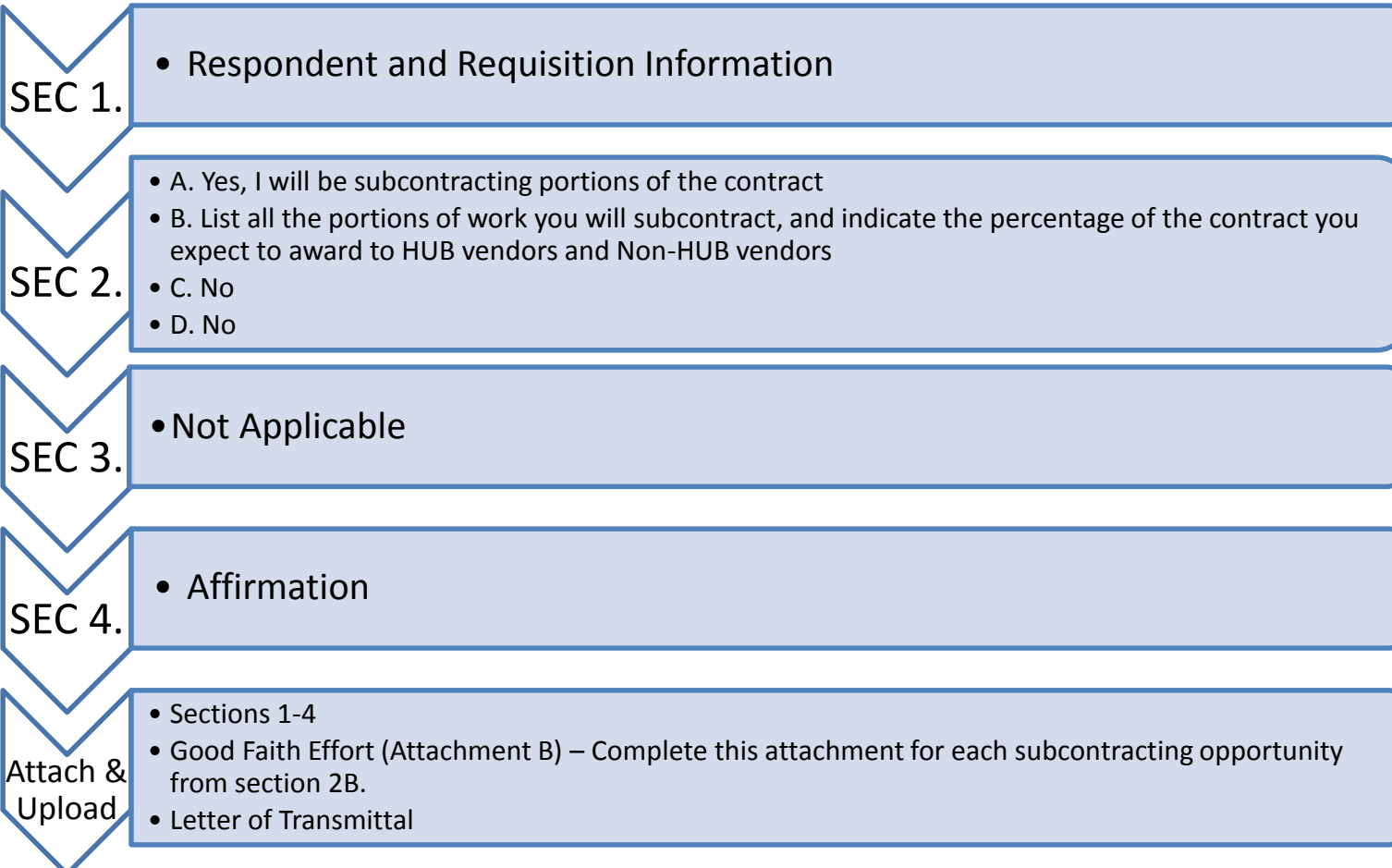
- Affirmation (*Signature Required*)

Attach & Upload

- Sections 1-4
- Good Faith Effort (Attachment A) – Complete this attachment for each subcontracting opportunity from Section 2B.
- Letter of Transmittal

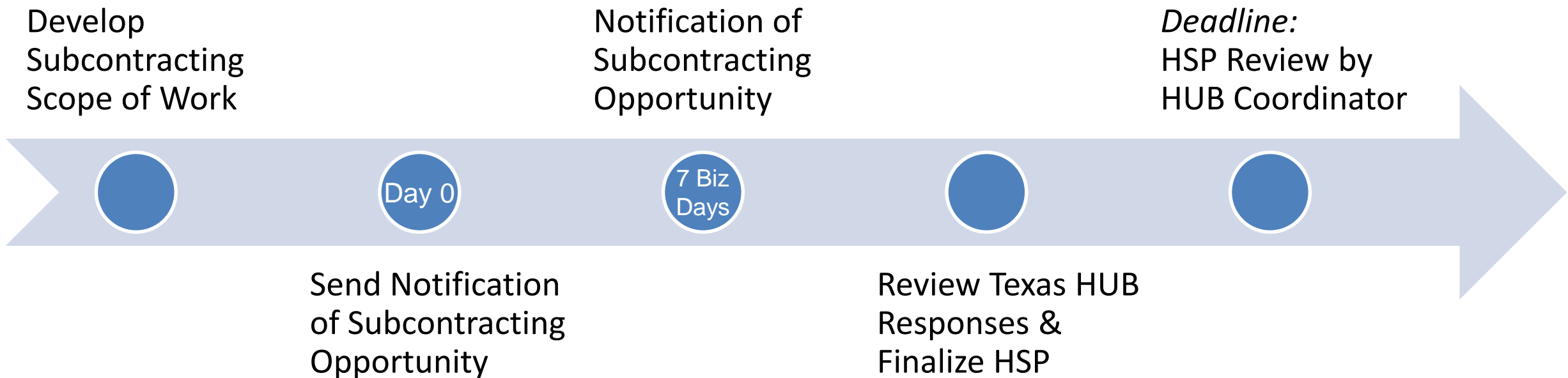
HSP Option 3: Subcontracting, HUB & Non-HUB

OPTION 3 – If you are subcontracting with HUB vendors and Non-HUB vendors (or only Non-HUB vendors), complete the following sections



HSP Option 3: Subcontracting, HUB & Non-HUB

If you plan to subcontract any portion of this RFP, you must complete Good Faith Effort (GFE) Method B. This requires a **7 business day notification** of the subcontracting opportunity to Texas certified HUBs and trade organizations or development centers.



Texas Minority & Women Organization Links:

<http://comptroller.texas.gov/procurement/prog/hub/mwb-links-1/>

HSP Option 4: Self-Performing

OPTION 4 – If you are not subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources, complete the following sections

SEC 1.

- Respondent and Requisition Information

SEC 2.

- A. No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources.

SEC 3.

- Self Performance Justification

SEC 4.

- Affirmation

Attach &
Upload

- Sections 1-4
- Letter of HUB Commitment

Required HUB Documents for Proposal Submission

- Letter of Transmittal or Letter of HUB Commitment
- HSP completed depending on your firms circumstances
(i.e. Option 1-4)

HSP FAQ's

- **Question:** I am certified as a State of Texas HUB. Do I still have to fill out the HSP?
 - **Answer:** Yes, every Proposer must complete the HSP or their Proposal will be disqualified.
- **Question:** If my company is based outside of the State of Texas, do I have to fill out an HSP?
 - **Answer:** Yes, your company's place of business is not considered for a HSP.
- **Question:** What are the cases that would exempt a company from filling out a HSP for this RFP?
 - **Answer:** None. Every Proposer must complete an HSP or their Proposal will be disqualified.
- **Question:** What is the biggest reason a Proposal may be disqualified during the RFP process?
 - **Answer:** **HSP was not received** or the Good Faith Effort was not met.

Before Proposal Submission



You may send the HSP to the HUB Coordinator for a preliminary review.

***By 12:00 pm CDT on May 13, 2016**

UT System HUB Program Contact Details

Cynthia Booker

UT System Administration
Office of HUB Development

Office: 409-772-1353

cbooker@utsystem.edu

- For a preliminary review of your HUB Plan, you must submit by **May 13, 2015** at **12:00 pm CDT**.
- **HSP must be submitted with your proposal response.** Responses that do not include an HSP will be rejected as a material failure to comply with advertised specifications in accordance with the request for proposals.

MD Anderson Supplier Portal

[SciQuest Sourcing Director](#)

THE UNIVERSITY OF TEXAS
MD Anderson
~~Cancer Center~~
Making Cancer History®

SUPPLIER MANAGEMENT PORTAL

Secure Account Login

Welcome to the University of Texas at MD Anderson Supplier Management Portal. Please login to begin.

✔ Please login to view the sourcing event.

Email

Password

[Login](#) [Trouble logging in?](#)

To create a new account please click the button below.

[Create Account](#)

Please contact MD Anderson Supply Chain Management Help Desk at SupplyChainHelpdesk@mdanderson.org or +1 (713) 745-7997 for assistance.

powered by
sciQuest

For registered supplier, click Supplier Portal Login

If you are a new supplier, click to register.

SciQuest Tips

- Upload Files
 - One file per question
 - Multiple files require users to upload a zip file
- Answering questions
 - Review and Submit
 - Green **check** mark

RFP Q&A



Key Reminders

- All questions need to be sent in SciQuest by **May 5, 2015** at **12:00 PM CDT**.
- Addendums will be published in SciQuest. Addendums will include:
 - Pre-proposal Conference PowerPoint
 - List of attendees (online & in person) from Pre-Proposal Conference
 - Questions from suppliers & Answers from UT System
 - Additional questions or information communicated about the RFP
- Complete Your HUB Subcontracting Plan (HSP)
- Complete & Sign The Execution Of Offer and all items in the Submittal Checklist
- Deadline for RFP submittal is **May 19, 2015** at **3:00PM CDT**.



Sourcing Event Contact(s)

Jeffery Bonnardel

Sr. Business Advisor & Sourcing Specialist

(713) 745-0899

jabonnardel@mdanderson.org

Cynthia Booker

UT System Administration

Office of HUB Development

Office: (409) 772-1353

cbooker@utsystem.edu

UTMDACC SciQuest Contact

Office: (713) 745-7997

SupplyChainHelpdesk@mdanderson.org

Thank you for your participation!





SUPPLY CHAIN ALLIANCE
THE UNIVERSITY of TEXAS SYSTEM
Creating Value Through Collaboration

RFP Submittal Deadline: **May 19, 2016** at **3:00**
PM(CST)

Addendum Issue Date: **May 11 2016**

ADDENDUM 2
REQUEST FOR PROPOSAL
UTS/A56
Managed Services Provider for
Contingent Worker Staffing

DIRECT QUESTIONS TO: Jeffery Bonnardel via the SciQuest System

ACKNOWLEDGEMENT OF THIS ADDENDUM 2 IS REQUIRED IN ACCORDANCE WITH **SECTION 1.2, OF APPENDIX ONE**, TO THE RFP. THIS RFP ADDENDUM IS A FURTHERANCE OF RFP **UTS/A56** AND IS NOT A CONTRACT OR OFFER TO CONTRACT. RFP UTS/A56 IS HEREBY AMENDED AS FOLLOWS:

Item One:

The following Documents are attached hereto and made a part of this Addendum 2.

1. Responses to Questions (Group 2a)

All other terms, conditions and requirements set forth in RFP UTS/A56 remain unchanged and in effect.

END OF ADDENDUM

Questions and Answers (Group 2a)
RFP UTS/A56 Managed Service Provide for Contingent Worker Staffing

PLEASE NOTE THAT THE FIGURES PROVIDED IN A.1, A.3, A.35, and A.36 ARE ESTIMATES ONLY BASED ON HISTORICAL INFORMATION. VOLUMES PURCHASED ON THE BASIS OF ANY AGREEMENT RESULTING FROM THIS RFP MAY INVOLVE MORE OR LESS THAN THE ESTIMATES PROVIDED. UT SYSTEM DOES NOT REPRESENT, WARRANT OR GUARANTY THAT PARTICIPANTS WILL PURCHASE ANY PARTICULAR DOLLAR VALUE OR ANY PARTICULAR QUANTITY, AND UT SYSTEM SPECIFICALLY DISCLAIMS ANY SUCH REPRESENTATIONS, WARRANTIES AND GUARANTIES.

Q.1 Are IC (1099), SOW, Payrolling in scope? If yes, please provide details regarding this spend.

A.1 Yes. Spend for Payrolling for 2015 is provided in the below Table.

Institution Name	Amount (\$)	Percentage of Total Spend
UTMDACC	\$2.35M	8.4%
UTMB	\$710k	5.5%
UTSW	\$318K	1.9%
UTHSC-H	\$158k	32%
UT System Administration	N/A	N/A

Q.2 In question 10.4.3 it's stated that "Several UT System institutions have implemented the JP Morgan Chase Single Use Account Program. Please indicate that you will accept payment under this program". Can you please provide enrolment material or information regarding that program?

A. 2 The JP Morgan Chase Single Use Account Program is a payment program using a Visa platform in lieu of a check or ACH payment. Please contact Karen Power at karen.a.power@jpmorgan.com 713.216.7889 at JP Morgan Chase for more details.

Q.3 Can you share with us the labor category breakdown and spend by category?

A.3 See Table below representing Spend in 2015

Period	Clinical	IT	Administrative	Non-Technical
Q1	\$ 2.19M	\$ 6.01M	\$ 1.43M	\$ 680K
Q2	\$ 3.62M	\$ 7.14M	\$ 1.65M	\$ 535K
Q3	\$ 3.94M	\$ 8.53M	\$ 2.05M	\$ 463K
Q4	\$ 4.80M	\$10.71M	\$ 2.65M	\$1.21M
TOTAL (\$)	\$14.25M	\$32.39M	\$ 7.78M	\$2.89M

Q.4 Is having clinical healthcare related MSP experience a pre-requisite to bid? -or- How heavily weighted is having clinical healthcare MSP experience?

A.4 The capacity to provide or not provide a particular category of contingent workers is not a pre-requisite to bid. A firm's ability to provide or not provide the full range of services and categories of contingent workers will be a factor in evaluation and selection.

Q.5 In regards to section 5.5 Survey Questionnaire do we need to answer the MSP and VMS tools. Even if we are a staffing Agency?

A.5 Answer those questions which best reflect what services you are proposing.

Q.6 Which stakeholders will be participating in the selection process?

A.6 It is planned that stakeholders from each entity currently accessing the Alliance contract will be participating in the selection process.

Q.7 Does University of Texas Systems plan on transitioning their current payrolled (referred) worker population to the new MSP?

A.7 No specific plan is established at this time. We look forward to your response to Proposer's Survey (Section 5.5) Questions 7.2 and 7.3.

Q.8 Do we need to submit Form 1295 for the RFP response? If so, what is the contract number?

A.8 No. Only the supplier awarded a contract will be required to submit a Form 1295.

Q.9 What is the anticipated temporary spend annually?

A.9 Reference RFP Section 1.3

Q.10 Do you have tenure limits in place?

A.10 Specific limits are not set across UTS.

Q.11 How many suppliers is University of Texas Systems planning to have transition into the new MSP program?

A.11 No specific plan is established at this time. We look forward to your response to Proposer's Survey (Section 5.5) Questions 7.2 and 7.3.

Q.12 Will The University of Texas Systems be mandating the MSP programs across all schools? If not, what is the strategy for program adoption?

A.12 No. Once a contract is issued a communication and marketing plan to promote the new contract its advantages, value-added benefits, savings, etc. is put in place by the Alliance's Strategic Services Group (SSG) in collaboration with the Preferred Supplier.

Q.13 Please confirm we can provide a “list of the exceptions,” and do not need to provide a redline of the documents in Appendix Three.

A.13 Yes, a list of the exceptions as stated in Section 4 and Section 5.3.2 is all that is required. Your response should clearly identify the specific item/section for which exception is being taken.

Q.14 Does current Preferred Supplier (MSP) provide W2 contingent workers (in addition to payrolled workers)?

A. Today all contingent workers provided are either through staffing agencies or are payrolled workers.

Q.15 Do you prefer that the awarded proposer also provide W2 contingent workers, or a true vendor neutral model, whereby the Preferred Supplier (MSP) does not provide W2 contingent workers?

A. 15 We will consider all models.

Q.16 Is the UT Supply Chain Alliance willing to sign a nondisclosure agreement for the VMS solution?

A.16 No. Please refer to RFP Appendix 1, Section 1.3 regarding Public Information.

Q.17 Does the current VMS solution integrate with PeopleSoft for consolidated invoicing.

A.15 At this time we have not moved to a VMS/PeopleSoft integration at any of our locations.

Q.18 Do you use sub-vendors or small service providers for assignments or SOW projects? If so, do you currently have them in your program? How many?

A.18 Yes. To date this has been on a limited, ad hoc basis.

A.19 What is the HUB utilization goal for the current MSP contract?

A.19 Twenty-six percent (26%).

Q.20 Question 8.21 seems to be repetitive to the question 8.19. Can UT expand on question for 8.21?

A.20 Both questions address risk management concerns. Each questions identifies a different kind of risk for which we would like your response.

Q.21 If you could pick three things that you most want out of an MSP/VMS partner, what would they be?

A.21 See RFP Section 1.2 and Section 5.2.2.

Q.22 With regards to UT System participants, once a vendor is awarded the contract, are there some participants that already know they will implement right away or is it expected that there will be a selling process for all participants?

A.22 Participation is on a voluntary basis. Actual commitment to participate will not be known until after selection of a Preferred Supplier and the signing of an Institutional Participation Agreement. See Q.12/A.12 above regarding marketing and communications.

Q.23 Do you have any light or heavy industrial contractors? If so, what percent of your contractors fall within these categories?

A.23 Yes. Annual spend for this category is listed in the table under Non-Technical in Q.3/A.3, above.

Q.24 Do you have any contractors outside of the US? If so, what are the locations and volumes?

A.24 No.

Q.25 What locations will your contractors primarily be working from?

A.25 To date, work has primarily been performed at the main campus locations for the institutions participating in the program.

Q.26 What are your payment terms (W2 and IC/Sub-vendor)?

A.26 Net thirty (30) days. Alternative payment terms may be offered per Proposer's Survey (RFP Section 5.5), Question 10.5.5

Q.27 1.18 - what does relevant market mean? Regional/national? Based on systems that have an MSP/VMS in place?

A.27 For this question we will define "relevant market" as regional for the contingent worker categories under this RFP.

Q.28 Is there a particular labor category that is more of a priority than others within the scope of this RFP?

A.28 No. Priorities vary from institution to institution and to subject change on an on-going basis.

Q.29 Is it the intention of UT System that all RFP proposers submit a list of agencies that meet HUB requirements as part of the HUB plan or is it only required upon award of contract?

A.29 Proposers are to list the HUB firms they currently have within their network of staffing agencies and also list those staffing agencies they plan to add to their network if awarded a contract with UTS.

Q.30 What types of background checks / drug screens do you require?

A.30 Each institution has its own set of requirements that will be defined under the Local Scope of Engagement.

Q.31 Section 5.5, item 3.6, may bidders provide CPA reviewed financial statements instead of CPA Audited financial statements?

A.31 Yes.

Q.32 Regarding the contract term and option years: Please clarify if there is a five (5) year base with all pricing fixed during the five year period? If not when may vendors request escalation?

A.32 Proposal that offer differing rates or cost structures over the contract base years and or the renewal period must clearly identify these differing rates and cost structures. If rates quoted are subject a formula or method of adjustment, Proposer must clearly define the formula/method for adjustment and must also indicate a maximum rate of adjustment (e.g., not to exceed 3%).

Q.33 Section 6 – UT Administrative fee: Is the 1% fee borne by the staffing vendor only or will HUB vendors also pay this fee?

A.33 The 1% Administrative Fee is paid to UTS by the Preferred Supplier.

Q. 34 Will Administrative Fees be due from awarded vendor to both UT Health Alliance as well as Premier?

A.34 The Administrative Fee requirement under this RFP and any contract resulting therefrom is specified in the RFP Section 5.2.1 and Section 6.2. Any vendor to which a contract award is made would pay the Administrative Fee to the Alliance, because the Alliance is acting as UT System's in-house GPO in procuring the subject services. If any participating institution buys services from the awarded vendor under UT System's master agreement with the vendor (and not under some separate, unrelated contract awarded to the vendor by some other GPO), the vendor most likely would pay the Administrative Fee only to the Alliance. (For obvious reasons, UT System can't provide advice regarding any vendor's specific contract commitments to other GPOs, so the preceding statement is naturally general in nature.)

Q. 35 How many suppliers are engaged under your current program?

A.35 In 2015, 89 suppliers were used.

Q.36 How many unique contingent workers worked were placed under your current program in 2015?

A.36 In 2015, 1532 contingent workers were used.