REQUEST FOR PROPOSAL

The University of Texas Health Science Center at Houston

for

Selection of a Vendor to Provide
Procure to Pay (P2P) Business Solutions

RFP No.: 744-R1913 – P2P

Bid Submittal Deadline: 5/31/19 at 2:00 PM CST
HUB Plan Submittal Deadline: 5/31/19 at 2:00 PM CST

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4/30/2019

REQUEST FOR PROPOSAL

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SECTION 1

INTRODUCTION

1.1   Description of University

Founded in 1972, The University of Texas Health Science Center at Houston (UTHealth) is one of the fourteen (14) component Universities of The University of Texas System. UTHealth is the most comprehensive academic health center in Texas, and is comprised of the following buildings & schools:

- Medical School (MSB) - 6431 Fannin Street
- Medical School Expansion (MSE) – 6431 Fannin Street
- Cyclotron Building (CYC) – 6431 Fannin Street
- School of Dentistry (SOD) – 7500 Cambridge Street
- School of Public Health (SPH) - 1200 Pressler Street
- School of Nursing (SON) – 6901 Bertner Avenue
- School of Biomedical Informatics (SBMI) - 7000 Fannin Street
- Graduate School of Biomedical Sciences (GSBS)– 6767 Bertner Avenue
- Biomedical & Behavioral Sciences Building (BBS) – 1941 East Road
- Institute of Molecular Medicine (IMM) – 1825 Pressler Street
- Harris County Psychiatric Center (HCPC) - 2800 South MacGregor Drive
- Operations Center Building (OCB) -1851 Cross Point Avenue
- University Center Tower (UCT) - 7000 Fannin Street
- Professional Building (UTPB) - 6410 Fannin Street
- Jesse H. Jones Library Building (JJL) – 1133 John Freeman Blvd.

UTHealth combines biomedical sciences, behavioral sciences, and the humanities to provide interdisciplinary activities essential to the definition of modern academic health science education. UTHealth is committed to providing health professional education and training for students, and is dedicated to providing excellence in research and patient care, which is offered through its clinics, Memorial Hermann Hospital System (its primary teaching hospital), and other affiliated institutions. UTHealth is a major part of the concentration of medical schools, hospitals and research facilities generally referred to as the Texas Medical Center.

The University of Texas Health Science Center at Houston System has nearly 8,000 employees and approximately 5,000 students. As a component of the University of Texas System, UTHealth is subject to the "Rules and Regulations of the Board of Regents of the University of Texas System for the government of The University of Texas System."

An "**Institutional Affiliate**" means our affiliated Clinical practice, U.T. Physicians group, as designated by University, in connection with any Agreement.

1.2   Background and Special Circumstances

The University of Texas Health Science Center at Houston ("University", "UTHealth"), is interested in procuring a business solution and cloud based technology to help support the "procure to pay" operations. The Institution has experienced rapid growth over the last ten years and is looking to modernize its operations by leveraging technology to help automate and reduce manual transactions. Key to this initiative is finding the best solution to support internal customer requirements across our six different schools, U.T. Physicians, and the Harris County Psychiatric Center.

1.3   Objective of Request for Proposal

The University of Texas Health Science Center at Houston is soliciting proposals from qualified vendors in response to this Request for Proposal 744-R1913 P2P (**RFP**) for selection of a Contractor/s to provide Procure to Pay business solutions more specifically described in **Section 5.2** (Scope of Work).

University reserves the right to (a) enter into an agreement or agreements for all or any portion of the functional areas set forth below in this RFP (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 University. Proposer submissions should be valid for at least eighteen (18) months. This is due to the fact that different functional areas may be awarded at different times and have different implementation schedules. Proposer may bid on all procure to pay functional areas or only on the areas that the Proposer offers a solution. Proposer is hereby notified that University will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by University.

This Request for Proposal (RFP) includes the following procure to pay functional areas which are open for submission from Proposers:

FUNCTIONAL AREA
Supplier Information Management
Supplier Enablement & PO/Invoice Automation: (PO dispatch, Invoice Receipt, automated invoice matching)
Procurement: Includes Catalog/Non-Catalog requisitions, budget check, workflow approvals, purchase orders, and receiving
Invoicing (PO & Non-PO)
Employee Expenses & Travel
Procurement Card (BuyCard) Management and Expense Reconciliation
Sourcing
Spend Analytics

1.4   Group Purchase Authority

Please be advised that multiple other University of Texas institutions have expressed interest in utilizing, or "piggy-backing" on, the contract that results from this RFP. It is likely (although not guaranteed) that the successful Proposer responding to this RFP will have the opportunity to provide solutions to multiple other University of Texas locations throughout the State of Texas through the contract that results from this solicitation.

Texas law authorizes institutions of higher education (defined by §61.003, *Education Code*) to use the group purchasing procurement method (ref. §§51.9335, 73.115, and 74.008, *Education Code*). Additional Texas institutions of higher education may therefore elect to enter into a contract with the successful Proposer under this RFP. In particular, Proposer should note that University is part of The University of Texas System (**UT System**), which is comprised of fourteen institutions described at http://www.utsystem.edu/institutions. UT System institutions routinely evaluate whether a contract resulting from a procurement conducted by one of the institutions might be suitable for use by another, and if so, this RFP could give rise to additional purchase volumes. As a result, in submitting its proposal, Proposer should consider proposing a pricing model and other commercial terms that take into account the higher volumes and other expanded opportunities that could result from the eventual inclusion of other institutions in the purchase contemplated by this RFP. Any purchases made by other institutions based on this RFP will be the sole responsibility of those institutions.

SECTION 2

NOTICE TO PROPOSER

2.1 **Submittal Deadline**

University will accept proposals until **2:00 PM Central Time,** on **Friday, May 31, 2019** (**Submittal Deadline**).

2.2 **RFP Contact Information and Questions**

Interested parties may direct questions about this RFP to:

> The University of Texas Health Science Center at Houston
> Procurement Services
> 1851 Crosspoint, OCB1.160
> Houston, Texas 77054
> Cleo Gonzales or Martha Amaya
>
> Email to: Cleo.B.Gonzales@uth.tmc.edu or Martha.G.Amaya@uth.tmc.edu
> Subject Line: RFP No. 744-R1913 – P2P

*University instructs interested parties to restrict all contact and questions regarding this RFP to written communications delivered (i) in accordance with this Section on or before **5:00 PM** on **May 10, 2019** (**Question Deadline**), or (ii) if questions relate to Historically Underutilized Businesses, in accordance with **Section 2.5**.*

University will provide responses as soon as practicable following the Question Deadline. University intends to respond to all timely submitted questions. However, University reserves the right to decline to respond to any question.

2.3 **Criteria for Selection**

The successful Proposer, if any, selected by University through this RFP will be the Proposer that submits a proposal on or before the **Submittal Deadline** that is the most advantageous to University. **Contractor** means the successful Proposer under this RFP.

*** Proposer must provide responses to ALL of the Minimum Qualification questions in Section 5.3.1 which University will utilize to qualify or disqualify the proposals to be considered for this RFP. Proposals that do not provide responses to ALL of these Minimum Qualification questions will be disqualified ***

Proposer is encouraged to propose terms and conditions offering the maximum benefit to University in terms of (1) service, (2) total overall cost, and (3) project management expertise.

The evaluation of proposals and the selection of Contractor will be based on the information provided in the proposal by the criteria listed below. Furthermore, University may consider additional information if University determines the information is relevant. **For example, the University may award multiple functional areas to a single proposer based on best value standardization.**

The criteria to be considered by University in evaluating proposals and selecting Contractor, will be those factors listed below:

> Company/Fit to University Objectives - The proposer's awareness of future directions and trends of Procure to Pay solutions as well as other related requirement fields that may be applicable to University. Proposer's experience performing the requested services for other similar, complex academic institutions. The Proposer's demonstrated competence, experience, and knowledge of P2P solutions is an essential requirement. Other factors to be evaluated will include:
> - Proposer's size, stability, financial strength, leadership, research and development, and product lifecycle
> - Demonstrated commitment to P2P Market and ability to offer comprehensive solutions
> - University and Proposer Collaboration

Implementation and Operation Plan - The soundness of the Proposer's approach to a new Procure to Pay solution. Proposer's experience implementing and performing the requested services for other complex institutions. Other factors to be evaluated will include:
- Proposer delivery and maintenance approach and past performance with other similar organizations.
- Proposed University project requirements, such as organizational structure, resource requirements, and additional project costs
- Delivery and support for training, adoption and on-going support/enhancements
- Support for University Change Management initiatives, including increasing more standardized processes and workflows across all venues of care and administrative functions.
- Support for developing and maintaining a highly disciplined and on-going Content Management and Governance Model.

Cost - Evaluation in this category will be based on the total cost to University for the scope of work outlined in this RFP. Proposers providing the best cost, value and discount will be scored higher in this category. Next ranked Proposers will be rated accordingly. University specifically notes and re-emphasizes that the total cost to University – including all applicable implementation, transition, consulting, cash flow disruption and related costs – will be included in this criteria, to the extent possible. Other factors to be evaluated will include:
- Total Cost of Ownership (TCO) will consider contract structure, capital mitigation, financing and sourcing total solution, including software, hardware, resources and services
- All one-time and recurring or on-going costs
- Additional requirements and/or recommendations for other categories of cost, such as Third party services, interfaces, subscriptions, etc.

Functional Requirements – Evaluation in this category will be based on the ability to meet the functional requirements and provide a solution in each of the functional areas outlined in the scope of work of this RFP.

Technical Requirements- Evaluation in this category will be based on the ability to meet the technical requirements and provide a technical solution in each of the functional areas outlined in the scope of work of this RFP.

2.4 Key Events Schedule

Event	Date	Time
Request for Proposal issued	4/30/19	
Pre-Proposal Conference	5/7/19	10:00 AM – 11:30 AM CST
Deadline for submitting questions	5/10/19	5:00 PM CST
Proposals Due	5/31/19	2:00 PM CST

*Interested parties that are unable to attend in person (1851 Crosspoint Avenue, Houston, TX 77054) must contact University personnel below for Pre-Proposal Conference call-in Information:

Cleo Gonzales   Cleo.B.Gonzales@uth.tmc.edu   713-486-6145

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 (**HUBs**) 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, Contractor subcontracts any Work, then Contractor must make a good faith effort to utilize HUBs certified by the Procurement and Support Services Division of the Texas Comptroller of Public Accounts. 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 University 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 University, its obligation to make a good faith effort to utilize HUBs when subcontracting any Work will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of Work by the Proposer is subject to review by University to ensure compliance with the HUB program.

2.5.2   University has reviewed this RFP in accordance with 34 TAC §20.285, and has determined that subcontracting opportunities are probable under this RFP.

2.5.3   A HUB Subcontracting Plan (**HSP**) is a required part of the proposal. The HSP will be developed and administered in accordance with University's Policy on Utilization of Historically Underutilized Businesses, attached as **APPENDIX THREE**.

*Each Proposer must complete and return the HSP in accordance with the terms and conditions of this RFP, including **APPENDIX THREE**. Proposers that fail to submit the HSP will be considered non-responsive to this RFP as required by* §2161.252, Government Code.

Questions regarding the HSP may be directed to:

Contact:	*Shaun McGowan*
	HUB & Small Business Program Manager
Phone:	*(713) 500-4862*
Email:	*Shaun.A.McGowan@uth.tmc.edu*

Contractor will not be permitted to change its HSP unless: (1) Contractor completes a new HSP in accordance with the terms of **APPENDIX THREE**, setting forth all modifications requested by Contractor, (2) Contractor provides the modified HSP to University, (3) University approves the modified HSP *in writing, and (*4) all agreements resulting from this RFP are amended in writing to conform to the modified HSP.

2.5.4   *At the same time Proposer submits its* proposal *(no later than the Submittal Deadline (ref. **Section 2.1))*,* Proposer must submit the following HUB materials (**HUB Materials**):

Two (2) complete original paper copies of Proposer's HSP.

Proposer's HUB Materials must be submitted (as instructed in **Section 3.2**) under separate cover and in a separate envelope (**HSP Envelope)** with the top outside surface clearly indicating:

2.5.4.1   RFP No. and the Submittal Deadline (ref. **Section 2.1**) in the lower left hand corner,

2.5.4.2   Name and the return address of Proposer, and

2.5.4.3   Phrase "HUB Subcontracting Plan."

Any proposal submitted in response to this RFP that is not accompanied by a separate HSP Envelope meeting the above requirements may be rejected by University and returned to Proposer unopened as non-responsive due to material failure to comply with advertised specifications.

University will open Proposer's HSP Envelope prior to opening the proposal to confirm Proposer submitted the HSP. Proposer's failure to submit the HSP will result in University's rejection of the proposal as non-responsive due to material failure to comply with advertised specifications.

NOTE: The requirement that Proposer provide the HSP under this **Section 2.5.4** is separate from and does not affect Proposer's obligation to provide University with the number of copies of its proposal specified in **Section 3.1**.

2.5.5   University may offer Proposer an opportunity to seek informal review of its draft HSP by University's HUB Office before the Submittal Deadline. If University extends this offer, details will be provided at the Pre-Proposal Conference (ref. **Section 2.6**) or by other means. Informal review is designed to help address questions Proposer may have about how to complete its HSP properly. Concurrence or comment on Proposer's draft HSP by University will *not* constitute formal approval of the HSP, and will *not* eliminate the need for Proposer to submit its final HSP to University as instructed by **Section 2.5**.

2.6   Pre-Proposal Conference

University will hold a pre-proposal conference at **10:00 AM, Central Time on Tuesday, May 7, 2019**, in Room **OCB1.160 of Operations Center Building (OCB) (1851 Crosspoint Avenue, Houston, TX 77054**). The pre-proposal conference will allow all Proposers an opportunity to ask University's representatives relevant questions and clarify provisions of this RFP.

*Interested parties that are unable to attend in person must contact University personnel below for Pre-Proposal Conference call-in Information:

Cleo Gonzales   Cleo.B.Gonzales@uth.tmc.edu   713-486-6145

SECTION 3

SUBMISSION OF PROPOSAL

3.1 **Number of Copies**

Proposer must submit (a) **two (2) complete paper copies of its *entire* proposal**, and (b) ***one (1) complete electronic copy of its entire proposal in a single .pdf file on a flash drive.** The copy of the Proposer's proposal bearing an original signature should contain the mark "original" on the front cover of the proposal.

3.2 **Submission**

Proposals must be received by University on or before the Submittal Deadline (ref. **Section 2.1**) and delivered to:

> The University of Texas Health Science Center at Houston
> Procurement Services
> 1851 Crosspoint, OCB1.160
> Houston, TX 77054
> Attn: Cleo Gonzales or Martha Amaya

3.3 **Proposal Validity Period**

Each proposal must state that it will remain valid for University's acceptance for a minimum of eighteen (18) months after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

3.4 **Terms and Conditions**

3.4.1 Proposer must comply with the requirements and specifications contained in this RFP, including the Agreement (ref. **APPENDIX TWO**), the Notice to Proposer (ref. **Section 2**), and the Specifications and Additional Business Requirement Questions (ref. **Section 5**). If there is a conflict among the provisions in this RFP, the provision requiring Proposer to supply the better quality or greater quantity of services will prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order of precedence:

> 3.4.1.1   Specifications and Additional Business Requirement Questions (ref. **Section 5**);
>
> 3.4.1.2   Agreement (ref. **APPENDIX TWO**);
>
> 3.4.1.3   Notice to Proposers (ref. **Section 2**).

3.5 **Submittal Checklist**

Proposer is instructed to complete, sign, and return the following documents as a part of its proposal. If Proposer fails to return each of the following items with its proposal, then University may reject the proposal:

3.5.1 Signed and Completed Pricing and Delivery Schedule (ref. **Section 6**)

3.5.2 Responses to questions and requests for information in the Specifications and Additional Business Requirement Questions Section (ref. **Section 5**)

3.5.3 Signed and completed originals of the HUB Subcontracting Plan or other applicable documents (ref. **Section 2.5** and **APPENDIX THREE**).

SECTION 4

<u>GENERAL TERMS AND CONDITIONS</u>

The terms and conditions contained in the attached Agreement (ref. **APPENDIX TWO**) or, in the sole discretion of University, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any agreement that results from this RFP. If Proposer takes exception to any terms or conditions set forth in the Agreement, Proposer will submit a list of the exceptions as part of its proposal in accordance with **Section 5.4.1**. Proposer's exceptions will be reviewed by University 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, then University may consider Proposer's exceptions when University evaluates the Proposer's proposal.

NOTE: The selected Proposer will be required to complete the Electronic and Information Resources Environment Specifications (Appendix Six) and Security Characteristics and Functionality of Contractor's Information Resources (Appendix Seven) documents, which will be incorporated into the Agreement.

SECTION 5

SPECIFICATIONS AND ADDITIONAL BUSINESS REQUIREMENT QUESTIONS

5.1   General: Project Goals & Annual Volumes

Primary Project Goal:
Streamline low dollar, high volume, "Procure to Pay" transactions through process re-design and automated P2P technologies to optimize customer satisfaction and reduce costs

General Project Goals:
- Review processes and develop a customer driven "one stop shop" ordering platform vs. multiple entry points.
- Reduce manual paper processes and increase automation to drive efficiencies. (e-catalogs, e-ordering, e-invoicing, automated invoice matching)
- Improve visibility to product descriptions and negotiated contract pricing via e-catalogs.
- Create clean spend data required for spend analytics while reducing ordering and invoicing errors.
- Reduce the number of blanket orders and BuyCard transactions not under contract
- Reduce manual paper processes and data entry and increase automated 3-way invoice matches to drive efficiencies.
- Faster payment processing and reduction of invoice exceptions through cleaner data
- Reduce IT time required for set up of e-ordering and e-invoicing cXML transmissions
- Improve Customer Service, Processes, and Create Value
- Supplier Portal to simplify vendor set-up and maintenance
- Awarded solution to integrate with PeopleSoft interfaces
- Drive more compliance to spend on contract and improve spend analytics
- Allow for multiple suppliers on one requisition
- Allow for standardization across schools
- Reduce manual transactions through automation

ANNUAL VOLUMES

Number of Users:	950
Date all Users need to be live in the system:	7/1/2020
Spend ($):	$285M
Date all Spend should be going through the system:	7/1/2020
Number of Purchase Orders:	52,000
Number of Invoices Processed (PO):	126,000
Number of BuyCard (P-card) Purchase Orders Processed:	17,000
Vouchers Approved (Non PO):	28,000
Vouchers Approved (Expense Reimbursement/Travel Reports):	23,000
Number of Active Suppliers:	8,814
Date all Suppliers need to be live in the system:	7/1/2020
Number of ERP instances:	1
Number of Charts of Accounts	21M combinations
Go Live date for the entire system:	7/1/2020

5.2   Scope of Work

<u>General:</u>
Contractor must provide all data backups and is responsible for all system maintenance including software upgrades to both the infrastructure (operating system, etc.) as well as the product. Contractor must be willing to guarantee uptime with a service level agreement (SLA) at 99.8% with commercial penalties for failure to perform. Contractor must be willing to provide a complete copy of purchasing data upon termination of contract. Contractor must have full capability for disaster recovery with service running simultaneously in geographically dispersed data centers. Contractor must provide regular and automated response-time performance monitoring.

The following is a current state summary of each functional area and considerations we are evaluating for future implementation.

- <u>Functional Area</u>: Supplier Information Management
    - o <u>Volumes</u>: 8,814 active vendors
    - o <u>Current State</u>: For vendor set-up, the requestor must first request the completed, signed and dated Tax forms from the individual or company to be paid for merchandise or services. This includes a W-9 for American citizens and companies, a W-8 BEN-E for foreign companies and a W-8 BEN & an Alien Tax Information form for individuals who are non-citizens. University requires a W-9 form and a clear valid copy of the green card for individuals who are United States Permanent Residents. These documents are sent to the vendor team via our secure dedicated fax or email. The vendor team then manually verifies the TIN information is correct and that it does not currently exist in our database. W-9s and all required documentation are stored on a shared drive. Then all documentation stored on the shared drive is imported into our database "Documentum".

        On Miscellaneous Services Codes (only for Individuals) University requires a current signed and dated W-9 or W-8 BEN & Alien Tax Information form when the individual is initially added. When there is a name change or an address change, we require a new W-9 or W-8 BEN. We also need new Tax information (W-9 or W-8 BEN) from companies, corporations, LLC's & attorneys that have a name change so that we can be sure that their corporate Tax ID number remains the same. If it changes, we must add a new supplier to our database. Refund Requests do not require any documents. The vendor team verifies that the social security number is correct and that it does not currently exist in our database. W-9s and all required documentation are stored on shared drive. Then all documentation stored on the shared drive is imported into our database "Documentum".

        University encourages requestors to always use the most recent revision of Tax Documents available at the IRS website. Refusal of any person or company to submit the required forms will mean that the State of Texas (and therefore, University) cannot do business with them without approval from the AVP of Procurement.

        With the information outlined above, the requestor then fills out Supplier Change/Add request in PeopleSoft. They are also encouraged to fill out the contact page with the requestor info if adding an individual and the company contact if they are adding a supplier. The Questions and Comments page details the information about the supplier and what's being purchased/paid for.

        The completion tasks for the vendor team include checking the state and federal sites for discrepancies. These checks include, State of Texas Comptroller's Office (Sales Tax Compliance Status), the Federal Visual Compliance (Restricted Party Screening) Federal Office of the Inspector General (The Exclusions Database) State Office of the Inspector General (State Fraud). Federal System for Award Management (checks whether the company comes up as a US entity).

        The vendor team also adds the Tax ID information, and any additional information supplied by the requestor but not added on the request. After all checks are completed and information added, the code is approved and uploaded for use. Once a vendor is active, there are no routine checks to validate that all information is correct.

    - o <u>Considerations:</u> Supplier portal allows direct entry of data and centralized archiving of critical information. Validation of information is updated on an automated basis. Establish workflow rules around review and approval.

- Functional Area: Supplier Enablement & PO/Invoice Automation (PO dispatch, invoice receipt, automated invoice matching)
  - Volumes: University currently has ten (10) PunchOut suppliers enabled, nine (9) of which utilize cXML PO dispatch methods directly from PeopleSoft. PunchOut purchases represent 28,669 purchase orders issued or 56% of the annual PO volume of 52,000. All other orders are dispatched via email or fax. University receives cXML invoices, which total 39,000 or 31% of the annual vouchers processed. The remaining 69% (86,000) invoices are received via pdf, email, and paper, which creates high volumes of match exceptions. Please refer to **Exhibit-A** which outlines our top 200 suppliers that we receive invoices in a paper format.
  - Current State: cXML PO's are dispatched and invoices are received electronically from enabled suppliers via PeopleSoft. Virtual private network (VPN) connections between enabled suppliers and UTHealth are established in-house and not through Jaggaer. Jaggaer is our current supplier that we utilize only for e-catalog shopping. The supplier enablement process is coordinated by Procurement and facilitated by our IT department technical representatives, University IT Security, and Supplier's IT Security groups. This process often is cumbersome and time consuming since Suppliers must tailor their enablement to specific UTHealth requirements. Often a single enablement can last months. POs that maintain a Valid Budget status from requisition sourcing and do not require Procurement due diligences are batch dispatched. POs are dispatched to Vendors directly from PeopleSoft using the designated method setup in Supplier records: cXML, fax, or email. Currently, order documentation attachments are not supported in PeopleSoft. Order documentation is emailed to a central procurement services email box. All support documentation and the purchase order are printed, and then manually scanned into the procurement document repository, "Documentum" by procurement staff for orders over $15,000.
  - Considerations: All supplier enablement and electronic connections are to be established by Contractor on behalf of University. The solution should outline additional strategies to reduce paper invoice submissions and minimize match exceptions. This may include any third party options that the Contractor may present as part of their solution. The supplier should indicate any additional functional area modules that must be procured to support optimization of the proposed solutions.

- Functional Area: Procurement
  - Includes: Catalog management, requisition build (catalog or non-catalog), budget check, workflow approval, purchase orders, and receiving
  - Volumes: Peoplesoft manual special requests are approximately 23,000 per year (15,000 have paper requisition forms), e-Procurement Catalog requests are approximately 29,000 per year (account code manually entered into Peoplesoft), and total number of PO's are approximately 52,000 per year.
  - Current State: University utilizes PeopleSoft Financial Management System 9.2 ("FMS"), PUM 29 and is currently transitioning to Fluid format for its ERP system of record. Procurement transaction entries originate from the FMS eProcurement module and are keyed by both centralized and decentralized users across campus. University currently only integrates with Jaggaer's eCatalog feature of their Spend Director module. FMS eProcurement utilizes five (5) Requisition Origins: Catalog Requisition (CAT), Special Request (SPL), Point of Sale Request (POS), Internal Services Department Requests (INT) & Travel & Misc. Services Request (TRV) Origins. For the purposes of this functional area, the focus is on Catalog & Special Request entries.

    Pre-Requisition – Defining Order Needs
    - e-Procurement: University utilizes Jaggaer's Cart Assignment functionality to allow Non-PeopleSoft users (typically Lab Researchers) direct access to available Hosted and PunchOut catalogs. Non-PeopleSoft users are able to route carts for processing. Cart routing is accomplished using Jaggaer workflow and group email accounts. Users who do not use the Cart Assignment functionality must submit order requests manually and buyers must process these requests manually.
    - Supplemental Systems: Numerous supplemental systems are used across campus by End Users to aid in the compilation of ordering needs and to facilitate Information Technology approvals prior actual PeopleSoft FMS RQ entry. These supplemental systems include:
      - Animal Care's Vivarium Management System, Tick@Lab
      - School of Public Health's in-house customized preordering system
      - School of Dentistry's inventory/ preordering system, Axiom
      - Medical School
        - Information Technology's in-house customized approval system
        - Manual paper requisitions are approximately 11,000 per year
      - Facilities Management
        - Manual paper requisitions are approximately 4,000 per year

- Outputs from supplemental systems and/or traditional paper form requests are presented (typically in an email format) to designated Departmental/Procurement Buyers for manual entry into the PeopleSoft FMS System. This often involves multiple touches and duplicate entry. Jaggaer Cart Assignments are integrated with PeopleSoft except for the chartfield (account) which is manually entered into PeopleSoft.
- All three of these methods involve multiple manual entry points. This negatively impacts data quality (contract identification, price discrepancies, incorrect item descriptions/unit of measure, etc.), creates staffing inefficiencies and limits visibility of contracted purchasing volumes.

Requisition Entry
- Requisitions are keyed as either CAT or SPL Origin orders. CAT orders utilize the Jaggaer catalog showcase to create carts via Hosted or PunchOut catalogs. CAT based requisitions created using PunchOut catalogs are the preferred and most efficient method as they allow for cXML transmissions which automates the PO dispatch and invoice payment processes. Negative impacts of CAT orders include: (1) the inability to accommodate customized quote retrievals for some PunchOut Suppliers – resulting in increased SPL order entries, (2) price discrepancies of Hosted Suppliers – resulting in match exceptions and (3) manual entries of GL account information.
- SPL Origin orders require manual entries throughout the entire order life cycle and presents inefficiencies in data capture, contract management and payment process.

Budget Checking/ Approval Workflow/ Sourcing
- Budget Checking is done at the requisition entry level, prior to submitting for approvals.
- Once the requisition data is keyed and Budget Checked, the requisition routes through workflow for Departmental, Capital Assets and Procurement approval. Workflow provides limited financial threshold levels and requires local network and system authentication for approval.
- Requisitions are sourced either by batch processes or manually by authorized procurement staff into POs. POs are then batch scheduled for dispatching or queued for Procurement due diligence.

Receiving
- Receiving is done at multiple entry points by either the order Requestor, Buyer or authorized procurement staff within PeopleSoft.
- Requires local network and system authentication for entry into PeopleSoft and when missing creates match exceptions in accounts payable and delays payment. Email notifications are sent to requisition Requestors and Buyer when Receiving match exceptions occur.

- o Considerations: Create one point of entry for the creation of all requisitions both catalog and non-catalog. This would include the elimination of paper for non-catalog requisition build, higher use of electronic catalogs, and higher contract visibility. The goal is that 80% of orders are initiated via electronic catalogs. We also would implement e-procurement cart features across the entire campus. PO support documentation would be attached to the requisition. Budget checks and workflow approval routing would occur outside of PeopleSoft but must have integration points with PeopleSoft. The Purchase Orders would be dispatched outside of PeopleSoft. Supplier enablement or on-boarding would be managed by Contractor. A receiving function that may be based on pre-defined business rules and may allow for receiving on cell phone and tablets.

- Functional Area: Invoicing
  - o Includes: PO & Non-PO
  - o Volumes:
    - PO: Accounts Payable currently processes approximately 126,000 PO invoices per year of which 39,000 are electronic cXML loaded and 86,000 are paper invoices or 69% of the total.
    - Non-PO: Invoices and vouchers approved: 28,000 annually
  - o Current State: Accounts Payable vouchers are entered in PeopleSoft by file uploads or the Accounts Payable Team (AP). End Users typically create Non-PO Invoices/Vouchers.

    - PO Invoices

      Invoices are sent by the supplier to various departments across the University in the form of paper and email. The department reviews the invoice and/or it sits at their location before sending the invoices to our centralized Accounts Payable department, which causes a delay in

processing time. AP also receives a high volume of paper invoices via mail and email from suppliers and University departments as well as electronic loaded invoices. Once an invoice is received, each is manually sorted by mail clerk and valid invoices scanned into ImageNow (Brainware). Brainware uses an OCR technology to sort the invoices by assigned set group of alphas into an AP processor's work queue. Queues are viewed/worked by processer, manually reviewing each invoice for data entry into FMS according to supplier setup payment terms. The stored ImageNow document is linked to FMS voucher. Batch Budget checks and 3-way matching jobs run periodically against valid vouchers for payment scheduling. Invoices requiring signature approval are emailed to the departments for signature approval prior to data entry. Data entry is done after approval with attached email or signature approval added to the document image. Documents with missing PO information or pricing issues require departmental contact or return to vendor. Documents are saved for later review after response or voided until issue is resolved and returned with corrections. The PO details will then populate and the processor will again manually audit the invoice to the PO details to ensure items billed match the PO and makes changes as necessary. Processors receive daily matching exceptions report which are reviewed and resolved within 45 days or less by processor's periodic contact/follow-up with buyer or requester of items. In addition, systematic emails are sent to the buyer and requester of the requisition indicating that an invoice exists for their purchase order and there is a matching exception which needs to be handled for payment. Our system supports a zero percent tolerance and until a PO invoice fully matches or an exception clears, it cannot route for payment.

- Non-PO Invoices
  This transaction is utilized to facilitate non-routine or non-recurrent payments where direct disbursement of funds is allowed and prior encumbering of funds is not necessary. For example, prepaid items, refunds, institutional memberships, some student/employee reimbursements, subscriptions or purchases made outside of the procurement process. Non-PO vouchers generally originate within the department and are final approved in workflow by Disbursements or Employee Reimbursement for payment. Certain rules apply for oversight. The method of departmental upfront approval varies by school or department. There is no standardization departmentally other than the Medical School e-form centralized process for entry. An administrative person receives a paper signature approval on a request form with relevant supplier, chartfield information/invoice to use for voucher data entry into PeopleSoft directly or into an e-form. The administrative person scans the received supporting documents in electronic form and attaches to the Voucher or e-form using ImageNow scan and link process. The voucher builds and is submitted to a budget checking process. Once valid budget checked, the voucher must be reviewed by the departmental administrative person and submitted to PeopleSoft workflow for the necessary review and approvals as specified by the chartfield workflow rules. The voucher may be denied or pushed back in the process for corrections at any level of approval. After final approval is complete the voucher is picked up in the daily manual pay cycle process and paid to remit supplier.

  o Considerations: Use of forms to initiate process, and work flow approvals to facilitate review. Higher use of automation.

- Functional Area: Employee Expenses & Travel
  o Volumes: The Employee Expenses & Travel team currently approves 23,000 vouchers/invoices.
  o Current State: The University permits the payment and reimbursement of certain expenditures incurred by employees, students, and miscellaneous services suppliers in the course of their official duty and responsibility to the State. PeopleSoft is the one system where all travel and miscellaneous services request are entered, maintained, and processed. Two groups are using the UT Travel functionality: End Users and the Expense Reimbursement Team (ERT).

    - UT Travel (UTTRV) Requisition– Before a trip, End Users will enter requests into FMS for travel and employee and misc. services suppliers travel expenses, utilizing a Bolt-on travel kit with associated Cost or No Cost Travel details. Airfare Business travel ticketing information is acquired through Concur or directly through the travel agent group and interfaced with Citibank voucher build against an FMS UTTRV travel purchase order from the department. See Non-PO invoice procedure for employee, student and miscellaneous reimbursements not associated with a Cost or No Cost travel.

    - UTTRV PO – After a trip, PeopleSoft FMS manual PO voucher data entry in departments to an associated UTTRV Cost travel purchase orders and will have associated documents scanned and linked into ImageNow or may follow the medical school process of e-form voucher build load and routing in approval framework workflow for Employee Reimbursement audit and final

approval for payment. Employee Reimbursement will view requisitions and purchase orders, process necessary travel advances, update Cost Travel information when necessary, enter vouchers for airfare expenses, and inquire on and run travel reports.

- UTTRV PO Invoices – End Users manually enter a requisition that could include expenditures for airfare, registration, and various reimbursable expenses. End User uses UT Travel pages to set up and later track travel information for both cost travel and non-cost travel expenses. PeopleSoft then sources the requisition into one or more purchase orders (POs) as there must be a different PO for each supplier (payee). After the purchase orders are dispatched, the department buyers will contact the University's travel agent (Concur) with the PO number to confirm the airline reservation. The agent will then book the transportation and charges the department's Business Travel Account (BTA). This is also a "ghost" procurement card. If the traveler is approved for a travel advance, Employee Reimbursement Team (ERT) manually enters a Non PO voucher for the amount of the advance. ERT updates the purchase order with a line for the travel advance. Prior to the trip or event, the End User can enter a PO voucher for registration fees. After the trip, the End User can enter a PO voucher to process reimbursement of travel expenses, and manually scan in copies of any receipt for backup into ImageNow. If the travel advance is more than the travel expense, the employee owes the University. If the opposite is true (or there was no advance), a payment will be generated from Accounts Payable. ERT will manually reconcile travel-related open items

- UTTRV Non-PO Invoices – End users manually enter an invoice (Non PO voucher) into FMS for invoices with no pre-existing purchase order. Associated documents are scanned and linked in ImageNow to attach to the FMS voucher. The voucher along with the linked documents routes through workflow as defined in the FMS approval framework workflow. The necessary levels of approval for each are obtained to reach final audit and approval by Administrative Accounts payable or Employee Reimbursement groups.

- The Medical school group utilizes an ImageNow e-form process link located on the Medical School website for departmental data entry. The entry person attaches associated documents for the voucher request form to the e-form. The data entry person must validate the entered information for payment request with chartfield to submit the form for voucher build processing overnight. The e-form submitted is picked up in a nightly FMS voucher build load. The vouchers load for next day review by Medical School finance group processors. After review, the medical group processors push the documents forward and submit them into FMS approval framework workflow. The necessary levels of approval for each are obtained to reach final audit and approval by Administrative Accounts payable or Employee Reimbursement groups.

- o Considerations: Reduce the use of multiple forms, systems, and manual processes. Solution for submitting additional backup and receipts in a more efficient and customer friendly manner.

- Functional Area: Procurement Card (BuyCard) Management and Expense Reconciliation
  - o Volumes: This UT Health BuyCard program has 368 cardholders that create approximately 17,223 Point of sales (POS) purchase orders with an encumbrance of 6.5M annually.
  - o Current State: The UT Health BuyCard is provided to faculty & staff as an alternate method to pay for purchases of goods and services that are not available through other purchasing methods such as the eProcurement catalog. In order to ensure our program's integrity, the Program administrator & Compliance coordinator reviews the daily downloads for unapproved transactions to determine whether the items being purchased comply with established standards. The cardholder has the UTHealth BuyCard for a two-year period and then an audit of all transactions are evaluated to assess the following requirements: two signatures on Citibank Monthly Statements and sales receipts with pricing. All statements and receipts must be kept in hard copy by the card holder.

    To be considered for a Buycard, an employee must have taken the prerequisites at the time of application; FMS Financial Overview and FMS eProcurement training. The application must be approved by Departmental Approver. All required fields must be populated, including: last four digits of the employee ID number, default chartfield string, and designated proxy/reconciler(s). The single purchase limit for the BuyCard is $2,000.

BuyCard onboarding and compliance requirements
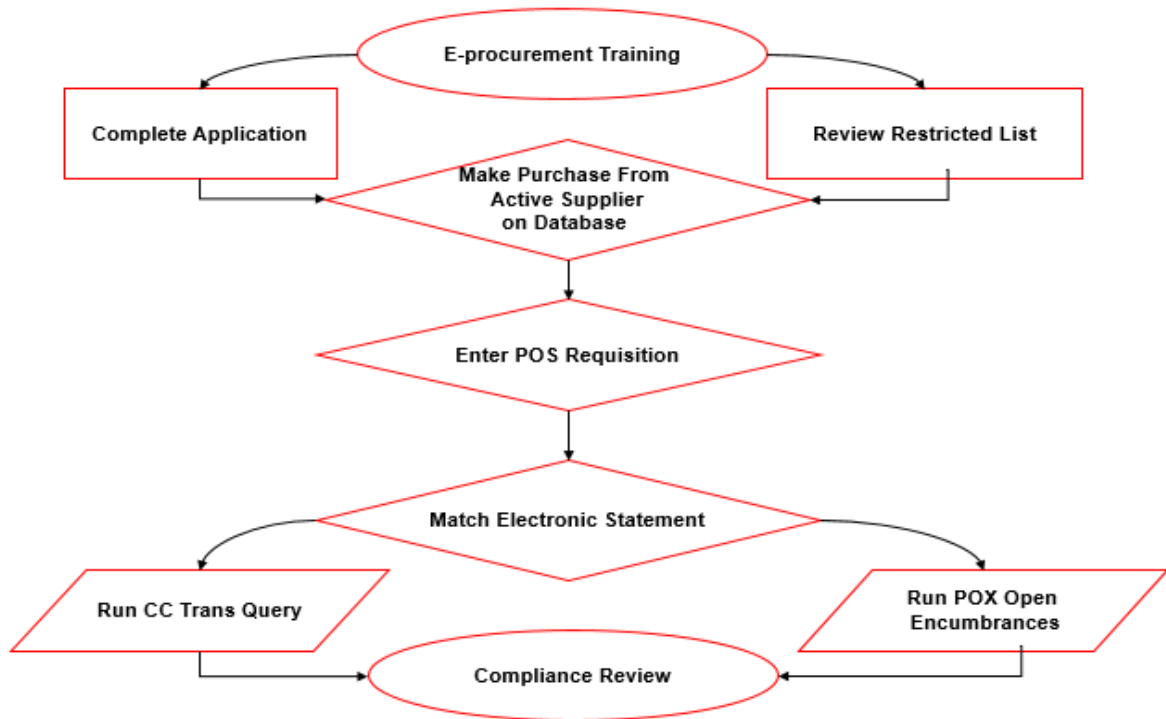
The UTHealth BuyCard CitiBank Payment Procedures consists of several steps. The billing cycle is on the 15th of each month. The bank statement files must be downloaded from the Citibank GCMS system, renamed to BUYCARD_STG_STMT_LOAD.TXT, and placed into the \fprd\user\Interfaces\Inbound\PCard folder daily. Once the daily file is verified, the transactions are loaded into Financial Management System (FMS). The Bank Statement Workflow will email the cardholders. The cardholders will then match the online statement lines to the individual purchase order lines in the electronic statement. Also, please note the following are recurring deadlines:

- The cardholder's reconciliation deadline is the fourteenth of each month. This is when the cardholder enters in a POS requisition into PeopleSoft to encumber funds and begin the monthly reconciliation process.
- The RECON ALL (Payment process is on 15th of each month).
- Voucher build will run the night of the 15th.
- All corrections to vouchers that do not budget check must be resolved by the 20th of the current month.
- The Electronic funds transfer (EFT) payment will generate on the 28th of the current month.
- Finally, send the Citibank reconciliation supporting documentation to disbursement on the 30th of each month.

   o Considerations: Opportunity exists for better control of what is bought on the BuyCard. For example, being able to limit Amazon.com purchases. These controls may be involved with workflow, access, or some other method. An improvement needs to be made on our reconciliation process. Currently, over 17,000 POS purchase orders annually. These are processed after the card has been used and creates a cumbersome and highly manual reconciliation process.

- Functional Area: Sourcing
  - Volumes: 158 bids per year with a value greater than $50,000, and 135 bids per year with a value between $15,000 and $50,000
  - Current State: All bids are drafted in Word and posted on the Procurement bid opportunities website for solicitation. Bids are received via hard copy with one copy per team evaluator. After the bids come in, all questions are scored manually by a team of evaluators using Excel spreadsheets. A buyer combines the individual scores to calculate the overall score and combines it with the pricing score. The winning proposal is stored electronically on a local shared drive, and hard copies of all proposals are stored in the Procurement office.

- o Considerations: All bids are created using an e-sourcing tool. This includes the bid itself and scoring of proposals. All bid documentation would be stored in the e-sourcing tool.

- Functional Area: Spend Analytics
  - o Volumes: Current spend is approximately $280M annually on goods and services
  - o Current State: Currently, we track spend through a report called the Non-Salary Spending Report. This provides payment data from the previous two (2) years through the end of the previous month. The Non-salary Spending Report along with the Supplier Master reports are sent to Premier (UT System contract for spend analytics) monthly via a scheduled batch process. Premier scrubs and categorizes the data using UNSPSC and/or NIGP standard and uploads it into their Premier Spend Analytics tool.
  - o Considerations: Provide custom reports that allow us to review payment metrics and allow for benchmarking in real-time against a market average to determine areas for improvement in savings. Reports should allow us to view different date ranges and data from previous years. Users should be able to create their own custom reports for specific suppliers, items and date ranges. Ability to track contract spend by line item.

5.3   Minimum Requirements
The following Minimum Qualification questions in this Section will be used to qualify or disqualify the proposals to be considered for this RFP. Proposals that do not provide responses to all of these Minimum Qualification questions will be disqualified.

5.3.1   A) Implementation experience at two (2) institutions of higher education with at least 5,000 people (staff and faculty). These implementations must be cloud-based solutions within the last five (5) years. List institutions and reference contact information.

B) Experience with at least five (5) successful PeopleSoft integrations. These integrations must be cloud-based solutions within the last five (5) years. Specify what modules or solutions were implemented. List locations and reference contact information.

5.4   Questions Specific to this RFP

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

5.4.1   If Proposer takes exception to any terms or conditions set forth in **APPENDIX TWO**, Proposer must submit a list of the exceptions.

5.4.2   Proposer agrees to comply with Certificate of Interested Parties laws (ref. §2252.908, *Government Code*) and 1 TAC §§46.1 through 46.5) as implemented by the Texas Ethics Commission (**TEC**), including, among other things, providing TEC and University with information required on the form promulgated by TEC and set forth in **APPENDIX EIGHT**. *Proposer may learn more about these disclosure requirements, including applicable exceptions and use of the TEC electronic filing system, by reviewing* §2252.908, *Government Code, and information on the TEC website at* https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html. **The Certificate of Interested Parties must only be submitted by Contractor upon delivery to University of a signed Agreement. Note – if your company is a publicly traded business entity, including a wholly owned subsidiary of the business entity, this form will not be required.**

5.4.3   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 FIVE, 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: A GENERAL OBJECTION IS NOT AN ACCEPTABLE RESPONSE TO THIS QUESTION.

5.5   Functional Area SOW Narrative Response:

The following procure to pay functional areas are open for submission from Proposers:

MANDATORY FORMAT: IDENTIFY WHICH FUNCTIONAL AREAS YOU ARE SUBMITTING A PROPOSAL. TABS IN YOUR PROPOSAL **MUST** BE CREATED FOR EACH FUNCTIONAL AREA THAT YOU RESPOND AND MUST CORRESPOND TO TAB NUMBER BELOW. FAILURE TO SUBMIT IN THIS FORMAT MAY DISQUALIFY YOUR PROPOSAL SUBMISSION.

FUNCTIONAL AREA	PROPOSAL SUBMITTED (YES/NO)	TAB NUMBER
Supplier Information Management		1
Supplier Enablement & PO/Invoice Automation: (PO dispatch, Invoice Receipt, automated invoice matching)		2
Procurement: Includes Catalog/Non-Catalog requisitions, Budget Check and Workflow Approvals, Purchase Orders, and Receiving		3
Invoicing (PO & Non-PO)		4
Employee Expenses & Travel		5
Procurement Card (BuyCard) Management and Expense Reconciliation		6
Sourcing		7
Spend Analytics		8

5.5.1   General: Please respond with a general narrative of your proposed **solution or solutions** based on the volumes and current state information provided in Section 5.1 General: Project Goals & Annual Volumes and 5.2 Scope of Work.

    5.5.1.1   Supplier Information Management
- Name of Required Module/Modules or Solution/Solutions:
- Solution:

    5.5.1.2   Supplier Enablement & PO/Invoice Automation
- Name of Required Module/Modules or Solution/Solutions:
- Solution: Solution: Please refer to **Exhibit-A** which outlines our top 200 suppliers that we receive invoices in a paper format.

    5.5.1.3   Procurement
- Name of Required Module/Modules or Solution/Solutions:
- Solution:
  - Catalog Management
  - Requisition build, budget check, workflow approvals, purchase orders
  - Receiving

    5.5.1.4   Invoicing (PO & Non-PO)
- Name of Required Module/Modules or Solution/Solutions:
- Solution:

    5.5.1.5   Employee Expenses Reimbursement
- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.6 Procurement Card (BuyCard) Management and Expense Reconciliation
- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.7 Sourcing
- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.5.1.8 Spend Analytics
- Name of Required Module/Modules or Solution/Solutions:
- Solution:

5.6 Functional Area Business Requirement Questions

5.6.1 <u>Functional Area Business Requirement Questions (Yes/No):</u> Provide a response to <u>each</u> of the functional area questions that you are submitting a proposal using **Attachment A.**

5.6.2 <u>Functional Area Business Requirements. This includes Implementation Narrative Questions and IT Technical Questions.</u> Please provide a response to <u>all</u> questions that you are submitting a proposal.

<u>Supplier Information Management</u>

5.6.2.1 What are the top two (2) things that differentiate your offering from the competition?

5.6.2.2 Describe how suppliers use the portal and/or forms to create or update information?

5.6.2.3 Can supplier information forms be configured?

5.6.2.4 Can supplier information forms be routed through approval workflow? Is this workflow configurable?

5.6.2.5 Describe any automated checks that your system performs to validate that data is correct.

5.6.2.6 Describe the ability for a supplier to create log-in credentials when registering on your vendor portal. Can the form be integrated with our ERP?

5.6.2.7 How are supplier request forms sent to suppliers? (e.g. network, email notifications)

5.6.2.8 After a form is completed and returned by a supplier, can it be routed for approval to verify the information the suppliers have provided? (www.sam.gov, State OIG, Federal OIG, Restricted Party Screening, State Comptroller's Office)

5.6.2.9 Can suppliers define multiple remittance addresses on the network?

5.6.2.10 Describe the ability to prevent invoice submission by supplier until they respond to a request to update their profile.

5.6.2.11 Describe the ability to upload documents needed for payment (i.e. W-9) during registration phase & the ability to require a vendor email address for communications through vendor portal.

5.6.2.12 Describe the ability to collect payment preference information (ACH vs. check) during registration process and the ability to collect and store banking information.

5.6.2.13 Describe the ability to create existing vendors and load vendor data from other systems at go-live.

5.6.2.14 Describe the process for End Users to request new suppliers be added to the system.

5.6.2.15 Describe how duplicate suppliers can be prevented in the system.

5.6.2.16 Describe the ability to keep sensitive vendor information secure and encrypted.

5.6.2.17 Describe the process of specifying vendor payment terms and confirming that the vendor agrees during registration process.

5.6.2.18 Describe the ability to capture minority and ethnic status and gender and to attach State of Texas certificates. Describe the ability to trigger notifications based on frequency or expiration of certification.

5.6.2.19 How does your system distinguish between preferred, standard, and ad hoc vendors?

5.6.2.20 Describe supplier dashboards that your solution offers that gives insight into our entire supplier base. What are some examples of metrics?

5.6.2.21	Is your system currently being used by any state of Texas agency or university? If so, please list the institutions and the modules.
5.6.2.22	Please describe how your system identifies certified state of Texas HUB vendors?
5.6.2.23	The Texas state Comptroller's Office requires every state of Texas agency and university to submit procurement data for the semi-annual and annual state HUB Reports. The state of Texas requires every state agency and university to submit four files (N-File consists of all UTHealth procurements), (A-File consists of all UTHealth state contract procurements), (H-File consists of all BuyCard procurements and the (S-File consists of all HUB subcontracting procurements). Describe your system's HUB reporting capabilities?
5.6.2.24	The State of Texas requires every state agency and university to submit a Supplemental HUB Report semi-annually and annually. UTHealth buyers have to track the number vendors they solicit, bids received and bids awarded for UTHealth bid opportunities by race and ethnicity. Describe your system's ability to generate these reports?

Supplier Enablement & PO/Invoice Automation

5.6.2.25	What are the top (2) things that differentiate your offering from the competition?
5.6.2.26	Based on the information provided in **Exhibit-A**, how many suppliers can you enable to automate transactions and how long would it take?
5.6.2.27	Does a supplier have to be enabled on your network to transact with us?
5.6.2.28	What supplier connectivity and invoice automated matching options are available? (i.e. cXML, PO flip via email, supplier network, digital character recognition, OCR, etc.)
5.6.2.29	If you provide OCR services, is that service with a third party and if so, what is the name of the third party provider? Please provide OCR success rates.
5.6.2.30	Have you ever had a supplier refuse to join your network or pay network fees? If so, why have suppliers refused to join and how do you work around those issues?
5.6.2.31	Please describe how you can help increase the percentage of POs sent electronically to suppliers.
5.6.2.32	Please describe how you can help reduce processing cost per invoice. Is this a metric that you can track?
5.6.2.33	Please describe how you can help increase the percentage of invoices received electronically and matched for payment through automation.
5.6.2.34	Please describe how you can help decrease invoice processing cycle time. Please provide your current customer average cycle time.
5.6.2.35	Please describe how you can help reduce cost to onboard each new supplier.
5.6.2.36	How does your system manage cXML pricing discrepancies resulting from price changes between the time of PO dispatch and invoice receipt? Does your system have controls in place that ensures invoice unit costs match the dispatched PO unit costs to avoid voucher exceptions?
5.6.2.37	How do you help customers address the different size and technology capabilities of suppliers?
5.6.2.38	What are the minimum requirements for a supplier to be enabled on your solution?
5.6.2.39	Describe the different ways a supplier can submit an invoice for processing.
5.6.2.40	How is Accounts Payable notified when an invoice is transmitted by the supplier?
5.6.2.41	What happens to an invoice if there is an issue/exception during/after transmission?
5.6.2.42	What are the minimum requirements for an invoice to be transmitted?
5.6.2.43	What happens when an invoice has exceptions to price matching, quantity matching, receipt, partial shipments, or incorrect information? Can your solution manage multiple shipping invoices against a single cXML PO line without encountering match exceptions?
5.6.2.44	Do you support supplier owned user management and advanced authorization capabilities? If so, can authorization capabilities be configured to set up Supplier application/registration approvals?

Procurement

    General

5.6.2.45   What are the top (2) things that differentiate your offering from the competition?

5.6.2.46   Please describe how you help reduce processing costs per Requisition and PO Cycle Time.

5.6.2.47   How many security roles does your solution have?

5.6.2.48   Describe how user security is managed?

    Catalog management

5.6.2.49   Describe process of enabling supplier catalogs (punch-out and hosted) and the amount of time involved? How many teams are involved in facilitating the end-to-end process? How are third party B2B interactions facilitated? Explain how you manage delayed processes between the various parties involved in the enablement process.

5.6.2.50   Does your solution include Custom Quote retrieval functionality for PunchOut Suppliers to deter users from keying Special (SPL) Requisitions when unable to locate desired items within the PunchOut site?

5.6.2.51   Please describe how you can help increase the percentage of spend on contract and/or catalog.

5.6.2.52   Does supplier have to pay to have to conduct e-commerce and for you to transact and manage catalogs?

5.6.2.53   Can supplier punch-out catalogs be customized to reflect University pricing?

5.6.2.54   How can you help University ensure our users are able to find what they are looking for in a catalog search? Does the catalog management solution support comprehensive consumer-like searching and browsing capabilities? Can the solution search against all sources?

5.6.2.55   Explain how Amazon is managed as a PunchOut catalog in order to limit and review transactions? What controls are available to regulate spend categories?

5.6.2.56   Are content management tools provided for buyers and suppliers?

5.6.2.57   Does University have the ability to load catalogs ourselves from simple CSV files?

5.6.2.58   Describe how catalog updates are managed. What tools are available to assist in maintaining control of supplier revisions, pricing changes and/or catalog updates?

5.6.2.59   Describe how your solution manages partially filled carts during a timed out session. Does your solution do temporary saves to remind user what was placed in the cart prior to time out?

5.6.2.60   How do suppliers maintain their PunchOut credentials?

5.6.2.61   Explain how your solution would aid in creating a "perfect" purchase order to help reduce the number of mismatches between the purchase order and the invoice.

5.6.2.62   Do you provide training and support to our suppliers on how to use your solution?

    Requisition build, budget check, workflow approvals, purchase orders

5.6.2.63   How many clicks does it take for End Users to create and submit a request?

5.6.2.64   How much training is typically deployed to your customers?

5.6.2.65   Is your solution able to search for better pricing among participating suppliers? If not, explain how users are able to locate requisitions with the potential for savings. If so, when does this happen and what sources are checked?

5.6.2.66   How are purchase orders and associated documentation archived? Explain how logs are retrieved?

5.6.2.67   Does the procurement module support the leveraging of mobile devices with your solution?

5.6.2.68   Describe the process for End Users to build and schedule their own reports regarding order status.

5.6.2.69   Explain your solution for requesting services from suppliers.

5.6.2.70   Will the system create from one requisition multiple purchase orders to multiple suppliers? Describe how this will create and dispatch purchase orders to suppliers.

5.6.2.71   Describe the notification processes when a request or purchase order is denied. Describe where the transaction goes and how the End User is able to access it to make changes and resubmit.

5.6.2.72   Does this solution allow for workflow approvals of maintenance renewals?

5.6.2.73   Does this solution allow for inclusion of customized forms such as a Research Questionnaire at the requisition stage?

5.6.2.74   Would your solution allow for different workflow for approval based on how the Research Questionnaire was answered?

5.6.2.75   Describe how workflow is managed and configured within the system and who can make modifications.

5.6.2.76   Describe at what stages would your system interface with PeopleSoft in order to monitor commitment control and budget checks. Is there a limit to the number of interfaces available for workflow, budget check and commitment control?

5.6.2.77   Describe what happens when an End User adds items to the cart and the process to choose a billing account. Will they be able to see the total budget, how much has already been consumed with approvals and, if enabled, pending approvals, and total budget remaining?

5.6.2.78   Describe how your system catches purchase orders that have been split to prevent total dollar amount from surpassing our institutional policy limit.

5.6.2.79   Explain how RQ to PO sourcing and dispatch processing occurs.

Receiving

5.6.2.80   Describe your solutions receiving process.

5.6.2.81   Can employees record receipt of goods and services themselves in 1-click?

5.6.2.82   Can central receiving personnel receive on behalf of others?

5.6.2.83   Can your system be configured to auto receive orders based on dollar amount thresholds?

5.6.2.84   Does your solution upload support details and attachments including packing slips?

5.6.2.85   Does your solution record delivery to inventory locations (i.e. warehouse, dispensing facilities)?

5.6.2.86   Does your solution capture asset tracking information with receipt?

5.6.2.87   Describe your solution's search capabilities for order receipt information. Does your solution offer search ability across all data attributes in a single search box?

5.6.2.88   Describe the receipt management process. Does your system support returns and receipt adjustments; including receipt cancellations?

5.6.2.89   Describe the various methods of delivering receipt reminders. Can your system be configured to send automated alerts to encourage employee reporting of receipts?

5.6.2.90   Does your system allow partial receipts/multiple receipts for single PO line?

5.6.2.91   Describe how your solution manages defaulting of ship-to address based on location or employee preference, including a customizable "Attention To:" lines and one-time address locations?

Invoicing (PO & Non-PO)

5.6.2.92   What are the top two (2) characteristics that differentiate what you are offering from those of competition?

5.6.2.93   How does your solution automate all aspects of the invoice-to-pay process, including invoice capture, 3-way matching for PO invoices, invoice routing and approval, payment authorization, and payment execution?

5.6.2.94   What are the different types of formats that can be transmitted for OCR recognition?

5.6.2.95   Please describe how your solution help manage/increase early payment discounts.

5.6.2.96   Please describe how your solution allows for comments on invoices to be communicated internally and externally to the supplier.

5.6.2.97   What is the turnaround time for an invoice to be transmitted for payment?

5.6.2.98   Does your system have the ability for suppliers to create invoices for transmission? If so, describe the process.

5.6.2.99   Where are invoices and backup documents stored in your system and is there a maximum amount of space capacity?

5.6.2.100   What is the turnaround time for an invoice to be transmitted for payment?

5.6.2.101   What are the minimum requirements for an invoice to be transmitted?

5.6.2.102   What happens to an invoice which has exceptions to price matching, quantity matching, receipt, partial shipments, or incorrect information?

5.6.2.103   Please describe how your solution helps increase percent of invoices received electronically and matched for payment through automation.

5.6.2.104   Does, your solution provide a workflow system, if so does it provide standard yet flexible out-of-the-box accounts payable processes or does the implementation start from blank. Please describe the process.

5.6.2.105   How does your solution perform automated three-way matching using line items, purchase orders and receiving data from our PeopleSoft system?

5.6.2.106   What features and functionality does your solution provide to solve the challenges with our accounts payable process?

5.6.2.107   How does your solution have the ability to obtain reporting to determine discrepancies between order, receipts, exceptions and invoices?

5.6.2.108   Describe how your solution provides a full audit history for invoice submission from suppliers and internal users.

5.6.2.109   How does your solution provide a full audit history for internal invoices that route through a workflow?

5.6.2.110   Describe your solution's invoice automation process when a Non PO invoice is transmitted by a supplier or by an internal End User.

5.6.2.111   How does your solution provide a full audit log from the time a supplier submits an invoice to payment and for internal invoices that routed through a workflow?

Employee Expenses & Travel

5.6.2.112   What are the top two (2) characteristics that differentiate the features you are offering from those of the competition?

5.6.2.113   Does your solution interface have a responsive web design (any devices) and touch-screen ready for End User satisfaction?

5.6.2.114   Describe how your system supports custom fields added through the administrator and interface by a business user, not IT.

5.6.2.115   Describe how your solution can create approval workflows with multiple categories of travel.

5.6.2.116   Describe how the system allows managers to process approvals entirely in email without logging in.

5.6.2.117   Does your solution have the ability to capture and upload receipt via a mobile device? If so, please describe the process.

5.6.2.118   Please describe the solution you can offer to simplify our Employee Expense Reimbursement process?

5.6.2.119   How does your system flag duplicate transactions submitted by employees?

5.6.2.120   Does your solution offer an employee expense reimbursement suite or is there a third party involved. If there is a third party, who is the supplier?

5.6.2.121   Can your platform be accessed via mobile device? If so, what devices are supported?

5.6.2.122   In what ways can your solution automatically create expense reports and expense lines (e.g. travel, card, mobile, voice, Google maps, file feeds)?

5.6.2.123   How does your solution support mobile, geo-location and other technologies to help the End User?

5.6.2.124   Are there any fees that our suppliers will be charged/pay to your company if they do business with us through your expense management system? For example, if our users book travel on Uber or stay at certain hotel chains does your company receive a fee from the provider?

5.6.2.125 Describe how your solution manages electronic request for reservations, credit card payment, and personal expenses (when they combine vacation travel with business travel).

5.6.2.126 Can your solution implement approval mandatory forms (for example official functions forms) where it is needed in the process, if so, please describe how this is done?

5.6.2.127 Describe how your solution provides a full audit history for invoice submission from suppliers and internal End Users.

5.6.2.128 We often do official function forms during travel, how can your system help segregate those for tracking purposes?

5.6.2.129 Our employees often request travel advances, how can your system help directly pay for lodging and/or rental for employees to avoid travel advances?

5.6.2.130 How can your system help track travel advances and notify AP staff and traveler?

5.6.2.131 How can your system help work directly with small vendors (Associations, Institutes, etc.) to allow electronic process of employees membership reimbursement)?

5.6.2.132 Does your system send alerts on Travel POs not vouchered within a certain period (30days, 60days, etc.)?

5.6.2.133 Do you provide reporting features that allow trend analysis and data mining on employee reimbursements?

Procurement Card (BuyCard) Management and Expense Reconciliation

5.6.2.134 What are the top (2) things that differentiate your offering from the competition?

5.6.2.135 Please describe how your system would help or improve the monthly reconciliation process by card user and how it would integrate with Citibank?

5.6.2.136 Please describe how your system could limit or control the use of Amazon orders?

5.6.2.137 Do you have the ability to track taxes applied to UT BuyCard?

5.6.2.138 Do you have the ability to track merchant category code processed on the UT BuyCard?

5.6.2.139 Describe your system's ability to securely and seamlessly pull all credit card transactions from credit cards covering all the major banks/card providers.

5.6.2.140 Describe your system's ability to link multiple cards to have all charges flow through the expense reporting system.

5.6.2.141 Can you map common category structure across all card providers, even when the card provider does not assign a category?

5.6.2.142 Do have you have the ability to map the classification to the company's expense categories?

5.6.2.143 Please describe your automated expense credit card report creation.

5.6.2.144 How can your system lower the number of POS requisitions (17,223) entered on the BuyCard without creating encumbrance issues?

5.6.2.145 What can your system offer in regards to BuyCard tracking compliance audits and reporting?

e-Sourcing

5.6.2.146 What are the top (2) things that differentiate your offering from the competition?

5.6.2.147 Please describe how you help decrease sourcing cycle time to negotiate a new contract.

5.6.2.148 Can you run a sourcing event prior to creating a purchase order?

5.6.2.149 Describe ability to auto-create a request for qualification (RFQ) from requisition in a single-click.

5.6.2.150 Describe ability to issue RFQ for competitive bids to an unlimited number of suppliers.

5.6.2.151 Describe ability to attach an unlimited number of supporting documents to the RFQ header or line.

5.6.2.152 Describe ability to include custom questionnaires at the RFQ header and individual lines.

5.6.2.153 Describe ability to auto-issue the RFQ via Email including supporting documentation.

5.6.2.154 Describe ability to capture prospective supplier quotes and compare quotes.

5.6.2.155 Describe ability to award RFQ to supplier & transfer results back to originating request and order.

5.6.2.156 Describe how each buyer is notified of bid delivery, exceptions, etc.

5.6.2.157   Describe how deliveries are time stamped for deadline compliance.

5.6.2.158   Describe the notifications the system will send to evaluation team members.

5.6.2.159   Describe your solution's ability to add the pricing component to the team evaluation component of the scoring to calculate a final score result.

5.6.2.160   Are there other UT System institutions using this solution?   Please identify if so.

5.6.2.161   Please explain your solution's security.

5.6.2.162   Describe how an evaluator can leave comments when scoring.

5.6.2.163   Describe how the pricing template is handled.

5.6.2.164   Describe how your solution allows for HUB plan submittals (HUB plans must be reviewed and approved before a buyer can 'open' the bids and send to the evaluation team to begin scoring).

5.6.2.165   Describe the types of reports and data that can be exported from the system.

Spend Analytics

5.6.2.166   What are the top (2) things that differentiate your offering from the competition?

5.6.2.167   Does your system provide one Platform with consistent user experience for all spend management (source to pay, expense management) processes?

5.6.2.168   Does your system provide a unified view of all of our spend?

5.6.2.169   Does your solution have built-in reporting and real-time benchmarking included, and if so at what extra cost?

5.6.2.170   Describe the process of users building custom reports for Requisitions, PO's, Receipts, Invoices, etc. In what format can these reports be exported?

5.6.2.171   Describe the possibilities for users to receive customized reports on a scheduled basis.

5.6.2.172   Please describe the level of detail of your reporting solution. Please describe limitations (if any). How can users personalize their reporting solution?

5.6.2.173   Explain how filters can be set.

5.6.2.174   Please provide samples of different reports that are available.

5.6.2.175   How long is data stored in the system?

5.6.2.176   Explain how your solution helps control maverick spending.

5.6.2.177   How do you help us ensure our negotiated savings are realized?

5.6.2.178   Describe how data is managed for query building and any canned reports. Will the purchasing data be stored within your solution in tables for query access? If so, are there documented table definitions that list what specific fields are stored for ease of query building? Is there a quick key of sorts that can be used when placing your cursor within a field that will identify what table the field is stored in?

Information Technology Questions: Provide a response to each question detailed in **Attachment-B.**

Implementation Plan (Work Plan and Training):

UTH operates in a decentralized environment which may require a "phased" approach for some of the modules (i.e. Procurement, Expense) implementation. We have six (6) individual schools, a behavioral health hospital, and over 130 clinics across Houston. The intent is to develop some common "core business" processes to be implemented across all areas for the implementation of relevant modules. Each location may have unique customizations and configurations that will require development prior to implementation.   For certain functional areas: supplier information management, supplier enablement, invoicing, expenses, BuyCard, sourcing, and spend analytics there will be a centralized implementation. If implementation will require additional third party resources (i.e. consulting), then the Proposer should indicate whom that firm would be the role of the firm, and the required time commitment.

Provide a response to <u>each</u> of the questions detailed below.

5.6.2.179   Provide a detailed implementation plan describing required internal University resources, project timeline, key deliverables, estimated hours, acceptance testing, training plans, user testing, and go-live support.

5.6.2.180   Describe your company's general methodology and approach to implementations.

5.6.2.181   Which team(s) from your company are responsible for my success?

5.6.2.182   Do you provide a Project Manager in charge of implementation with no billable hours and provided at no extra cost?

5.6.2.183   Do you partner with a consulting company for implementation? If so, who is that company and what role would the consulting company have in implementation?

5.6.2.184   What is your customer retention rate?

5.6.2.185   Do you have best practices by vertical to help us quickly gain user and supplier adoption? Please describe.

5.6.2.186   Do you provide full access to implementation specialists to guide initial configuration, setup, and rollout?

5.6.2.187   Do you provide UAT testing support, management of data migration from test to production and assistance with all go live activities and communication? Please describe.

5.6.2.188   Do you provide a tutorial to walk new users through key End User areas to minimize/eliminate training? Please describe.

5.6.2.189   What resources internally do you provide and commit to ensure ongoing improvement, optimization and success of your procurement solution?

5.6.2.190   What assistance or resources will Proposer's company require from the University to successfully complete the Project? Resources may include, but are not limited to, information, office space, office equipment, administrative support, etc. What will Proposer's company require the University Project Team to do (or prepare) before Proposer can start work?

5.6.2.191   How does Proposer's company handle vacation requests or time off for individuals during a project? Indicate in Section 6 if overtime rates will apply for implementation go-live cutover on a holiday weekend. Describe Proposer's process for working with key staff and customizing workflows, as needed.

5.6.2.192   Describe how Proposer will effectively manage responsibilities to ensure successful completion of the project.

5.6.2.193   Describe how Proposer estimates time required for business process design/configuration sessions with the University.

5.6.2.194   Describe the process for ensuring that project resources capable of meeting schedule and application performance objectives are available for this project.

5.6.2.195   Describe the process for effective training and knowledge transfer to appropriate levels of the University staff on configurations, modifications, reports, and interface support resulting from the implementation.

5.6.2.196   Describe the process for quickly identifying and solving technical issues that arise during implementation and post go-live support, while providing adequate guidance to minimize operational impact

5.6.2.197   Describe the change control process to maintain the proper level of controls, communication strategies, and change management activities to guarantee project success.

5.6.2.198   How do you drive and measure success during implementation and after go-live?

5.6.2.199   What are the greatest challenges to a successful implementation and what advice do you have to hedge against them?

5.6.2.200   How much staffing do we need throughout implementation and what type of resources, human and otherwise, do we need? For how long?

5.6.2.201   Provide sample of System, Integration, Performance and User Acceptance test plans.

5.6.2.202   Describe your proposed approach for developing and maintaining technical and end-user documentation, systems and operational documentation, system configuration

documentation, and procedural documentation, including manuals, quick reference guides, tutorials, online help, and other techniques as appropriate.

5.6.2.203   Describe your service support philosophy, how is it implemented, and how you measure its success in maintaining this philosophy.

5.6.2.204   What assistance will you require from UTHealth? For example, what information, office space, office equipment, administrative support, etc. do you expect to get from UTHealth? What do you want our project team to do or prepare before you start?

5.6.2.205   What difficulties do you anticipate in serving UTHealth and how do you plan to manage these?

5.6.2.206   Proposer shall describe how they would develop a communication plan for the project. Please include communication within the project team, within each UTHSCH community, UTHealth and within the Proposer's organization about the project.

Work Plan

5.6.2.207   Describe how the Proposer plans to work with the University staff to refine and finalize project plan through implementation, acceptance and post go-live support.

5.6.2.208   How does the Proposer obtain and document agreement on project plan and acceptance criteria from all participants?

5.6.2.209   How often does the Proposer maintain/update the project plan from the implementation resource perspective?

5.6.2.210   How does the Proposer's Project Manager provide oversight for the implementation resources to ensure that all work is performed on time, on budget and at expected quality?

5.6.2.211   How frequently does Proposer plan to report project status to the University Project Sponsor? Include status reports or meetings in detailed project plan.

Training

5.6.2.212   Is there targeted training for different types of users. If so, please describe. How many days of onsite training are recommended for each type of user?

5.6.2.213   Are there on demand resources to provide ongoing training such as videos, quick reference guides, manuals, on-line courses, on-site courses? If so, please describe.

5.6.2.214   Is there a comprehensive electronic user manual that can be supplemented/modified by UTHealth?

Best Value Standardization: (Submit only if proposing on multiple functional areas)

5.6.2.215   Please describe any advantages by procuring multiple functional area modules from your company. This may include technical, functional, and financial incentives.

SECTION 6

PRICING AND DELIVERY SCHEDULE

Proposal of: _____

      (Proposer Name)

To: University

RFP No.: 744-R1913 P2P

Ladies and Gentlemen:

Having examined specifications and requirements of this RFP (including attachments), the undersigned proposes to furnish Work upon the pricing terms quoted below:

6.1   Term of Agreement

University anticipates that the term of the Agreement may be up to **eight (8)** years with the initial term of the Agreement proposed to begin on **September 1**, **2019**, and proposed to expire on **August 31**, **2024**. University may elect to renew the Agreement for up to **three** (**3**) additional **one** (**1**) year terms.

6.2   Pricing for Work and Expenses

Please complete **Attachment C – Pricing.**

University will reimburse, without mark-up, reasonable expenses (including meals, rental car or mileage, coach class airfare, and lodging) validly incurred by Contractor directly and solely in support of Work and *approved by University in advance.* Contractor will be subject to the then-current Travel Reimbursement Rates promulgated by the Comptroller of Public Accounts for the State of Texas at https://fmx.cpa.state.tx.us/fm/travel/travelrates.php with regard to all travel expenses. Contractor will not be reimbursed by University for expenses that are prohibited or that exceed the allowable amounts provided in the then current Travel Reimbursement Rates. As a condition precedent to receiving reimbursement for expenses, Contractor must submit to University receipts, invoices, and other documentation requested by University.

Reimbursement for expenses and disbursements will not exceed a maximum expense cap (*to be mutually agreed by Contractor and Proposer and provided in the Agreement*), without the prior written approval of University.**]**

6.3   Discounts

Describe all discounts that may be available to University, including educational, federal, state and local discounts.

6.4   Schedule for Completion of Tasks and Submittal of Deliverables

_____

_____

6.5   Payment Terms

University's standard payment terms are "net 30 days" as mandated by the *Texas Prompt Payment Act* (ref. Chapter 2251, *Government Code*).

University will be entitled to withhold _____ percent (____%) of the total payment due under the Agreement until after University's acceptance of the final work product.

Indicate below the prompt payment discount that Proposer offers:

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

Section 51.012, *Education Code*, authorizes University to make payments through electronic funds transfer methods. Proposer agrees to accept payments from University through those methods, including the automated clearing house system (ACH). Proposer agrees to provide Proposer's banking information to University in writing on Proposer letterhead signed by an authorized representative of Proposer. Prior to the first payment, University will confirm Proposer's banking information. Changes to Proposer's bank information must be communicated to University in writing at least thirty (30) days before the effective date of the change and must include an IRS Form W-9 signed by an authorized representative of Proposer.

University, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on goods and services in accordance with §151.309, *Tax Code*, and Title 34 TAC §3.322. Pursuant to 34 TAC §3.322(c)(4), University is not required to provide a tax exemption certificate to establish its tax exempt status.

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

APPENDIX ONE

PROPOSAL REQUIREMENTS - INTENTIONALLY OMITTED

APPENDIX TWO

SAMPLE AGREEMENT (ATTACHED)

AGREEMENT BETWEEN UNIVERSITY AND CONTRACTOR
UTHealth Contract # _____

This Agreement between University and Contractor (**Agreement**) is made and entered into effective as of _____, 20____ (**Effective Date**), by and between **The University of Texas Health Science Center at Houston**, an agency and institution of higher education established under the laws of the State of Texas (**University**), and _____, a _____ (**Contractor**)**,** Federal Tax Identification Number _____.

University and Contractor hereby agree as follows:

1. **Scope of Work.**

    1.1   Contractor will perform the scope of the work (**Work**) in **Exhibit A**, Scope of Work, to the satisfaction of University and in accordance with the schedule (**Schedule**) for Work in **Exhibit B**, Schedule. Time is of the essence in connection with this Agreement. University will have no obligation to accept late performance or waive timely performance by Contractor.

    1.2   Contractor will obtain, at its own cost, any and all approvals, licenses, filings, registrations and permits required by federal, state or local, laws, statutes, regulations and ordinances (collectively, **Applicable Laws**), for the performance of Work.

    1.3   Upon execution of this Agreement, all services previously performed by Contractor on behalf of University and included in the description of Work, will become a part of Work and will be subject to the terms and conditions of this Agreement.

2. **The Project.**

    The Work will be provided in connection with _____ and all other related, necessary and appropriate services (**Project**).

3. **Time for Commencement and Completion**.

    The term (**Initial Term**) of this Agreement will begin on the Effective Date and expire on _____, 20___. University will have the option to renew this Agreement for _____ (___) additional _____ (____) year terms (each a **Renewal Term**). The Initial Term and each Renewal Term are collectively referred to as the **Term**.

4. **Contractor's Obligations**.

    4.1   Contractor will perform Work in compliance with (a) all Applicable Laws, and (b) the Board of Regents of The University of Texas System *Rules and Regulations* (http://www.utsystem.edu/offices/board-regents/regents-rules-and-regulations) the policies of The University of Texas System (http://www.utsystem.edu/board-of-regents/policy-library); and the institutional rules, regulations and policies of University http://www.uth.edu/hoop/index.htm (collectively, **University Rules**). Contractor represents and warrants that neither Contractor nor any firm, corporation or institution represented by Contractor, or anyone acting for the 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 Contractor's response to University's procurement solicitation to any competitor or any other person engaged in a similar line of business during the procurement process for this Agreement.

4.2 **[Option:** Contractor represents and warrants that (a) it will use commercially reasonable efforts to perform Work in a good and workmanlike manner and in accordance with commercially reasonable standards of Contractor's profession or business, and (b) all Work to be performed will be of the quality that prevails among similar businesses engaged in providing similar services in major United States urban areas under the same or similar circumstances.**]** **[Alternate Option (Include if University wants to impose a higher standard for performance of Work.):** Contractor represents and warrants that (a) it will use its best efforts to perform Work in a good and workmanlike manner and in accordance with the highest standards of Contractor's profession or business, and (b) all Work to be performed will be of the quality that prevails among similar businesses of superior knowledge and skill engaged in providing similar services in major United States urban areas under the same or similar circumstances.**]**

4.3 Contractor will call to University's attention in writing all information in any materials supplied to Contractor (by University or any other party) that Contractor regards as unsuitable, improper or inaccurate in connection with the purposes for which the material is furnished.

4.4 University at all times is relying on Contractor's skill and knowledge in performing Work. Contractor represents and warrants that Work will be accurate and free from any material defects. Contractor's duties and obligations under this Agreement will not be in any way diminished by reason of any approval by University. Contractor will not be released from any liability by reason of any approval by University.

4.5 Contractor will, at its own cost, correct all material defects in Work as soon as practical after Contractor becomes aware of the defects. If Contractor fails to correct material defects in Work within a reasonable time, then University may correct the defective Work at Contractor's expense. This remedy is in addition to, and not in substitution for, any other remedy for defective Work that University may have at law or in equity.

4.6 Contractor will maintain a staff of properly trained and experienced personnel to ensure satisfactory performance under this Agreement. Contractor will cause all persons connected with Contractor directly in charge of Work to be duly registered and licensed under all Applicable Laws. Contractor will assign to the Project a designated representative who will be responsible for administration and coordination of Work. **[Option (Include if Contractor is paid on hourly fee basis.):** Contractor will furnish efficient business administration and coordination and perform Work in an expeditious and economical manner consistent with the interests of University.**]**

4.7 Contractor represents and warrants it is duly organized, validly existing and in good standing under the laws of the state of its organization; it is duly authorized and in good standing to conduct business in the State of Texas; it has all necessary power and has received all necessary approvals to execute and deliver this Agreement; and the individual executing this Agreement on behalf of Contractor has been duly authorized to act for and bind Contractor.

4.8 **[Option:** Contractor represents and warrants that neither the execution and delivery of this Agreement by Contractor nor the performance of its duties and obligations under this Agreement will (a) result in the violation of any provision of its organizational documents; (b) result in the violation of any provision of any agreement by which it is bound; or (c) conflict with any order or decree of any court or other body or authority having jurisdiction.**]**

4.9 **[Option (Include if Contractor will create software, training materials or other Work Material (ref. Section 7) protectable by copyright, trademark, patent or other intellectual property rights. Contact OGC with questions.):** Contractor represents and warrants that all of Contractor's Personnel contributing to Work Material (ref. **Section 7**) under this Agreement will be required to (i) acknowledge in writing the ownership of Contractor (for the

benefit of University) of Work Material produced by Personnel while performing services pursuant to this Agreement, and (ii) make all assignments necessary to effectuate such ownership. **Personnel** means any and all persons associated with Contractor who provide any work or work product pursuant to this Agreement, including officers, managers, supervisors, full-time employees, part-time employees, and independent contractors.

4.10 Contractor represents and warrants that: (i) Work will be performed solely by Contractor, its full-time or part-time employees during the course of their employment, or independent contractors who have assigned in writing all right, title and interest in their work to Contractor (for the benefit of University); (ii) University will receive free, good and clear title to all Work Material developed under this Agreement; (iii) Work Material and the intellectual property rights protecting Work Material are free and clear of all encumbrances, including security interests, licenses, liens, charges and other restrictions; (iv) Work Material will not infringe upon or violate any patent, copyright, trade secret, trademark, service mark or other property right of any former employer, independent contractor, client or other third party; and (v) the use, reproduction, distribution, or modification of Work Material will not violate the rights of any third parties in Work Material, including trade secret, publicity, privacy, copyright, trademark, service mark and patent rights.**]**

[Option (Premises Rules.): 4.11 **If this Agreement requires Contractor's presence on University's premises or in University's facilities, Contractor agrees to cause its employees, representatives, agents, or subcontractors to become aware of, fully informed about, and in full compliance with all applicable University Rules, including those relative to personal health, security, environmental quality, safety, fire prevention, noise, smoking, and access restrictions.]**

[Option (Include only if Contractor performs Work at University and provides Work to University, and Contractor is not paid for with appropriated money. See §2252.061(1), *Texas Government Code*, for definition of "auxiliary enterprise." Contact OGC with questions.): 4.12 Contractor, at its sole cost and expense, will comply with all requirements of Subchapter C, Chapter 2252, *Texas Government Code*, including the provision of financial statements, payment statements derived from sales tax reports, and bonds.

4.12.1 In accordance with §2252.062, *Texas Government Code*, Contractor will submit to University two (2) copies of Contractor's most recent financial statement prepared by a certified public accountant on the Effective Date.

4.12.2 In accordance with §2252.063, *Texas Government Code*, Contractor will submit to University, no later than the 15ᵗʰ day after the end of each contract year, an annual payment statement derived from all of Contractor's sales tax reports for its operations during the preceding contract year. The annual payment statement must be certified by a certified public accountant licensed in the State of Texas. Contract year means that period of time beginning on the Effective Date and ending _____, 20_____ [Note: Insert date that is 12 months after Effective Date (i.e., if Effective Date is January 1, 2007, then insert December 31, 2007).] and each twelve (12) month period thereafter, during the Term.

4.12.3 In accordance with §2252.064, *Texas Government Code*, Contractor will provide University with a performance bond for each contract year during the Term. The amount of the performance bond for the first contract year during the Term will be equal to _____ (**$_____**). **[Note: Amount of performance bond may not exceed the contract price.]**. **[Option (Include only if the performance bond amount should be adjusted each contract year.):** Thereafter, the amount of the performance bond will be adjusted at the beginning

of each contract year to _____.**]** The performance bond will be issued by a surety company authorized to do business in the State of Texas and acceptable to University in all respects. The performance bond will be made payable to University and conditioned upon the prompt and faithful performance of Work and all of Contractor's other duties and obligations under this Agreement.**]**

5.   The Contract Amount.

5.1   So long as Contractor has provided University with its current and accurate Federal Tax Identification Number in writing, University will pay Contractor for the performance of Work in accordance with **Exhibit C**, Payment for Services.

5.2   The Contract Amount includes all applicable federal, state or local sales or use taxes payable as a result of the execution or performance of this Agreement.

5.3   University (a State agency) is exempt from Texas Sales & Use Tax on Work in accordance with §151.309, *Texas Tax Code* and 34 *Texas Administrative Code* (**TAC**) §3.322. Pursuant to 34 TAC §§3.322(c)(4) and (g)(3), this Agreement is sufficient proof of University's tax exempt status and University is not required to provide further evidence of its exempt status.

6.   Payment Terms.

6.1   At least **[Option:** ten (10)**] [Alternate Option:** _____ (____)**]** days before the end of each month during the Term, Contractor will submit to University an invoice covering Work performed for University to that date, in compliance with **Exhibit C**, Payment for Services. Each invoice will be accompanied by documentation that University may reasonably request to support the invoice amount. **[Option:** University will pay Contractor for Work in accordance with Chapter 2251, *Texas Government Code*.**] [Alternate Option:** University will, within twenty-one (21) days from the date it receives an invoice and supporting documentation, approve or disapprove the amount reflected in the invoice. If University approves the amount or any portion of the amount, University will promptly pay (each a **Progress Payment**) to Contractor the amount approved so long as Contractor is not in default under this Agreement. If University disapproves any invoice amount, University will give Contractor specific reasons for its disapproval in writing.**]**

6.2   Within **[Option:** ten (10)**] [Alternate Option:** _____ (____)**]** days after final completion and acceptance of Work by University or as soon thereafter as possible, Contractor will submit a final invoice (**Final Invoice**) setting forth all amounts due and remaining unpaid to Contractor. Upon approval of the Final Invoice by University, University will pay (**Final Payment**) to Contractor the amount due under the Final Invoice.

6.3   Notwithstanding any provision of this Agreement to the contrary, University will not be obligated to make any payment (whether a Progress Payment or Final Payment) to Contractor if Contractor is in default under this Agreement.

6.4   The cumulative amount of all Progress Payments and the Final Payment (defined below) will not exceed the Contract Amount in **Exhibit C**, Payment for Services.

6.5   No payment made by University will (a) be construed to be final acceptance or approval of that part of the Work to which the payment relates, or (b) relieve Contractor of any of its duties or obligations under this Agreement.

6.6   The acceptance of Final Payment by Contractor will constitute a waiver of all claims by Contractor except those previously made in writing and identified by Contractor as unsettled at the time of the Final Invoice for payment.

6.7 University will have the right to verify the details in Contractor's invoices and supporting documentation, either before or after payment, by (a) inspecting the books and records of Contractor at mutually convenient times; (b) examining any reports with respect to the Project; and (c) other reasonable action.

6.8 Section 51.012, *Texas Education Code*, authorizes University to make payments through electronic funds transfer methods. Contractor agrees to accept payments from University through those methods, including the automated clearing house system (ACH). Contractor agrees to provide Contractor's banking information to University in writing on Contractor letterhead signed by an authorized representative of Contractor. Prior to the first payment, University will confirm Contractor's banking information. Changes to Contractor's bank information must be communicated to University in accordance with **Section 12.14** in writing at least thirty (30) days before the effective date of the change and must include an IRS Form W-9 signed by an authorized representative of Contractor.

6.9 **[Option (Include if University is entitled to a prompt payment discount.):** Notwithstanding any other provision of this Agreement, University is entitled to a discount of _____% (**Prompt Payment Discount)** off of each payment that University submits within _____days after University's receipt of Contractor's invoice for that payment.**]**

7. **Ownership and Use of Work Material**.

7.1 All tools, software, programs, drawings, specifications, plans, computations, sketches, data, photographs, tapes, renderings, models, publications, statements, accounts, reports, studies, and other materials prepared by Contractor or any subcontractors in connection with Work (collectively, **Work Material**), whether or not accepted or rejected by University, are the sole property of University and for its exclusive use and re-use at any time without further compensation and without any restrictions.

7.2 Contractor grants and assigns to University all rights and claims of whatever nature and whether now or hereafter arising in and to Work Material and will cooperate fully with University in any steps University may take to obtain or enforce patent, copyright, trademark or like protections with respect to Work Material.

7.3 Contractor will deliver all Work Material to University upon expiration or termination of this Agreement. University will have the right to use Work Material for the completion of Work or otherwise. University may, at all times, retain the originals of Work Material. Work Material will not be used by any person other than University on other projects unless expressly authorized by University in writing.

7.4 Work Material will not be used or published by Contractor or any other party unless expressly authorized by University in writing. Contractor will treat all Work Material as confidential.

7.5 **[Option (Include if Contractor will create software, training materials or other Work Material (ref. Section 7) protectable by copyright, trademark, patent or other intellectual property rights. Contact OGC with questions.):** All title and interest in Work Material will vest in University and will be deemed to be work made for hire and made in the course of Work rendered under this Agreement. To the extent that title to any Work Material may not, by operation of law, vest in University or Work Material may not be considered works made for hire, Contractor irrevocably assigns, conveys and transfers to University and its successors, licensees and assigns, all rights, title and interest worldwide in and to Work Material and all proprietary rights therein, including all copyrights, trademarks, service marks, patents, trade secrets, moral rights, all contract and licensing rights and all claims and causes of action with respect to any of the foregoing, whether now known or hereafter to become known. In the event Contractor has any rights in Work Material which cannot be assigned,

Contractor agrees to waive enforcement worldwide of the rights against University, its successors, licensees, assigns, distributors and customers or, if necessary, to exclusively license the rights, worldwide to University with the right to sublicense. These rights are assignable by University.**]**

[Option (Include if Contractor objects to ownership of all Work Material by University. Contact OGC with questions.):

7.6   Contractor IP is the sole property of Contractor (or its licensor) and Contractor (or its licensor) will at all times retain sole and exclusive title to and ownership of Contractor IP. Contractor grants University a non-exclusive, worldwide, perpetual, irrevocable, sub-licensable, royalty-free license to use Contractor IP in connection with the Work and Contractor's services related to the Work. "**Contractor IP**" means all tools, software and programs owned by Contractor (licensed to Contractor by a third party licensor) that (1) existed prior to the Effective Date and the commencement of the Work; (2) are not related to the Work or to Contractor's services in connection with the Work; or (3) were created by Contractor (or its licensor) totally separate from the Work or Contractor's services in connection with the Work.

7.7   University grants Contractor a non-exclusive, worldwide, perpetual, irrevocable, sub-licensable, royalty-free license to the Work Product Improvements to Contractor IP. "**Work Product Improvements to Contractor IP**" means Work Material comprising an improvement, enhancement or modification to Contractor IP, whether or not patentable, copyrightable as a derivative work, or otherwise protectable as intellectual property.**]**

8.   Default and Termination

8.1   In the event of a material failure by a party to this Agreement to perform in accordance with its terms (**default**), the other party may terminate this Agreement upon **[Option:** fifteen (15)**]** **[Alternate Option:** _____ (____)**]** days' written notice of termination setting forth the nature of the material failure; provided, that, the material failure is through no fault of the terminating party. The termination will not be effective if the material failure is fully cured prior to the end of the **[Option:** fifteen-day (15-day)**]** **[Alternate Option:** _____-day (____-day)**]** period. **[Note: Pursuant to §2261.101, _Texas Government Code_, consider whether an additional remedies or sanctions schedule would be beneficial and appropriate in this Agreement. If so, please contact OGC for assistance.]**

8.2   University may, without cause, terminate this Agreement at any time upon giving **[Option:** seven (7)**]** **[Alternate Option:** _____ (____)**]** days' advance written notice to Contractor. Upon termination pursuant to this Section, Contractor will be entitled to payment of an amount that will compensate Contractor for Work satisfactorily performed from the time of the last payment date to the termination date in accordance with this Agreement; provided, that, Contractor has delivered all Work Material to University. Notwithstanding any provision in this Agreement to the contrary, University will not be required to pay or reimburse Contractor for any services performed or for expenses incurred by Contractor after the date of the termination notice, that could have been avoided or mitigated by Contractor.

8.3   Termination under **Sections 8.1** or **8.2** will not relieve Contractor from liability for any default or breach under this Agreement or any other act or omission of Contractor.

8.4   If Contractor fails to cure any default within **[Option:** fifteen (15)**]** **[Alternate Option:** _____ (____)**]** days after receiving written notice of the default, University will be entitled (but will not be obligated) to cure the default and will have the right to offset against all amounts due to Contractor under this Agreement, any and all reasonable expenses incurred in connection with University's curative actions.

8.5   [Option (Include if University will make pre-payments to Contractor under this Agreement.): In the event that this Agreement is terminated, then within [Option: thirty (30)] [Alternate Option: _____ (____)] days after termination, Contractor will reimburse University for all fees paid by University to Contractor that were (a) not earned by Contractor prior to termination, or (b) for goods or services that University did not receive from Contractor prior to termination.] [Note: Section 50 of Article 3 of the *Texas Constitution* prohibits the State of Texas or its agencies from lending the credit of the State. "Lending the credit of the State" has been broadly construed to include the making of payment prior to receipt of goods or complete performance of services. *Rhoads Drilling co. v. Allred*, 70 S.W. 2d 576, 582 (Tex. 1934); Attorney General Opinions WW-790 (1960) and WW-153 (1957). Nevertheless, according to relevant Attorney General Opinions MW-373 (1981) and JM-1229 (1990), pre-payments for goods and services may be made by the State of Texas so long as the pre-payment serves a public purpose and the State maintains controls over the transaction, contractual or otherwise, to ensure that the public purpose is actually achieved.

Based on Texas law related to pre-payments, the representative of U.T. with delegated authority to execute contracts containing pre-payment provisions, should analyze the transaction and make a determination regarding whether the facts lead to the conclusion that (1) there is in fact a public purpose for any pre-payments required by the contract and (2) there are sufficient controls over the transaction, contractual or otherwise, to ensure that the public purpose is actually achieved. This determination should be documented in a memorandum to U.T.'s file by setting forth the facts which lead to a conclusion of public purpose and sufficient controls to ensure the public purpose is achieved.]

9.   Indemnification

9.1   TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, CONTRACTOR WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, AND HOLD HARMLESS UNIVERSITY AND, THE UNIVERSITY OF TEXAS SYSTEM, AND RESPECTIVE 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 CONTRACTOR'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 CONTRACTOR, ANYONE DIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR 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.

9.2 IN ADDITION, CONTRACTOR WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, 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 CONTRACTOR, OR THE USE BY INDEMNITEES, AT THE DIRECTION OF CONTRACTOR, OF ANY ARTICLE OR MATERIAL; PROVIDED, THAT, UPON BECOMING AWARE OF A SUIT OR THREAT OF SUIT FOR INFRINGEMENT, UNIVERSITY WILL PROMPTLY NOTIFY CONTRACTOR AND CONTRACTOR WILL BE GIVEN THE OPPORTUNITY TO NEGOTIATE A SETTLEMENT. IN THE EVENT OF LITIGATION, UNIVERSITY AGREES TO REASONABLY COOPERATE WITH CONTRACTOR. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

10.   Relationship of the Parties.

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

11.   Insurance.

11.1   Contractor, 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:

11.1.1   Workers' Compensation Insurance with statutory limits, and Employer's Liability Insurance with limits of not less than $1,000,000:

Employers Liability - Each Accident	$1,000,000
Employers Liability - Each Employee	$1,000,000
Employers Liability - Policy Limit	$1,000,000

Workers' Compensation policy must include under Item 3.A. on the information page of the Workers' Compensation policy the state in which Work is to be performed for University.

[Option: In the event watercraft is used in the course of performing Work, the maritime coverage endorsement must be added unless separate Protection & Indemnity coverage is maintained. In the event operations are conducted in relation to navigable waters which may qualify employees for United States Longshore & Harbor Workers Compensation Act (**USL&H**) benefits, the USL&H endorsement must be added.]

11.1.2   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
Products - Completed Operations Aggregate	$2,000,000

The required Commercial General Liability policy will be issued on a form that insures Contractor's and subcontractor's liability for bodily injury (including death),

property damage, personal, and advertising injury assumed under the terms of this Agreement.

11.1.3 Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than $1,000,000 single limit of liability per accident for Bodily Injury and Property Damage;

[Option: If a separate Business Auto Liability policy is not available, coverage for hired and non-owned auto liability may be endorsed on the Commercial General Liability policy.]

[Option: Contractors transporting hazardous materials must provide the MCS-90 endorsement and CA9948 Broadened Pollution Liability endorsement on the Business Auto Liability policy. Policy limits must be in line with Federal requirements.]

[Option:]11.1.4 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. The Umbrella/Excess Liability policy will be excess over and at least as broad as the underlying coverage as required under sections 11.1.1 Employer's Liability; 11.1.2 Commercial General Liability; [Option: and] 11.1.3 Business Auto Liability [Option: ; and 11.1.5 Liquor Liability]. Inception and expiration dates will be the same as the underlying policies. Drop down coverage will be provided for reduction or exhaustion of underlying aggregate limits and will provide a duty to defend for any insured.] [Note: Limit amount should be adequate to cover University's exposure. Appropriate limit will depend on the subject matter of this Agreement.]

[Option:]11.1.5 Liquor Liability Insurance, with limits of not less than $1,000,000 per occurrence, $2,000,000 aggregate for bodily injury and property damage arising from selling, serving or furnishing of any alcoholic beverage by Contractor or Contractor's employees, representatives, agents, or subcontractors in the performance of this Agreement.]

[Option:]11.1.6 Professional Liability (Errors & Omissions) Insurance with limits of not less than $1,000,000 each occurrence, $3,000,000 aggregate. Such insurance will cover all Work performed by or on behalf of Contractor and its subcontractors under this Agreement. Renewal policies written on a claims-made basis will maintain the same retroactive date as in effect at the inception of this Agreement. If coverage is written on a claims-made basis, Contractor agrees to purchase an Extended Reporting Period Endorsement, effective twenty-four (24) months after the expiration or cancellation of the policy. No Professional Liability policy written on an occurrence form will include a sunset or similar clause that limits coverage unless such clause provides coverage for at least twenty-four (24) months after the expiration or termination of this Agreement for any reason.]

[Option:]11.1.7 Contractor's Employee Dishonesty Insurance will be endorsed with a Client's Property Endorsement (or equivalent) to protect the assets and property of University with limits of not less than [Option: $500,000] [Alternate Option: $1,000,000] per claim. If Contractor has property of University in its care, custody or control away from University's premises, Contractor will provide bailee coverage for the replacement cost of the property. Contractor's Employee Dishonesty policy will name University as Loss Payee. [Note: Limit amount should be adequate to cover University's exposure. Appropriate limit will depend on the subject matter of this Agreement.]

[Option:]11.1.8 Directors' and Officers' Liability Insurance with limits of not less than $1,000,000 per claim. The coverage will be continuous for the duration of this Agreement and for not less than twenty-four (24) months following the expiration or termination of this Agreement.]

[Note: If this Agreement involves construction on property owned by the Board of Regents of The University of Texas System, please contact the UT System Office of Risk Management for guidance and relevant insurance requirements.]

[Note: If this Agreement poses potential risks related to data privacy, network or information security, please contact the UT System Office of Risk Management for guidance on relevant insurance requirements and seek review of the contract by the Institution's Information Security Officer.]

[Option:]11.1.9 Cyber Liability Insurance with limits of not less than $10,000,000 for each wrongful act. This policy must cover:

- Liability for network security failures or privacy breaches, including loss or unauthorized access, use or disclosure of University data, whether by Contractor or any of subcontractor or cloud service provider used by Contractor;
- Costs associated with a privacy breach, including notification of affected individuals, customer support, forensics, crises management / public relations consulting, legal services of a privacy attorney, credit monitoring and identity fraud resolution services for affected individuals;
- Expenses related to regulatory compliance, government investigations, fines, fees assessments and penalties;
- Liability for technological products and services;
- PCI fines, fees, penalties and assessments;
- Cyber extortion payment and response costs;
- First and Third Party Business Interruption Loss resulting from a network security failure;
- Liability for technological products and services;
- Costs of restoring, updating or replacing data; and
- Liability losses connected to network security, privacy, and media liability.

If this policy is written on a claims-made basis, (a) the "retroactive date" must be prior to the commencement of Work under this Agreement; and (b) if this policy is cancelled, terminated or non-renewed at any time during the Term, Contractor will purchase an "extended reporting period" for at least [Option: _____]
[Alternate Option: a period of two (2) years beyond the termination or expiration of the Term].

Contractor's policy will provide a carve-back to the "Insured versus Insured" exclusion for claims brought by or on behalf of additional insureds.]

11.2   Contractor will deliver to University:

11.2.1   After the execution and delivery of this Agreement and prior to the performance of any Work by Contractor, evidence of insurance on a Texas Department of Insurance (**TDI**) approved certificate form (the Acord form is a TDI-approved form) verifying the existence and actual limits of all required insurance policies; and, if the coverage period shown on the current certificate form ends during the Term, then prior to the end of the coverage period, a new certificate form verifying the continued existence of all required insurance policies.

11.2.1.1 ***All insurance policies*** (with the exception of workers' compensation, employer's liability and professional liability) will be endorsed and name the Board of Regents of The University of Texas System, The University of Texas System and University as Additional Insureds for liability caused in whole or in part by Contractor's acts or omissions with respect to its on-going and completed operations up to the actual liability limits of the required insurance policies maintained by Contractor. Commercial General Liability Additional Insured endorsement including ongoing and completed operations coverage will be submitted with the Certificates of Insurance. Commercial General Liability and Business Auto Liability will be endorsed to provide primary and non-contributory coverage.

11.2.1.2 Contractor hereby waives all rights of subrogation against the Board of Regents of The University of Texas System The University of Texas System and University. ***All insurance policies*** will be endorsed to provide a waiver of subrogation in favor of the Board of Regents of The University of Texas System, The University of Texas System and University. No policy will be canceled until after thirty (30) days' unconditional written notice to University. ***All insurance policies*** will be endorsed to require the insurance carrier providing coverage to send notice to University thirty (30) days prior to any cancellation, material change, or non-renewal relating to any insurance policy required in this **Section 11**.

11.2.1.3 Contractor will pay any deductible or self-insured retention for any loss. Any self-insured retention must be declared to and approved by University prior to the performance of any Work by Contractor under this Agreement. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

11.2.1.4 Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be mailed, faxed, or emailed to the following University contact:

Name:	UTHealth Procurement Services
Address:	1851 Crosspoint, OCB 1.160
	Houston, Texas 77054
Facsimile Number:	713-500-4710
Email Address:	procurementservices@uth.tmc.edu

11.3   Contractor's or subcontractor's insurance will be primary to any insurance carried or self-insurance program established by University or The University of Texas System. Contractor's or subcontractor's insurance will be kept in force until all Work has been fully performed and accepted by University in writing. **[Option:** , except as provided in this **Section 11.3**.**]**

[Option:11.3.1 Professional Liability Insurance coverage written on a claims-made basis requires Contractor to purchase an Extended Reporting Period Endorsement, effective for twenty-four (24) months after the expiration or cancellation of the policy.**]**

[Option:11.3.2 Directors and Officers Liability Insurance coverage written on a claims-made basis requires Contractor to purchase an Extended Reporting Period Endorsement, effective for twenty-four (24) months after the expiration or cancellation of the policy.**]**

12.   **Miscellaneous**.

12.1   **Assignment and Subcontracting. [Option (Include if the value of this Agreement is expected to equal or exceed $100,000 or if University has requested a HUB Subcontracting Plan.):** Except as specifically provided in **Exhibit E**, Historically Underutilized Business Subcontracting Plan,]** Contractor's interest in this Agreement (including Contractor's duties and obligations under this Agreement, and the fees due to Contractor under this Agreement) may not be subcontracted, assigned, delegated, or otherwise transferred to a third party, in whole or in part, and any attempt to do so will (a) not be binding on University; and (b) be a breach of this Agreement for which Contractor will be subject to all remedial actions provided by Applicable Laws, including Chapter 2161, *Texas Government Code*, and 34 TAC §§20.285(g)(5), 20.585 and 20.586. The benefits and burdens of this Agreement are assignable by University.

12.2   *Texas Family Code* **Child Support Certification**. Pursuant to *§231.006, Texas Family Code*, Contractor certifies it is not ineligible to receive the award of or payments under this Agreement, and acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

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

12.4   **Payment of Debt or Delinquency to the State.** Pursuant to §§2107.008 and 2252.903, *Texas Government Code*, Contractor agrees any payments owing to Contractor under this Agreement may be applied directly toward any debt or delinquency Contractor owes the State of Texas or any agency of the State of Texas, regardless of when it arises, until paid in full.

12.5   **Loss of Funding.** Performance by University under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (**Legislature**) and/or allocation of funds by the Board of Regents of The University of Texas System (**Board**). If Legislature fails to appropriate or allot necessary funds, or Board fails to allocate necessary funds, then University will issue written notice to Contractor and University may terminate this Agreement without further duty or obligation. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond University's control.

12.6   **Entire Agreement; Modifications.** This Agreement (including all exhibits, schedules, supplements and other attachments (collectively, **Exhibits)**) supersedes all prior agreements, written or oral, between Contractor and University and will constitute the entire agreement and understanding between the parties with respect to its subject matter. 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 University and Contractor. All Exhibits are attached to this Agreement and incorporated for all purposes.

12.7   **Force Majeure.** Neither party hereto will be liable or responsible to the other 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, Contractor agrees to use its best efforts to mitigate the impact of the occurrence so that University may continue to provide **[Option (Include all of the following that are applicable.):** healthcare, research and other mission critical services]** during the occurrence.

12.8   **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.

12.9   **Venue; Governing Law.** Harris County, Texas, will be the proper place of venue for suit on or in respect of this Agreement. This Agreement, all of its terms and conditions, all rights and obligations of the parties, and all claims arising out of or relating to this Agreement, will be construed, interpreted and applied in accordance with, governed by and enforced under, the laws of the State of Texas.

12.10   **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.

[**Note:** BEFORE A UT INSTITUTION EXECUTES THIS AGREEMENT, it is the UT Institution's sole responsibility to (1) identify what categories and or sources of FERPA data or HIPAA data, if any, Contractor will access, create or maintain on behalf of University pursuant to this Agreement, (2) ensure that the FERPA Confidentiality and Security Addendum and/or the HIPAA Business Associate Agreement made a part of this Agreement is accurate as of the Effective Date as well as the date this Agreement is signed by the UT Institution; (3) confirm the FERPA Confidentiality and Security Addendum and/or the HIPAA Business Associate Agreement is suitable given the terms of the contract to which it is attached; and (4) ensure that any modifications to the model FERPA Confidentiality and Security Addendum or the HIPAA Business Associate Agreement have been reviewed and approved for FERPA/HIPAA compliance by the UT Institution, as applicable.

[**Note:** Before including provisions related to HIPAA in this Agreement, the UT Institution must determine whether it is a HIPAA Covered Entity. Refer to Section 12.26 for more information.]

12.11   **Confidentiality and Safeguarding of University Records; Press Releases; Public Information.** Under this Agreement, Contractor may (1) create, (2) receive from or on behalf of University, or (3) have access to, records or record systems (collectively, **University Records**). Among other things, University Records may contain social security numbers, credit card numbers, or data protected or made confidential or sensitive by Applicable Laws. **[Option (Include if University Records are subject to FERPA.):** Additional mandatory confidentiality and security compliance requirements with respect to University Records subject to the Family Educational Rights and Privacy Act, 20 United States Code (**USC**) §1232g (**FERPA**) are addressed in **Section 12.41**.] **[Option (Include if University is a HIPAA Covered Entity and University Records are subject to HIPAA.):** Additional mandatory confidentiality and security compliance requirements with respect to University Records subject to the Health Insurance Portability and Accountability Act and 45 Code of Federal Regulations (**CFR**) Part 160 and subparts A and E of Part 164 (collectively, **HIPAA**) are addressed in **Section 12.26**.] Contractor represents, warrants, and agrees that it will: (1) hold University Records in strict confidence and will not use or disclose University Records except as (a) permitted or required by this Agreement, (b) required by Applicable Laws, or (c) otherwise authorized by University in writing; (2) safeguard University Records according to reasonable administrative, physical and technical standards (such as standards established by the National Institute of Standards and Technology and the Center for Internet Security **[Option (Include if Section 12.39 related to Payment Card Industry Data Security Standards is not include in this Agreement.):**, as well as the Payment Card Industry Data Security Standards**]**) that are no less rigorous than the standards by which Contractor protects its own confidential information; (3) continually monitor its operations and take any action necessary to assure that University Records are safeguarded and the confidentiality of University Records is

maintained in accordance with all Applicable Laws and the terms of this Agreement; and (4) comply with University Rules regarding access to and use of University's computer systems, including UTS165 at http://www.utsystem.edu/board-of-regents/policy-library/policies/uts165-information-resources-use-and-security-policy. At the request of University, Contractor agrees to provide University with a written summary of the procedures Contractor uses to safeguard and maintain the confidentiality of University Records.

[Alternate Option **(Use if University has confirmed that University will not provide Contractor any University Records that contain personally identifiable information regarding any individual that is not available to any requestor under the Texas Public Information Act.):** **Confidentiality and Safeguarding of University Records; Press Releases; Public Information.** Under this Agreement, Contractor may (1) create, (2) receive from or on behalf of University, or (3) have access to, records or record systems (collectively, **University Records**). However, it is expressly agreed that University will not provide to Contractor, and Contractor will never seek to access, any University Records that contain personally identifiable information regarding any individual that is not available to any requestor under the *Texas Public Information Act*, *Chapter 552, Texas Government Code*, including "directory information" of any student who has opted to prohibit the release of their "directory information" as that term is defined under the *Family Educational Rights and Privacy Act*, 20 USC §1232g (**FERPA**) and its implementing regulations. **[Option (Include if University is a HIPAA Covered Entity and University Records are subject to HIPAA.):** Additional mandatory confidentiality and security compliance requirements with respect to University Records subject to the Health Insurance Portability and Accountability Act and 45 CFR Part 160 and subparts A and E of Part 164 (collectively **HIPAA**) are addressed in **Section 12.26**.] Contractor represents, warrants, and agrees that it will: (1) hold University Records in strict confidence and will not use or disclose University Records except as (a) permitted or required by this Agreement, (b) required by Applicable Laws, or (c) otherwise authorized by University in writing; (2) safeguard University Records according to reasonable administrative, physical and technical standards (such as standards established by the National Institute of Standards and Technology and the Center for Internet Security **[Option (Include if Section 12.39 related to Payment Card Industry Data Security Standards is not include in this Agreement.):**, as well as the Payment Card Industry Data Security Standards]) that are no less rigorous than the standards by which Contractor protects its own confidential information; (3) continually monitor its operations and take any action necessary to assure that University Records are safeguarded and the confidentiality of University Records is maintained in accordance with all Applicable Laws and the terms of this Agreement; and (4) comply with University Rules regarding access to and use of University's computer systems, including UTS 165 at http://www.utsystem.edu/board-of-regents/policy-library/policies/uts165-information-resources-use-and-security-policy. At the request of University, Contractor agrees to provide University with a written summary of the procedures Contractor uses to safeguard and maintain the confidentiality of University Records.]

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

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

destroy University Records. Within five (5) days after destruction, Contractor will confirm to University in writing the destruction of University Records.

12.11.3 **Disclosure.** If Contractor discloses any University Records to a subcontractor or agent, Contractor will require the subcontractor or agent to comply with the same restrictions and obligations as are imposed on Contractor by this **Section 12.11**.

12.11.4 **Press Releases.** Except when defined as part of Work, Contractor will not make any press releases, public statements, or advertisement referring to the Project or the engagement of Contractor as an independent contractor of University in connection with the Project, or release any information relative to the Project for publication, advertisement or any other purpose without the prior written approval of University.

12.11.5 **Public Information.** University 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 §§552.002 and 2252.907, *Texas Government Code*, and at no additional charge to University, Contractor will make any information created or exchanged with University pursuant to this Agreement (and not otherwise exempt from disclosure under TPIA) available in a format reasonably requested by University that is accessible by the public**.**

12.11.6 **Termination.** In addition to any other termination rights in this Agreement and any other rights at law or equity, if University reasonably determines that Contractor has breached any of the restrictions or obligations in this Section, University may immediately terminate this Agreement without notice or opportunity to cure.

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

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

12.13 **Records.** Records of Contractor's costs, reimbursable expenses pertaining to the Project and payments will be available to University or its authorized representative during business hours and will be retained for four (4) years after final Payment or abandonment of the Project, unless University otherwise instructs Contractor in writing.

12.14 **Notices.** Except as otherwise provided by this Section, notices, consents, approvals, demands, requests or other communications required or permitted under this Agreement, will be in writing and sent via certified mail, hand delivery, overnight courier, facsimile transmission (to the extent a facsimile number is provided below), or email (to the extent an email address is provided below) as indicated below, and notice will be deemed given (i) if delivered by certified mail, when deposited, postage prepaid, in the United States mail, or (ii) if delivered by hand, overnight courier, facsimile (to the extent a facsimile number is provided below) or email (to the extent an email address is provided below), when received:

If to University: The University of Texas Health Science Center at Houston
Procurement Services
1851 Crosspoint, OCB1.160
Houston, Texas 77054
Fax: 713-500-4710
Email: procurementservices@uth.tmc.edu
Attention: Procurement Services

with copy to: _____
                         _____
                         _____
                         Fax: _____
                         Email: _____
                         Attention: _____

If to Contractor: _____
                         _____
                         _____
                         Fax: _____
                         Email: _____
                         Attention: _____

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

[Note: If both fax and email delivery are *not* permitted above, the following provision is required by §2251.054, *Texas Government Code*. However, if both fax and email delivery are permitted above, following provision is optional: Notwithstanding any other requirements for notices given by a party under this Agreement, if Contractor intends to deliver written notice to University pursuant to §2251.054, *Texas Government Code*, then Contractor will send that notice to University as follows:

                         _____
                         _____
                         _____
                         Fax: _____
                         Email: _____
                         Attention: _____

with copy to: _____
                         _____
                         _____
                         Fax: _____
                         Email: _____
                         Attention: _____

or other person or address as may be given in writing by University to Contractor in accordance with this Section.**]**

12.15 **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.

12.16 **State Auditor's Office.** Contractor understands acceptance of funds under this Agreement constitutes acceptance of authority of the Texas State Auditor's Office or any successor agency (**Auditor**), to conduct an audit or investigation in connection with those funds (ref. §§51.9335(c), 73.115(c) and 74.008(c), *Texas Education Code*). Contractor agrees to cooperate with Auditor in the conduct of the audit or investigation, including providing all records requested. Contractor will include this provision in all contracts with permitted subcontractors.

12.17 **Limitation of Liability.** EXCEPT FOR UNIVERSITY'S OBLIGATION (IF ANY) TO PAY CONTRACTOR CERTAIN FEES AND EXPENSES UNIVERSITY WILL HAVE NO LIABILITY TO CONTRACTOR OR TO ANYONE

CLAIMING THROUGH OR UNDER CONTRACTOR BY REASON OF THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT. NOTWITHSTANDING ANY DUTY OR OBLIGATION OF UNIVERSITY TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR, NO PRESENT OR FUTURE AFFILIATED ENTERPRISE, SUBCONTRACTOR, AGENT, OFFICER, DIRECTOR, EMPLOYEE, REPRESENTATIVE, ATTORNEY OR REGENT OF UNIVERSITY, OR THE UNIVERSITY OF TEXAS SYSTEM, OR ANYONE CLAIMING UNDER UNIVERSITY HAS OR WILL HAVE ANY PERSONAL LIABILITY TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR BY REASON OF THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT.

12.18   **Survival of Provisions.** No expiration or termination of this Agreement will relieve either party of any obligations under this Agreement that by their nature survive expiration or termination, including **Sections 6.7**, **9**, **12.5**, **12.9**, **12.10**, **12.11**, **12.13**, **12.16**, **12.17**, **12.19** and **12.21**.

12.19   **Breach of Contract Claims. [Option (Include if University prefers an abbreviated Breach of Contract Claims provision):** To the extent that Chapter 2260, *Texas Government Code*, is applicable to this Agreement and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, will be used by University and Contractor to attempt to resolve any claim for breach of contract made by Contractor that cannot be resolved in the ordinary course of business. The chief business officer of University will examine Contractor's claim and any counterclaim and negotiate with Contractor in an effort to resolve the claims. The parties specifically agree (i) neither execution of this Agreement by University nor any other conduct, action or inaction of any representative of University relating to this Agreement constitutes or is intended to constitute a waiver of University's or the state's sovereign immunity to suit; and (ii) University has not waived its right to seek redress in the courts.**]**

> **[Alternate Option (Include if University prefers a more detailed Breach of Contract Claims provision):** 12.19.1   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 Laws, the dispute resolution process provided for in Chapter 2260 will be used, as further described herein, by University and Contractor to attempt to resolve any claim for breach of contract made by Contractor:
>
> 12.19.1.1   Contractor'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, Contractor will submit written notice, as required by subchapter B of Chapter 2260, to University in accordance with the notice provisions in this Agreement. Contractor'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 University allegedly breached, the amount of damages Contractor seeks, and the method used to calculate the damages. Compliance by Contractor with subchapter B of Chapter 2260 is a required prerequisite to Contractor's filing of a contested case proceeding under subchapter C of Chapter 2260. The chief business officer of University, or another officer of University as may be designated from time to time by University by written notice to Contractor in accordance with the notice provisions in this Agreement, will examine Contractor's claim and

any counterclaim and negotiate with Contractor in an effort to resolve the claims.

12.19.1.2 If the parties are unable to resolve their disputes under **Section 12.19.1.1**, the contested case process provided in subchapter C of Chapter 2260 is Contractor's sole and exclusive process for seeking a remedy for any and all of Contractor's claims for breach of this Agreement by University.

12.19.1.3 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, Texas Civil Practices and Remedies Code*. The parties hereto specifically agree that (i) neither the execution of this Agreement by University nor any other conduct, action or inaction of any representative of University relating to this Agreement constitutes or is intended to constitute a waiver of University's or the state's sovereign immunity to suit and (ii) University has not waived its right to seek redress in the courts.

12.19.2 The submission, processing and resolution of Contractor'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.

12.19.3 University and Contractor agree that any periods provided in this Agreement for notice and cure of defaults are not waived.]

12.20 **Undocumented Workers.** The *Immigration and Nationality Act* (8 *USC* §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 *CFR* §274a). Among other things, Contractor 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 Applicable Laws. 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 Contractor employs unauthorized workers during performance of this Agreement in violation of the Immigration Act then, in addition to other remedies or penalties prescribed by Applicable Laws, University may terminate this Agreement in accordance with **Section 8**. Contractor represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Act.

12.21 **Limitations.** THE PARTIES ARE AWARE THERE ARE CONSTITUTIONAL AND STATUTORY LIMITATIONS (**LIMITATIONS**) ON THE AUTHORITY OF UNIVERSITY (A STATE AGENCY) TO ENTER INTO CERTAIN TERMS AND CONDITIONS THAT MAY BE PART OF THIS AGREEMENT, INCLUDING TERMS AND CONDITIONS RELATING TO LIENS ON UNIVERSITY'S PROPERTY; 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, AND TERMS AND CONDITIONS RELATED TO LIMITATIONS WILL NOT BE BINDING ON UNIVERSITY EXCEPT TO THE EXTENT AUTHORIZED BY THE LAWS AND CONSTITUTION OF THE STATE OF TEXAS.

12.22 **Ethics Matters; No Financial Interest.** Contractor and its employees, agents, representatives and subcontractors have read and understand University's Conflicts of Interest Policy at http://www.uthouston.edu/hoop/policy.htm?id=1447888, University's Standards of Conduct Guide at http://www.uthouston.edu/hoop/standards-of-conduct-guide.htm, and applicable state ethics laws and rules at http://utsystem.edu/offices/general-counsel/ethics. Neither Contractor nor its employees, agents, representatives or subcontractors will assist or cause University employees to violate University's Conflicts of Interest Policy, University's Standards of Conduct Guide, or applicable state ethics laws or rules. Contractor 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.

[Option (include *only* when (1) procuring a contract that requires Board approval or may have a value exceeding $1 million, and (2) Contractor is *not* exempt from disclosure requirements under §2252.908(c), *Texas Government Code* **and, after 12/31/2017, see Section 5 of HB 1295 amending Section 2252.908(c), Gov Code, at** http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01295F.htm**):** Further, Contractor agrees to comply with §2252.908, *Texas Government Code* (**Disclosure of Interested Parties Statute**), and 1 TAC §§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 University with information required on the form promulgated by TEC. Contractor may learn more about these disclosure requirements, including the use of TEC's electronic filing system, by reviewing the information on TEC's website at https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html.**]**

12.23 **[Note: Include the following provision if "computer equipment" is being purchased or leased under this Agreement. The term "computer equipment" includes desktop or notebook computers as well as a computer monitor or other display device that does not contain a tuner.] State of Texas Computer Equipment Recycling Program Certification.** Pursuant to §361.965, *Texas Health and Safety Code,* Contractor certifies that it is full compliance with the *State of Texas Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act,* Subchapter Y, Chapter 361, *Texas Health and Safety Code,* and the rules adopted by the Texas Commission on Environmental Quality under that Act at 30 *TAC §§328.131 through 328.155.* Contractor acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

12.24 **[Option (Include if University cannot be reasonably or adequately compensated in damages for the loss of Contractor's services.): Enforcement.** Contractor agrees and acknowledges that University is entering into this Agreement in reliance on Contractor's special and unique knowledge and abilities with respect to performing Work. Contractor's services provide a peculiar value to University. University cannot be reasonably or adequately compensated in damages for the loss of Contractor's services. Accordingly, Contractor acknowledges and agrees that a breach by Contractor of the provisions of this Agreement will

cause University irreparable injury and damage. Contractor, therefore, expressly agrees that University will be entitled to injunctive and/or other equitable relief in any court of competent jurisdiction to prevent or otherwise restrain a breach of this Agreement.**]**

12.25 **[Option (Include if this Agreement relates to electronic and information resources, including hardware, software or related services.): Access by Individuals with Disabilities.** Contractor represents and warrants (**EIR Accessibility Warranty**) the electronic and information resources and all associated information, documentation, and support Contractor provides to University under this Agreement (**EIRs**) comply with applicable requirements in 1 TAC Chapter 213 and 1 TAC §206.70 (ref. Subchapter M, Chapter 2054, *Texas Government Code*). To the extent Contractor becomes aware the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants it will, at no cost to University, 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. If Contractor fails or is unable to do so, University may terminate this Agreement and, within thirty (30) days after termination, Contractor will refund to University all amounts University paid under this Agreement. **[Option (Include if UT is procuring an information resources technology project (A) with development costs that exceed $1 million, and (B) that (1) requires one year or longer to reach operational status; (2) involves more than one institution of higher education or state agency; *or* (3) substantially alters work methods of institutions of higher education or agency personnel or the delivery of services to clients [see 1 TAC §213.38 (g)]):** Contractor will provide all assistance and cooperation necessary for performance of accessibility testing conducted by University or University's third party testing resources, as required by 1 TAC §213.38(g).

[NOTE: SECTION 12.26 SHOULD NOT BE USED BY INSTITUTIONS THAT ARE NOT HIPAA COVERED ENTITIES. Before including Section 12.26, the UT Institution must determine whether it is a HIPAA Covered Entity.

Before the UT Institution executes this Agreement, it is the sole responsibility of the UT Institution (1) to determine whether the UT Institution is subject to HIPAA and, therefore, a HIPAA Covered Entity, and, if so, (2) to ensure that any agreement into which it enters that involves access to PHI subject to HIPAA is HIPAA Compliant. If you are in doubt, check with your Institution's Privacy Officer or OGC. Each Institution subject to HIPAA has its own HIPAA BAA template for contracting use. The template should be modified as required depending on the terms of the contract and reviewed and approved by the Institution's Privacy Officer or their designee.]

12.26 **[Option (If University is a HIPAA covered entity, use in all contracts under which Contractor will access University Records subject to HIPAA.): HIPAA Compliance.** University is a HIPAA Covered Entity and some of the information Contractor receives, maintains or creates for or on behalf of University may constitute Protected Health Information (**PHI**) that is subject to HIPAA. Before Contractor may receive, maintain or create any University Records subject to HIPAA, Contractor will execute the HIPAA Business Associate Agreement (**BAA**) in **EXHIBIT D**, HIPAA Business Associate Agreement. To the extent that the BAA conflicts with any term contained in this Agreement, the terms of the BAA will control.

12.27 **[Option (include if (1) the value of this Agreement is expected to equal *or* exceed $100,000 or if University has requested a HUB Subcontracting Plan, and (2) University elects a less detailed HSP contract provision): Historically Underutilized Business Subcontracting Plan.** Contractor will use good faith efforts to subcontract work performed under this Agreement in accordance with the Historically Underutilized Business Subcontracting Plan (**HSP**) (ref. **Exhibit___ [Note: Insert Exhibit number/letter.]**). Except as specifically provided in the HSP, Contractor will not subcontract any of its duties or

obligations under this Agreement, in whole or in part. This Agreement is subject to 34 TAC §20.285. Contractor will comply with all of its duties and obligations under 34 TAC §20.285. In addition to other rights and remedies, University may exercise all rights and remedies authorized by 34 TAC §20.285.]

[Alternate Option (include if (1) the value of this Agreement is expected to equal or exceed $100,000 *or* if University has requested a HUB Subcontracting Plan, and (2) University elects a more detailed HSP contract provision): Historically Underutilized Business Subcontracting Plan.** Contractor agrees to use good faith efforts to subcontract Work in accordance with the Historically Underutilized Business Subcontracting Plan (**HSP**) (ref. **Exhibit E**). Contractor agrees to maintain business records documenting its compliance with the HSP and to submit a monthly compliance report to University in the format required by the Statewide Procurement and Statewide Support Services Division of the Texas Comptroller of Public Accounts or successor entity (collectively, **SPSS**). Submission of compliance reports will be required as a condition for payment under this Agreement. If University determines that Contractor has failed to subcontract as set out in the HSP, University will notify Contractor of any deficiencies and give Contractor 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 Contractor. If University determines that Contractor failed to implement the HSP in good faith, University, in addition to any other remedies, may report nonperformance to the SPSS in accordance with 34 TAC §§20.285(g)(5), 20.585 and 20.586. University may also revoke this Agreement for breach and make a claim against Contractor.

12.27.1 **Changes to the HSP.** If at any time during the Term, Contractor desires to change the HSP, before the proposed changes become effective (a) Contractor must comply with 34 TAC §20.285; (b) the changes must be reviewed and approved by University; and (c) if University approves changes to the HSP, this Agreement must be amended in accordance with **Section 12.6** to replace the HSP with the revised subcontracting plan.

12.27.2 **Expansion of Work.** If University expands the scope of Work through a change order or any other amendment, University will determine if the additional Work contains probable subcontracting opportunities *not* identified in the initial solicitation for Work. If University determines additional probable subcontracting opportunities exist, Contractor will submit an amended subcontracting plan covering those opportunities. The amended subcontracting plan must comply with the provisions of 34 TAC §20.285 before (a) this Agreement may be amended to include the additional Work; or (b) Contractor may perform the additional Work. If Contractor subcontracts any of the additional subcontracting opportunities identified by University without prior authorization and without complying with 34 TAC §20.285, Contractor will be deemed to be in breach of this Agreement under **Section 8** and will be subject to any remedial actions provided by Applicable Laws, including Chapter 2161, *Texas Government Code*, and 34 TAC §20.285. University may report nonperformance under this Agreement to the SPSS in accordance with 34 TAC §§20.285(g)(5), 20.585 and 20.586.]

12.28 **Responsibility for Individuals Performing Work; Criminal Background Checks.** Each individual who is assigned to perform Work under this Agreement will be an employee of Contractor or an employee of a subcontractor engaged by Contractor. Contractor is responsible for the performance of all individuals performing Work under this Agreement. Prior to commencing Work, Contractor will (1) provide University with a list (**List**) of all individuals who may be assigned to perform Work, and (2) have an appropriate criminal background screening performed on all the individuals. Contractor will determine on a case-by-case basis whether each individual assigned to perform Work is qualified to provide the services. Contractor will not knowingly assign any individual to provide services on University's campus who has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses. Contractor will update the List each time there is a change in the individuals assigned to perform Work.

Prior to commencing performance of Work under this Agreement, Contractor will provide University a letter signed by an authorized representative of Contractor certifying compliance with this Section. Contractor will provide University an updated certification letter each time there is a change in the individuals assigned to perform Work.

12.29 **[Option: (Include when Joint Commission standards apply to Work being provided.): Quality Assurance.** Contractor will (a) comply with all applicable standards of the Joint Commission (**Joint Commission**); (b) implement and monitor a quality assurance process that complies with Joint Commission standards; (c) comply with applicable Joint Commission privileging standards for licensed independent practitioners; (d) upon request, provide assurance to University of a licensed independent practitioner's privileging file; and (e) provide University with periodic reports of its quality assurance indicators and/or permit University to conduct periodic quality assurance audits of Work.**]**

[Options (If University is an institution that receives funds from Medicare/Medicaid or if cost of Work is included in amounts charged back to federal sponsored projects, federal contracts or federal grants, consult with University's *Office of Sponsored Projects* to determine whether inclusions of Sections 12.30 through 12.36 or other contract provisions are required.):

12.30 **Certifications of Nonsegregated Facilities and Equal Employment Opportunities Compliance**. Contractor 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. A breach of this certification is a violation of the Equal Opportunity clause. **Segregated facilities** means any waiting rooms, work areas, rest rooms and wash rooms, entertainment areas, and 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. Contractor 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, Contractor will retain the certifications for each one of its subcontractors in Contractor'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).

Contractor understands that the penalty for making false statements regarding the subject matters of this Section is prescribed in 18 USC §1001.

12.31   **Debarment**. Contractor confirms that neither Contractor 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 (http://www.sam.gov/) 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). Contractor will provide immediate written notification to University if, at any time prior to award, Contractor 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 University executes this Agreement. If it is later determined that Contractor knowingly rendered an erroneous certification, in addition to the other remedies available to University, University may terminate this Agreement for default by Contractor.

12.32   **Office of Inspector General Certification**. Contractor acknowledges that University is prohibited by federal regulations from allowing any employee, representative, agent or subcontractor of Contractor to work on site at University's premises or facilities if that individual is not eligible to work on federal healthcare programs including Medicare, Medicaid, or other similar federal programs. Therefore, Contractor will not assign any employee, representative, agent or subcontractor that appears on the List of Excluded Individuals issued by the United States Office of the Inspector General (**OIG**) to work on site at University's premises or facilities. Contractor will perform an OIG sanctions check quarterly on each of its employees, representatives, agents, and subcontractors during the time the employees, representatives, agents, or subcontractors are assigned to work on site at University's premises or facilities. Contractor acknowledges that University will require immediate removal of any employee, representative, agent, or subcontractor of Contractor assigned to work at University's premises or facilities if the employee, representative, agent, or subcontractor 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://exclusions.oig.hhs.gov/

12.33   **Access to Documents**. To the extent applicable to this Agreement, in accordance with §1861(v)(I)(i) of the Social Security Act (42 USC §1395x) as amended, and the provisions of 42 CFR §420.300 et seq, Contractor will allow, during and for a period of not less than four (4) years after the expiration or termination of this Agreement, access to this Agreement and its books, documents, and records; and contracts between Contractor 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.

12.34   **Affirmative Action**. **Exhibit_____**, Affirmative Action Compliance Program, contains a written copy of Contractor's Civil Rights "*Affirmative Action Compliance Program*," or if Contractor is not required to have such a written program, the reason Contractor is not subject to such requirement.

12.35   **OSHA Compliance**. To the extent applicable to the services to be performed under this Agreement, Contractor represents and warrants, that all articles 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 91-596) and its regulations in effect or proposed as of the date of this Agreement.

12.36 **Discrimination Prohibited.** UNIVERSITY AND CONTRACTOR WILL ABIDE BY THE REQUIREMENTS OF 41 CFR §§60-1.4(A), 60-300.5(A) AND 60-741.5(A) (COLLECTIVELY, **REGULATIONS**). THE REGULATIONS (1) PROHIBIT DISCRIMINATION AGAINST QUALIFIED INDIVIDUALS BASED ON THEIR STATUS AS PROTECTED VETERANS OR INDIVIDUALS WITH DISABILITIES, AND (2) PROHIBIT DISCRIMINATION AGAINST ALL INDIVIDUALS BASED ON THEIR RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN. MOREOVER, THE REGULATIONS REQUIRE THAT UNIVERSITY AND CONTRACTOR TAKE AFFIRMATIVE ACTION TO EMPLOY AND ADVANCE IN EMPLOYMENT, INDIVIDUALS WITHOUT REGARD TO RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, PROTECTED VETERAN STATUS OR DISABILITY.**]**

[Option: (Include if this Agreement relates to electronic and information resources, including hardware, software or related services.): 12.37 **EIR Environment Specifications**. **Exhibit** , Environment Specifications, establishes specifications, representations, warranties and agreements related to the environment specifications of EIR that Contractor is providing to University under this Agreement. The specifications, representations, warranties and agreements in **Exhibit** , Environment Specifications, are binding on Contractor. Contractor agrees to perform Work in compliance with **Exhibit** , Environment Specifications.**]**

[Option: (Include if this Agreement relates to electronic and information resources, including hardware, software or related services.): 12.38 **Security Characteristics and Functionality of Contractor's Information Resources**. **Exhibit** , Security Characteristics and Functionality of Contractor's Information Resources, establishes specifications, representations, warranties and agreements related to the products and services Contractor is providing to University under this Agreement. The specifications, representations, warranties and agreements in **Exhibit** , Security Characteristics and Functionality of Contractor's Information Resources, are binding on Contractor. Contractor agrees to perform Work in compliance with **Exhibit** , Security Characteristics and Functionality of Contractor's Information Resources.**]**

[Option: (Use in all contracts under which Contractor will process credit card payments to perform or further any portion of the services provided by Contractor, including (1) contracts for retail outlet services (merchandise sales, ticket sales, etc.) under which Contractor will accept credit card payments, and (2) contracts for development and fund raising activities under which Contractor will accept gifts to University via credit card): 12.38   **Payment Card Industry Standards**. **[Note: If using this Option, confirm that the services provided by Contractor do not violate or conflict with existing UT System or State of Texas contracts or agreements.]** University is required to validate compliance on a periodic basis with applicable Payment Card Industry Data Security Standards (PCI DSS), including Payment Application Data Security Standards (PA DSS), promulgated by the Payment Card Industry Security Standards Council (PCI SSC). The compliance validation process requires University to undergo an assessment of (1) system components used to process, store or transmit cardholder data, and any other components that reside on the same network segment as those system components, as well as (2) related processes used to process, store or transmit cardholder data, (System Components in Scope). Some or all System Components in Scope have been outsourced to Contractor under this Agreement. Contractor will cause its agents and subcontractors to comply with all terms of this Section applicable to Contractor. Contractor will achieve and maintain compliance under the current versions of PCI DSS and PA DSS published on the PCI SSC website for service providers and payment applications. Contractor will provide to University (1) on or before the date this Agreement is signed by University, and (2) within ten (10) days after each anniversary of the date this Agreement is signed by University, a copy of Contractor's annual attestation of compliance signed by a Qualified Security Assessor (QSA) as described on the PCI SSC website.

If Contractor is unable to provide the required attestations of compliance, Contractor will permit University or University's QSA to assess all System Components in Scope that are hosted or managed by Contractor or by Contractor's agents or subcontractors. Contractor will create and maintain reasonably detailed, complete and accurate documentation describing the systems, processes, network segments, security controls, and dataflow used to receive, transmit, store and secure cardholder data. The documentation will conform to the most current version of PCI DSS. Contractor will, upon written request by University, make the documentation and the individuals responsible for implementing, maintaining and monitoring System Components in Scope available to (1) QSAs, forensic investigators, consultants and attorneys retained by University to facilitate the validation of University's PCI DSS compliance, and (2) University's information technology, information security, audit, compliance and other staff.

Contractor will retain the documentation for at least one (1) year after termination of this Agreement.**]**

[Option (Include if Contractor provides an Internet application, software or a database under this Agreement.): 12.40   **External Terms.** This Agreement completely supplants, replaces, and overrides all other terms and conditions or agreements, written or oral, concerning Contractor's performance or provision of goods or services under this Agreement (**External Terms**). External Terms are null and void and will have no effect under this Agreement, even if University or its employees, contractors, or agents express assent or agreement to External Terms. External Terms include any shrinkwrap, clickwrap, browsewrap, web-based terms and conditions of use, and any other terms and conditions displayed in any format that University 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 by Contractor.**]**

[Option (Use in all contracts under which Contractor will access University Records subject to FERPA.):12.41   **FERPA Compliance.** Some of the University Records Contractor receives, creates or maintains for or on behalf of University constitute **Education Records** (as defined by FERPA), or **Personally Identifiable Information from Education Records** (as defined by FERPA) (collectively, **FERPA Data**). Before Contractor may access, create or maintain any of University's FERPA Data, Contractor must execute **EXHIBIT ___** **[Note: Insert Exhibit number/letter.]**, FERPA Confidentiality and Security Addendum. **EXHIBIT ___** **[Note: Insert Exhibit number/letter.]**, FERPA Confidentiality and Security Addendum, contains terms required by University to ensure that Contractor complies with FERPA (including the requirements of 34 CFR §99.33(a)) and University Rules related to FERPA, including (i) a description of all FERPA Data subject to this Agreement, and (ii) recognition that University retains the right to control Contractor's access, use, and disclosure of all FERPA Data. Except to the extent **Section 12.11** conflicts with **EXHIBIT ___** **[Note: Insert Exhibit number/letter.]**, FERPA Confidentiality and Security Addendum, Contractor will comply with **Section 12.11** in connection with all FERPA Data. To the extent that **EXHIBIT ___** **[Note: Insert Exhibit number/letter.]**, FERPA Confidentiality and Security Addendum, conflicts with any term contained in this Agreement, the terms of **EXHIBIT ___** **[Note: Insert Exhibit number/letter.]**, FERPA Confidentiality and Security Addendum, will control.

12.42   **Contractor Certification regarding Boycotting Israel.** Pursuant to Chapter 2270, *Texas Government Code*, Contractor certifies Contractor (1) does not currently boycott Israel; and (2) will not boycott Israel during the Term of this Agreement. Contractor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate. **[Note: This provision only applies to a contract with a for-profit entity. Section 2270.002, *Texas Government Code*, requires inclusion of this Section in contracts between a governmental entity and a "company." Section 2270.001(2), *Texas Government Code*, defines "company" to have the meaning assigned by Section 808.001, *Texas Government Code*. Section 808.001(2) defines "company" as a for-profit entity.]**

12.43   **Contractor Certification regarding Business with Certain Countries and Organizations.** Pursuant to Subchapter F, Chapter 2252, *Texas Government Code*, Contractor certifies Contractor is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Contractor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate. **[Note 1: Subchapter F, Chapter 2252, *Texas Government Code*, requires University to implement a process to compare Contractor's name(s) to the various lists designated in Section 2252.152, *Government Code*, before execution of this Agreement.]**
[Note 2: This Section only applies to a contract with a for-profit entity. Section 2252.151(1), *Texas Government Code*, defines "company" to have the meaning

[Option: (Include if this Agreement may be translated into languages other than English.): 12.44 **Translations.** This Agreement may be translated into various languages and executed by the parties; however, the English language version is the original and controlling agreement, and all other language versions are translations for information purposes only. If the terms and conditions of the original English language Agreement conflict with those in any foreign language translation of this Agreement, the original English language Agreement will prevail.**]**

Note: BEFORE A UT INSTITUTION EXECUTES THIS AGREEMENT, it is the UT Institution's sole responsibility to determine if the engagement with the Contractor will trigger compliance measures with the General Data Protection Regulation (GDPR) because (1) data may be collected or solicited from individuals located within a EU country (i.e., alumni relations/donations, student recruitment, foreign sponsored research, study abroad related); or (2) the Contractor may directly or indirectly monitor the activity through data of individuals located within a EU country. If your institution requires further assistance with this determination, please contact UT System Privacy Officer.

12.45 **General Data Protection Regulation (GDPR) Applicability.** Some of the University Records Contractor receives, creates or maintains for or on behalf of University constitute **Personal Information or Data** (as defined by the GDPR). Before Contractor may access, create or maintain such Data, Contractor must execute **EXHIBIT ___** **[Note: Insert Exhibit number/letter.]**, GDPR Data Protection Addendum. Except as otherwise provided by the GDPR Data Protection Addendum included as **EXHIBIT ____** Contractor agrees to provide University with a copy of the Contractor's GDPR privacy notice which complies with GDPR requirements, including but not limited to detailing the gathering and use of data, an individual's rights under GDPR, and breach notification information. Contractor will provide University with any information necessary to allow University to fulfill its responsibilities as a data controller, as that term is defined by the GDPR, when responding to an inquiry from a data subject, as that term is defined by the GDPR. Such information shall be provided to University no later than 5 days from the day Contractor or University learn of a request for information from a data subject. Except to the extent **Section _____** conflicts with **EXHIBIT ___** **[Note: Insert Exhibit number/letter.]**, GDPR Data Protection Addendum, Contractor will comply with **Section _____** in connection with all Data subject to GDPR.

[Note: Delete all bracketed ([ ]) and highlighted text before sending this Agreement to Contractor.]

University and Contractor have executed and delivered this Agreement to be effective as of the Effective Date.

UNIVERSITY: **CONTRACTOR:**

THE UNIVERSITY OF TEXAS   _____
HEALTH SCIENCE CENTER AT HOUSTON

By: _____   By: _____

Name: _____   Name: _____

Title: _____   Title: _____

Attach:

EXHIBIT A – **Scope of Work**
EXHIBIT B – **Schedule**
EXHIBIT C – **Payment for Services**
[Option (Include if University is a HIPAA Covered Entity and Contractor will receive, create and/or maintain for or on behalf of University data covered by HIPAA.): EXHIBIT D – HIPAA Business Associate Agreement]
[Option (Include if HUB Subcontracting Plan was prepared in connection with Work covered by this Agreement.): EXHIBIT E – HUB Subcontracting Plan]
[Option (Include if federal contract provisions are included in this Agreement.): EXHIBIT ____ – Affirmative Action Compliance Program]
[Option: (Include if this Agreement relates to electronic and information resources, including hardware, software or related services.): EXHIBIT ____ – Environment Specifications]
[Option: (Include if this Agreement relates to electronic and information resources, including hardware, software or related services.): EXHIBIT ____ – Security Characteristics and Functionality of Contractor's Information Resources]
[Option: (Include if Contractor will receive, create and/or maintain for or on behalf of University FERPA Data.): EXHIBIT ____ – FERPA Confidentiality and Security Addendum]
[Option: (Include if Contractor will trigger GDPR provisions with the services provided to University or on behalf of University: EXHIBIT ____ – GDPR Data Protection Addendum]

EXHIBIT A

SCOPE OF WORK

[Note: Provide a detailed description and break-down of all tasks Contractor is to perform and technical standards for the tasks, if appropriate.]

EXHIBIT B

SCHEDULE

[Note: Describe specific time deadlines and due dates for each phase of Work and, if appropriate, for Work as a whole.]

EXHIBIT C

PAYMENT FOR SERVICES

SERVICE FEES: **[Note: Specify payment model. If the fee is not a stipulated lump sum, include a "not to exceed" fee cap amount.]**

Notwithstanding the foregoing, the cumulative amount of Service Fees remitted by University to Contractor will not exceed **$_____** (**Fee Cap**) without the prior written approval of University. In addition, total fees for each Phase of Work will not exceed the following specified amounts without the prior written approval of University:

_____

_____

If University submits, in advance, a written request for additional services not contemplated or reasonably inferred by this Agreement, Contractor will be paid for actual hours incurred by Contractor's personnel directly and solely in support of the additional services at the Rates provided above.

[Note:

AIR TRAVEL AND RENTAL CAR
At this time, Contractor may not book air travel or rental car directly with travel vendors and obtain the State rates. If the UT institution books air travel and rental car for Contractor and pays the travel vendor directly (direct bill to UT), then the UT institution will receive the State rate for Contractor's airfare and rental car.

HOTEL RESERVATIONS
***State Hotel Rates*: A hotel under contract with the State may, at the hotel's discretion, offer the State rate for Contractor travel. The hotel, at the hotel's discretion, may permit the Contractor to book and pay the reservation or may require the UT institution to book and pay the reservation (direct bill to UT). The UT institution should contact the hotel to ask if (1) the hotel honors the State rate for Contractor travel, and (2) the hotel requires UT to book and pay the reservation (direct bill to UT).**

***UT Negotiated Hotel Rates*: The UT institution may obtain the UT negotiated hotel rates (when available) for Contractor travel. The UT institution should contact the hotel to confirm the reservation and ask if the hotel requires UT to pay for the reservation (direct bill to UT).**

CANCELLATION CHARGES
Be aware that if UT institutions book travel for Contractor, then any cancellation charges will be charged to the UT institution.]

EXPENSES AND DISBURSEMENTS: Contractor will be reimbursed without mark-up for reasonable expenses (including meals, rental car or mileage, coach class airfare, and lodging) validly incurred directly and solely in support of the Project and approved by University in advance. Provided, however, Contractor agrees and acknowledges that Contractor will be subject to the then-current Travel Reimbursement Rates promulgated by the Comptroller of Public Accounts for the State of Texas at https://fmx.cpa.state.tx.us/fm/travel/travelrates.php with regard to meals, mileage, **[Option:** rental car**] [Option:** , airfare,**] [Option:** lodging**]**and all other expenses related to travel **[Option:** , except **[Option:** rental car**], [Option:** airfare**]** and **[Option:** lodging**]]**. **[Option:** Except as provided in this Agreement,**]** Contractor agrees and acknowledges that Contractor will not be reimbursed by University for expenses that are prohibited or that exceed the allowable amounts provided in the then-current Travel Reimbursement Rates. As a condition precedent to receiving reimbursement for expenses and disbursements, Contractor will submit to University receipts, invoices, and other documentation as requested University.

Notwithstanding the foregoing, reimbursement for expenses and disbursements will not exceed a maximum of $_____ (**Expense Cap**) without the prior written approval of University.

The Fee Cap and the Expense Cap are sometimes collectively referred to as the **Contract Amount**.

HIPAA BUSINESS ASSOCIATE AGREEMENT]

[Option (Include if a HUB Subcontracting Plan is required or is available.): EXHIBIT E

HUB SUBCONTRACTING PLAN]

[Option (Include if federal contract provisions are included in this Agreement.): EXHIBIT ___

AFFIRMATIVE ACTION COMPLIANCE PROGRAM]

**[Option (Include if this Agreement relates to electronic and information resources, including hardware, software or related services.): EXHIBIT   **

ENVIRONMENT SPECIFICATIONS]

[Option (Include if this Agreement relates to electronic and information resources, including hardware, software or related services.): EXHIBIT _____

**SECURITY CHARACTERISTICS AND FUNCTIONALITY OF
CONTRACTOR'S INFORMATION RESOURCES]**

FERPA CONFIDENTIALITY AND SECURITY ADDENDUM

FERPA CONFIDENTIALITY AND SECURITY ADDENDUM

This FERPA Confidentiality and Security Addendum (**Addendum**) is made and entered into effective as of **[   ]** (**Effective Date**) by and between **The University of Texas [   ]**, a state agency and institution of higher education established under the laws of the State of Texas (**University**) and **[ ]** (**Contractor**), (collectively, **Parties**). The purpose of this Addendum is to provide the terms under which Contractor is required to maintain the confidentiality and security of any and all University records subject to the Family Educational Rights and Privacy Act, 20 *United Stated Code* §1232g (**FERPA**) which Contractor will create, receive, or maintain on behalf of University pursuant to **[Identify underlying contract to which the Addendum is attached.]**(**Underlying Agreement**).

1.   **FERPA.** The Parties understand and agree that:

  1.1   As part of the work (**Work**) that Contractor will provide pursuant to the Underlying Agreement, Contractor is expected to create, receive or maintain, records or record systems from or on behalf of University that (a) are subject to FERPA or (b) contain personally identifiable information from "Education Records" as defined by and subject to FERPA (collectively, **FERPA Records**) namely: **[Insert description of the types or categories of records subject to FERPA to be created, accessed and or maintained by Contractor.]**. FERPA Records include all data in any form whatsoever, including electronic, written and machine readable form.

  1.2   Notwithstanding any other provision of the Underlying Agreement, this Addendum or any other agreement, all FERPA Records created, received or maintained by Contractor pursuant to the Underlying Agreement will remain the sole and exclusive property of University.

2.   **FERPA Compliance**. In connection with all FERPA Records that Contractor may create, receive or maintain on behalf of University pursuant to the Underlying Agreement, Contractor is designated

as a University Official with a legitimate educational interest in and with respect to such FERPA Records, only to the extent to which Contractor (a) is required to create, receive or maintain FERPA Records to carry out the Underlying Agreement, and (b) understands and agrees to all of the following terms and conditions *without reservation*:

2.1 **Prohibition on Unauthorized Use or Disclosure of FERPA Records:** Contractor will hold University FERPA Records in strict confidence. Contractor will not use or disclose FERPA Records received from or on behalf of University, including any FERPA Records provided by a University student directly to Contractor, except as permitted or required by the Underlying Agreement or this Addendum.

2.2 **Maintenance of the Security of FERPA Records**: Contractor will use the administrative, technical and physical security measures, including secure encryption in the case of electronically maintained or transmitted FERPA Records, approved by University and that are at least as stringent as the requirements of UT System Information and Resource Use & Security Policy, UTS165 at http://www.utsystem.edu/board-of-regents/policy-library/policies/uts165-information-resources-use-and-security-policy, to preserve the confidentiality and security of all FERPA Records received from, or on behalf of University, its students or any third party pursuant to the Underlying Agreement.

2.3 **Reporting of Unauthorized Disclosures or Misuse of FERPA Records and Information**: Contractor, within one (1) day after discovery, will report to University any use or disclosure of FERPA Records not authorized by this Addendum. Contractor'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 Contractor has done or will do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or will take to prevent future similar unauthorized use or disclosure. Contractor will provide such other information, including written reports, as reasonably requested by University. For purposes of this **Section 2.3**, an unauthorized disclosure or use includes any access or use of an "Education Record" (as defined by FERPA) by a Contractor employee or agent that the employee or agent does not require to perform Work or access by any employee or agent that does not involve the provision of Work.

2.4 **Right to Audit:** If University has a reasonable basis to believe that Contractor is not in compliance with the terms of this Addendum, University may audit Contractor's compliance with FERPA as Contractor's compliance relates to University's FERPA Records maintained by Contractor.

2.5 **Five Year Exclusion for Improper Disclosure of Education Records.** Under the federal regulations implementing FERPA, improper disclosure or redisclosure of personally identifiable information from University's "Education Records" (as defined by FERPA) by Contractor or its employees or agents may result in Contractor's complete exclusion from eligibility to contract with University for at least five (5) years.

3. **Return [Option: or Secure Destruction] of FERPA Records.** Contractor agrees that no later than 30 days after expiration or termination of the Underlying Agreement or this Addendum for any reason, or within thirty (30) days after University's written request, Contractor will halt all access, use, creation, or processing of FERPA Records and will return to University **[Option:** or Securely Destroy**]** all FERPA Records, including any copies created by Contractor or any subcontractor; and Contractor will certify in writing to University that all FERPA records have been returned to University **[Option:** or Securely Destroyed**]**. **[Option:** **Secure Destruction**, **Securely Destroy** and **Securely Destroyed** mean shredding, erasing or otherwise modifying a record so as to make it unreadable or indecipherable.**]**

4. **Disclosure.** Contractor will restrict disclosure of FERPA Records solely to those employees, subcontractors, or agents of Contractor that have a need to access the FERPA Records in order for Contractor to perform its obligations under the Underlying Agreement or this Addendum. If Contractor discloses any FERPA Records to a subcontractor or agent, Contractor will require the subcontractor or agent to comply with restrictions and obligations that align with the restrictions and obligations imposed on Contractor by the Underlying Agreement and this Addendum, including requiring each subcontractor or agent to agree to the same restrictions and obligations in writing.

5. **Termination**. This Addendum will remain in effect until the earlier of (a) expiration or termination of the Underlying Agreement, or (b) the date University terminates this Addendum by giving Contractor sixty (60) days' written notice of University's intent to terminate. **Sections 2**, **3**, **4**, and **6** of this Addendum will survive expiration or termination of the Underlying Agreement and this Addendum.

6. **Breach.** In the event of a breach, threatened breach or intended breach of this Addendum by Contractor, University (in addition to any other rights and remedies available to University at law or in equity) will be entitled to preliminary and final injunctions, enjoining and restraining such breach, threatened breach or intended breach.

7. **Governing Law.** The validity, construction, and performance of this Addendum are governed by the laws of the State of Texas, and suit may be brought in **[   ]** County, Texas to enforce the terms of this Addendum.

8. **Non-Assignment.** The rights and obligations of the Parties under this Addendum may not be sold, assigned or otherwise transferred.

AGREED TO AND SIGNED BY THE PARTIES.

The University of Texas at [ ]   **[Contractor]**

By: _____   By: _____

Name: _____   Name: _____

Title: _____   Title: _____

Date: _____   Date: _____**]**

EXHIBIT _____

GDPR DATA PROTECTION ADDENDUM

This GDPR Data Protection Addendum ("**Addendum**") is made and entered into effective as of **[ ]** (the "**Effective Date**") by and between **The University of Texas System**, a state agency and institution of higher education established under the laws of the State of Texas ("**University**") and **[   ]** ("**Contractor**"), (collectively, "**Parties**"). The purpose of this Addendum is to provide the terms related to privacy, confidentiality, and security which Contractor is required to adhere to, under applicable Data Protection Laws and Regulations, in order to process, handle, and store Personal Information on behalf of University as set forth in the Standard Agreement ("**Underlying Agreement**").

1.   **Definitions**

(a)   "GDPR" means the European Union (EU) General Data Protection Regulation, EU 2016/679 of the European Parliament and of the Council.

(b)   "Personal Information" means any and all data obtained directly from an individual or included in University Records (regardless of format) that (i) identifies or can be used to identify, contact or locate a natural person, or (ii) pertains in any way to an identified natural person. Personal Information includes obvious identifiers (such as names, addresses, email addresses, phone numbers and identification numbers) as well as biometric data, "personal data" (as defined in the GDPR) and any and all information about an individual's computer or mobile device or technology usage, including (for example) IP address, MAC address, unique device identifiers, unique identifies set in cookies, and any information passively captured about a person's online activities, browsing, application or hotspot usage or device location.

(c)   "Privacy Laws" means all applicable U.S. and international laws that regulate the Processing of Personal Information. In particular, "Privacy Laws" includes the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Family Educational Rights and Privacy Act (FERPA), the Identify Theft Enforcement and Protection Act (ITEPA), the GDPR and other applicable laws that specify privacy, security or security breach notification obligations that affect the Personal Information or the provision of the services by Contractor.

(d)   "Process" or "Processing" means any operation or set of operations which is performed upon Personal Information, whether or not by automatic means, such as collection, compilation, use, disclosure, duplication, organization, storage, alteration, transfer, transmission, combination, redaction, erasure, or destruction.

(e)   "Security Breach" means a "personal data breach" (as defined in the GDPR), a "breach of the security of a system" or similar term (as defined in any other applicable Privacy Law) or any other event that compromises the security, confidentiality or integrity of Personal Information.

(f)   "Sensitive Personal Information" is a subset of Personal Information, which due to its nature has been classified by law or by University policy as deserving additional privacy and security protections. Sensitive Personal Information consists of: (i) all government-issued identification numbers, (ii) all financial account numbers (including payment card information and health insurance numbers), (iii) individual medical records, genetic and biometric information, (iv) all data obtained from a U.S. consumer reporting agency (such as employee background investigation reports, credit reports, and credit scores), (v) user account credentials, such as usernames, passwords, security questions/answers and other password recovery data, (v) data elements that constitute "Special Categories of Data", as defined by Article 9 under the GDPR, namely "Personal Information" revealing

racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation.

(g) "Services" means any and all services that University requests the Contractor to perform under the Underlying Agreement.

(h) "Subprocessor" means any third party (including Contractor's affiliates, agents, and subcontractors) that provides any services to Contractor and that may have access (including inadvertent access) to any Personal Information.

(i) "Transfer" means to disclose or otherwise make the Personal Information available to a third party (including to any affiliate or Subprocessor of Contractor), either by physical movement of Personal Data to such third party or by enabling access to Personal Data by other means.

2.   Contractor Obligations

(a) Contractor will only Process or Transfer Personal Information as authorized by University and as necessary to perform the Services detailed in the Underlying Agreement.

(b) Contractor will promptly inform University in writing:

(i) if it is not in compliance with or cannot comply with any material term of this Addendum or of the Underlying Agreement, including any such term regarding the Services. In addition to any other rights of the University under this Addendum, the Underlying Agreement, or applicable law or regulation, in the event of such notice University at its sole discretion may (1) permit Contractor to use reasonable efforts to remedy any such non-compliance or (2) terminate Contractor's further Processing of Personal Information under this Addendum and the Underlying Agreement;

(ii) of any request for access to any Personal Information received from an individual who is (or claims to be) the subject of the data;

(iii) of any request for access to any Personal Information received by Contractor from any government agency, entity, or official (including any data protection agency or law enforcement agency);

(iv) of any other requests with respect to Personal Information received from University or other third parties, other than those set forth in the Underlying Agreement. Contractor understands that it is not authorized to and will not respond to the requests identified in items (ii), (iii), and (iv) above, unless Contractor is (1) explicitly authorized by University or (2) the response is legally required under a subpoena or similar legal document issued by a government agency, entity, or official that compels disclosure by Contractor.

(c) If Services involve Contractor's collection of Personal Information directly from individuals, Contractor will provide the individuals with a clear and conspicuous written privacy notice, which notice will be reviewed by University before Contractor begins providing any Services set forth in the Underlying Agreement. The notice must comply with any legal requirements for the privacy notice in the jurisdictions where it is given, be translated into the languages used in connection with Contractor's interaction with the individuals, and indicate that Contractor is processing Personal Information as a processor on behalf of University.

(d)   If the Personal Information includes "protected health information" (or "PHI") as defined in the Health Insurance Portability and Accountability Act and 45 Code of Federal Regulations (CFR) Part 160 and subparts A and E of Part 164 (collectively, HIPAA)"), then before Contractor may receive, maintain or create any Personal Information, Contractor will execute an appropriate Business Associate Agreement ("BAA") as required by HIPAA with University. To the extent that the BAA conflicts with any term contained in this Addendum or the Underlying Agreement, the terms of the BAA will control.

(e)   Subject to Section 2(b) of this Addendum, Contractor will cooperate with University and with its affiliates and representatives in responding to inquiries, incidents, claims and complaints regarding Processing of Personal Information or as otherwise needed for University to (1) demonstrate compliance with applicable Privacy Laws and (2) respect individuals' rights under those Privacy Laws.

(f)   Contractor must use reasonable efforts to stay informed of applicable legal and regulatory requirements for Processing of Personal Information. Contractor will ensure that its Processing complies with all applicable Privacy Laws, as well as Contractor's and University's privacy notices.

3. **Confidentiality and Data Access**

(a)   Personal Information is considered Confidential Information of University. Contractor will not use or disclose Personal Information received from or on behalf of University, its students, faculty, or staff, or any third party pursuant to the Underlying Agreement, (including any Personal Information provided by a University student directly to Contractor), except as permitted or required by the Underlying Agreement or this Addendum. If Contractor discloses any Personal Information to a Subprocessor Contractor will require the Subprocessor to comply with the same restrictions and obligations that are imposed on Contractor by the Underlying Agreement and this Addendum, including requiring each Subprocessor to agree to the same restrictions and obligations in writing.

(b)   Contractor will use the administrative, technical and physical security measures, including secure encryption in the case of electronically maintained or transmitted Personal Information, approved by University and that are at least as stringent as the requirements of UT System Information and Resource Use & Security Policy, UTS 165 at http://www.utsystem.edu/board-of-regents/policy-library/policies/uts165-information-resources-use-and-security-policy, to preserve the confidentiality and security of all Personal Information received from or on behalf of University, its students, faculty, or staff, or any third party pursuant to the Underlying Agreement.

(c)   Contractor has implemented and will maintain documented appropriate business continuity and disaster recovery plans to enable it to continue or resume providing Services in accordance with the Underlying Agreement in the event of any disaster or other adverse event affecting the University and/or Contractor.

(d)   Prior to allowing any employee, subcontractor, representative, agent, subprocessor, or other individual to process Personal Information, Contractor will (i) conduct an appropriate background check of the individual as permitted by law and in compliance with the Underlying Agreement, (ii) require the individual to execute an enforceable confidentiality agreement, and (iii) provide the individual with appropriate privacy and security training. Contractor will also continually monitor its employees, subcontractors, representatives, agents, subprocessors, or other individuals it provides or engages for compliance with the privacy and security program requirements.

(e)   Contractor, within 24 hours after discovery, will report to University any use or disclosure of Personal Information not authorized by this Addendum or the Underlying Agreement. Contractor's report will identify: (i) the nature of the unauthorized use or disclosure, (ii) the Personal Information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Contractor has done or will do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or will take to prevent future similar unauthorized use or disclosure. Contractor will provide such other information, including written reports, as reasonably requested by University.

(f)   Upon request, Contractor will provide University with information about the Contractor's information security program. Contractor will also submit its data processing facilities for audit, during Contractor's reasonable business hours, which will be carried out in a mutually-agreeable manner no more than ten (10) days after such request. In the event that such audit reveals material gaps or weaknesses in Contractor's security program, University will be entitled to terminate Contractor's Processing of Personal Information, including, termination of this Addendum and the Underlying Agreement permanently, or until such issues are resolved.

4.   Return of Records

Contractor agrees that no later than 30 days after expiration or termination of the Underlying Agreement or this Addendum for any reason, or within thirty (30) days after University's written request, Contractor will halt all access, use, or processing of Personal Information and will return to University all records, including any copies created by Contractor or any Subprocessor, subcontractor, representative, agent, or other individual or entity that it provides or engages; and Contractor will certify in writing to University that all records have been returned to University.

5.   General Provisions

This Agreement is governed by, and shall be construed in accordance with, applicable federal law and the laws of the State of Texas without regard to choice of law principles.

Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or (other than for the delivery of fees) via facsimile to the facsimile telephone numbers listed below.

    If to University:
    The applicable U.T. Institution(s)'s Privacy/Data Protection Officer.

    With copy to:
    The University of Texas System Privacy and Data Protection Officer
    Office of Systemwide Compliance
    210 West 7th Street
    Austin, Texas 78701

    If to Contractor: _____

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner herein above provided.

AGREED TO AND SIGNED BY THE PARTIES.

The University of   [Contractor]

By: _____   By: _____

Name: _____   Name: _____

Title: _____   Title:_____

Date: _____   Date: _____

APPENDIX THREE

HUB SUBCONTRACTING PLAN (ATTACHED)

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.

➤ If you will be awarding all of the subcontracting work you have to offer under the contract to <u>only</u> Texas certified HUB vendors, complete:

- ☐ Section 1 - Respondent and Requisition Information
- ☐ Section 2 a. - Yes, I will be subcontracting portions of the contract.
- ☐ Section 2 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.
- ☐ Section 2 c. - Yes
- ☐ Section 4 - Affirmation
- ☐ GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ 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 <u>do not</u> have a *continuous contract** in place for more than five (5) years *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 2 a. - Yes, I will be subcontracting portions of the contract.
- ☐ Section 2 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.
- ☐ Section 2 c. - No
- ☐ Section 2 d. - Yes
- ☐ Section 4 - Affirmation
- ☐ GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ 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 <u>do not</u> have a *continuous contract** in place for more than five (5) years <u>does not</u> *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 2 a. - Yes, I will be subcontracting portions of the contract.
- ☐ Section 2 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.
- ☐ Section 2 c. - No
- ☐ Section 2 d. - No
- ☐ Section 4 - Affirmation
- ☐ GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.

➤ If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment), complete:

- ☐ Section 1 - Respondent and Requisition Information
- ☐ Section 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.
- ☐ Section 3 - Self Performing Justification
- ☐ Section 4 - Affirmation

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*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 the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent **does not** have a **continuous contract*** in place for **more than five (5) years** shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

If you intend to submit a self -performing HUB Subcontracting Plan (HSP) DO NOT refer to specific page(s) of your proposal.

In SECTION 3 explain how your company will perform the entire contract with its own equipment, supplies, materials and employees.

Submit 2 copies of your HUB Plan to Shaun McGowan, Manager HUB & Small Business Program-1851 Crosspoint Ave. Houston, TX 77054

SECTION 1: RESPONDENT AND REQUISITION INFORMATION

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:   RESPONDENT's SUBCONTRACTING INTENTIONS

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 contracted staffing, goods and services**. Note: In accordance with 34 TAC §20.11, a "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 <u>any</u> portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (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).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> 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 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.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php).

c. Check the appropriate box (Yes or No) that indicates whether you will be using <u>only</u> Texas certified HUBs to perform <u>all</u> 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 <u>each</u> 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 <u>with Texas certified HUBs</u> with which you <u>do not</u> have a <u>continuous contract</u>* in place with for <u>more than five (5) years</u>, <u>meets or exceeds</u> 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 <u>each</u> 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 <u>each</u> 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: RESPONDENT's SUBCONTRACTING INTENTIONS (CONTINUATION SHEET)

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).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years.	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.
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		%	%	%
43		%	%	%
44		%	%	%
45		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

*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.)

If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

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 https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.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)

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 <u>each</u> 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 <u>each</u> 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 <u>each</u> 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 https://www.comptroller.texas.gov/purchasing/docs/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 Texas Vendor Identification (VID) Number or federal Employer Identification, the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at http://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp. HUB status code "**A**" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.	Approximate Dollar Amount	Expected Percentage of Contract
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%
	◯ - Yes ◯ - No		$	%

REMINDER: As specified in SECTION 4 of the completed HSP form, <u>if you (respondent) are awarded any portion of the requisition</u>, you are required to provide notice as soon as practical to <u>**all**</u> 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 <u>no later than ten (10) working days</u> after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Enter your company's name here:	Requisition #:

IMPORTANT: If you responded "*No*" to **SECTION 2, Items c** and **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 https://www.comptroller.texas.gov/purchasing/docs/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*, 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 <u>MUST</u> comply with items <u>a</u>, <u>b</u>, <u>c</u> and <u>d</u>, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs <u>and</u> 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 https://www.comptroller.texas.gov/purchasing/docs/hub-forms/HUBSubcontractingOpportunityNotificationForm.pdf.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs <u>and</u> 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 <u>and</u> 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 <u>at least seven (7) working days</u> to respond to the notice prior to you 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.cpa.state.tx.us/tpasscmblsearch/index.jsp. HUB Status code "**A**" signifies that the company is a Texas certified HUB.

b. List the <u>three (3)</u> **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.

Company Name	Texas VID (Do not enter Social Security Numbers.)	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			◯ - Yes ◯ - No
			◯ - Yes ◯ - No
			◯ - Yes ◯ - No

c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to <u>two (2)</u> or more trade organizations or development centers <u>in Texas</u> 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 <u>at least seven (7) working days</u> 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 https://www.comptroller.texas.gov/purchasing/vendor/hub/resources.php.

d. List <u>two (2)</u> **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?
		◯ - Yes ◯ - No
		◯ - Yes ◯ - No

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 above in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification, the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located http://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp. HUB status code "**A**" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.	Approximate Dollar Amount	Expected Percentage of Contract
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - No		$	%
	○ - Yes ○ - 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 <u>three (3)</u> Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs <u>at least seven (7) working days</u> to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, <u>at least seven (7) working days</u> prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to <u>two (2)</u> 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 #:	

SECTION B:	**CONTRACTING STATE AGENCY AND REQUISITION INFORMATION**		
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 _____ 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 <u>and</u> 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

APPENDIX FOUR

CAMPUS MAP – INTENTIONALLY OMITTED

APPENDIX FIVE

ACCESS BY INDIVIDUALS WITH DISABILITIES

Contractor represents and warrants (**EIR Accessibility Warranty**) the electronic and information resources and all associated information, documentation, and support Contractor provides to University under this Agreement (**EIRs**) comply with applicable requirements set forth in 1 TAC Chapter 213, and 1 TAC §206.70 (ref. Subchapter M, Chapter 2054, *Government Code*.) To the extent Contractor becomes aware that EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants it will, at no cost to University, either (1) perform all necessary remediation to make EIRs satisfy the EIR Accessibility Warranty or (2) replace EIRs with new EIRs that satisfy the EIR Accessibility Warranty. If Contractor fails or is unable to do so, University may terminate this Agreement and, within thirty (30) days after termination, Contractor will refund to University all amounts University paid under this Agreement. **[OPTION (ADD THE FOLLOWING IF THIS RFP IS PROCURING AN INFORMATION RESOURCES TECHNOLOGY PROJECT WITH DEVELOPMENT COSTS THAT (A) EXCEED $1 MILLION AND (B) (1) REQUIRES ONE YEAR OR LONGER TO REACH OPERATIONAL STATUS; (2) INVOLVES MORE THAN ONE INSTITUTION OF HIGHER EDUCATION OR STATE AGENCY; _OR_ (3) SUBSTANTIALLY ALTERS WORK METHODS OF INSTITUTIONS OF HIGHER EDUCATION OR AGENCY PERSONNEL OR THE DELIVERY OF SERVICES TO CLIENTS [SEE 1 TAC §213.38 (g)):** Contractor will provide all assistance and cooperation necessary for the performance of accessibility testing conducted by University or University's third party testing resources as required by 1 TAC §213.38(g).**]]**

APPENDIX SIX

ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS

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

University is primarily a **[OPTION:_____] [ALTERNATE OPTION:** Microsoft products**]** environment.

Basic Specifications

1. If the EIR will be hosted by University, 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, or is a cloud based solution hosted by a 3rd party provider, 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 University or its representative.
    C. Describe the type of cloud based solution: i.e.; SaaS, Paas, Iaas, etc.

3. If the user and administrative interfaces for the EIR are web-based, what current browser interfaces are supported? List all with current version and security requirement.

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 University 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. University will not take final delivery of the EIR if University determines there are serious vulnerabilities within the EIR.

2. Which party, Proposer or University, will be responsible for maintaining critical EIR application security updates?

3. If the EIR is hosted, indicate whether Proposer's will permit University to conduct a penetration test on University'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? What is the current encryption level used?

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 University have access to implement logging with University'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 University? If so, is the API .Net based? Web Services-based? Other?

5. Will University have access to the EIR source code? If so, will the EIR license permit University to make modifications to the source code? Will University'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 University.

Accessibility Information

Proposer must provide the following, as required by 1 TAC §213.38(b), and 1 TAC §206

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)   URL to completed Voluntary Product Accessibility Templates (**VPATs**)[2] or equivalent reporting templates;

    (B)   Accessible electronic document that addresses the same accessibility criteria in substantially the same format as VPATs or equivalent reporting templates; or

    (C)   URL to a web page which explains how to request completed VPATs, or equivalent reporting templates, for any product under contract; and

    (D)   Detail any mobile device access capabilities and any security controls associated with those specific capabilities.

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. **]**

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[1] Electronic and information resources are defined in §2054.451, *Government Code* and 1 TAC §213.1 (6).
[2] Voluntary Product Accessibility Templates are defined in 1 TAC §213.1 (19). For further information, see this VPAT document provided by the Information Technology Industry Council.

APPENDIX SEVEN

SECURITY CHARACTERISTICS AND FUNCTIONALITY OF CONTRACTOR'S INFORMATION RESOURCES

The specifications, representations, warranties and agreements set forth in Proposer's responses to this **APPENDIX SEVEN** 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.

"**University Records**" means records or record systems that Proposer (1) creates, (2) receives from or on behalf of University, 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 University Records

1. Describe the security features incorporated into Information Resources (ref. **Section 5.3.4**) 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 University Records, or from which University 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 University Records?

8. Will the Proposer agree to a vulnerability scan by University of the web portal application that would interact with Information Resources, including any systems that would hold or process University Records, or from which University Records may be accessed? If Proposer objects, explain basis for the objection to a vulnerability scan.

9. Describe processes Proposer will use to provide University assurance that the web portal and all systems that would hold or process University Records can provide adequate security of University 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 University Records.

11. Does Proposer encrypt backups of University 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 University Records containing confidential information.

Complete the following additional question if Information Resources will create, receive, or access University 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 University 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 University Records, or from which University Records may be accessed, to ensure that University Records will not be accessed or used in an unauthorized manner?

2. What safeguards does Proposer have in place to segregate University Records from system data and other customer data and/or as applicable, to separate specific University data, such as HIPAA and FERPA protected data, from University Records that are not subject to such protection, to prevent accidental and unauthorized access to University Records ?

3. What safeguards does Proposer have in place to prevent the unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access, or disclosure of University Records?

4. What procedures and safeguards does Proposer have in place for sanitizing and disposing of University Records according to prescribed retention schedules or following the conclusion of a project or termination of a contract to render University Records unrecoverable and prevent accidental and unauthorized access to University Records? Describe the degree to which sanitizing and disposal processes addresses University data that may be contained within backup systems. If University data contained in backup systems is not fully sanitized, describe processes in place that would prevent subsequent restoration of backed-up University data.

Data Transmission

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

3. Are Information Resources data transmission secured between University and Proposer? If yes, describe how Proposer provides that security. If no, what alternative safeguards are used to protect University 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 University Records, or from which University Records may be accessed.

2. What procedures, methodology, and timetables does Proposer have in place to detect information security breaches and notify University 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 University Records are kept and what tools are available to University to access University Records.

2. Describe the safeguards Proposer has in place to ensure that systems (including any systems that would hold or process University Records, or from which University 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 EIGHT

CERTIFICATE OF INTERESTED PARTIES
(Texas Ethics Commission Form 1295)

This is a sample Texas Ethics Commission's FORM 1295 – CERTIFICATE OF INTERESTED PARTIES. If not exempt under Section 2252.908(c), *Government Code,* Contractor must use the Texas Ethics Commission electronic filing web page (at https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html) to complete the most current Certificate of Interested Parties form and submit the form as instructed to the Texas Ethics Commission and University. **The Certificate of Interested Parties will be submitted only by Contractor to University with the signed Agreement.**

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 services, goods, or other property to be provided under the contract.

4 Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary

Must file online at www.ethics.state.tx.us/File

5 Check only if there is NO Interested Party. ☐

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

ADDENDUM 1

DATE: May 16, 2019

PROJECT: Procure to Pay (P2P) Business Solutions

RFP NO: 744-R1913 P2P

OWNER: The University of Texas Health Science Center at Houston

TO: Prospective Proposers

This Addendum forms part of and modifies Proposal Documents dated, April 30, 2018, with amendments and additions noted below.

General Questions

1. What modules of PeopleSoft are currently being used today?

Answer: PeopleSoft FMS modules: GL/KK (General Ledger/Commitment Control), AP (Accounts Payable), AR (Accounts Receivable), AM (Assets Management), Billing, ePro (eProcurement), Purchasing
Custom FMS solutions for: Budgets interface, Grants (post award), Travel, numerous interfaces

2. Is it UT's intention to continue to use those PeopleSoft modules, or replace them with this RFP?

Answer: We are in the evaluation process and have not made a decision on how we will award. This includes what, if any, components will be retained in the existing system, and what components we will implement as a new business solution.

3. Is it UT's intention to have a software that handles the entire "Procure to Pay" process, and then pass those transactions over to a separate GL system?

Answer: We are in the evaluation process and have not made a decision on how we will award. All transactions and General Ledger information will ultimately reside in PeopleSoft.

4. Would UT entertain the option of utilizing a completely integrated Supply Chain-Accounts Payable- General Ledger system?

Answer: We are not evaluating a new General Ledger system.

5. **Project Goals & Annual Volumes:** On **page 11** of the RFP you said that the Number of Users are 950. Can you let us know how many "Power Users" and "Lite Users" are from the 950 users?

    For us a User is defined as any person (employee, contractor or agent of the company) who has a login and able to access to any Internal Functionality (functionality not on the Supplier Portal). A login may only be assigned to one named person and may not be shared.

"Power users" are defined as users enabled to create or edit any of the following Objects: Supplier, Contract, Product, Sourcing event, Auction, Program, BOM, Forecast, Performance/Risk Questionnaire, Campaign, Action Plan, Improvement Plan, Invoice, Spend Workbench, Tooling, Analysis, User or Master Data.

"Lite users" are all other Users not included in the Power User definition.

Answer: The 950 users identified in "Annual Volumes" of section 5.1 represents the number of users with various Oracle Procurement related user roles. These roles would allow for the types of functionalities as your "Power User" definition.

6. **Spend Analytics:** Approximate total number of transaction (#rows/#invoice lines etc.) to be imported into the new system?

Answer: FY18 contained 447,987 payment transactions.

7. **Spend Analytics:** # of years of data for implementation?

Answer: One (1) year.

8. **Spend Analytics:** # of different data sources?

Answer: One (1) source – PeopleSoft.

9. **Spend Analytics:** For commodity classification and/or supplier consolidation what are the different data elements (supplier, GL Account, line descriptions, material etc.) that can be used for commodity classification?

Answer: Supplier, GL Account, Contract #, item #, description, UNSPSC, price, UOM

10. **Spend Analytics:** What is the commodity structure to be used (UNSPSC or custom)?

Answer: UNSPSC

11. **Spend Analytics:** What is the desired spend data refresh frequency?

Answer: Monthly

12. **Spend Analytics:** What is the maximum # of years of data to be maintained within the new system?

Answer: Seven (7) years.

13. What are the typical optimization scenarios/analysis, which are run very regularly for the sourcing events?

Answer: Yes – we specify the evaluation criteria in each individual bid. A percentage is based on the pricing and the other percentage is made up of a variety of criteria selected by the evaluation team (examples: experience, qualifications, implementation plan).

14. Please list any specific UI (User Interface) language support required, other than English?

Answer: None, only English.

15. Please list down the languages in which help desk support would be required?

Answer: English

16. Number of suppliers to be onboarded?

Answer: We currently have 136,826 active suppliers.

17. Number of suppliers for EDI registration?

Answer: The goal is to have as many supplier on EDI as allowable/possible.

18. Is our solution expected to integrate with any 3rd party supplier risk management systems for any supplier screening data/risk data/insights? Do you have any subscription/relationship with 3rd parties currently? Please list.

Answer: No.

19. How critical is the requirement to have payment processing being supported in our solution?

Answer: Our current payment processing is supported in PeopleSoft FMS. As we are open to all solutions, it would be advantageous to see what solution you offer for possible future considerations.

20. Is global invoice compliance expected as part of the solution? This is typically for global suppliers and would entail invoice compliance such as country specific, tax, audit compliances, etc.

Answer: Global suppliers are not subject to any United States Tax info if they have no corporate entity or US base in this country. They can be added without a Federal Tax ID number because they are not obligated to have one.

21. How many hosted catalogs will be created in the system?

Answer: University's goal is to establish access as many PunchOut or direct supplier catalogs as possible and move away from hosted catalogs where possible.

22. How many punch out catalogs will be enabled in the system?

Answer: University's goal is to establish access to as many PunchOut or direct supplier catalogs as possible and move away from hosted catalogs where able.

23. What middleware does The University of Texas Health Science Center leverage for integration? Are there any specific file formats required for integration with The University of Texas Health Science Center systems?

Answer: PeopleSoft FMS supports cXML, Web services, CI (Component Interfaces), Excel and CSV flat file format. UTH has most experience with cXML and CSV flat files. We are interested in how the vendor has previously integrated with PeopleSoft FMS.

24. Do you currently have any tax master or tax calculator software in place?

Answer: No

25. Do you use any 3rd party provider for travel and expense management? If yes, can you provide details for the same?

Answer: No, we do not currently use any 3rd party provider for travel and expense management.

26. Should we assume that the scope of implementation is US only?

Answer: Yes

27. We understand that the expectations from the new P2P system is to manage the complete end-to-end purchasing lifecycle (catalogs, requisitioning, PO's, receiving, Invoicing, etc.). Let us know if this is to be limited to specific components or if some components would be retained in the existing system?

Answer: We are in the evaluation process and have not made a decision on how we will award. This includes what, if any, components will be retained in the existing system, and what components we will implement as a new business solution.

28. Which are the ERP/SAP systems which we will need to integrate our platform with? Can you please elaborate on what information/data do you envision to be exchanged through this integration. Additionally, can you provide a list of systems, # of instances of those systems that would potentially require integration?

Answer:
PeopleSoft FMS:
    Test and Production environments will require integration.
Information to be exchanged is still not fully determined, but may include:
    Accounting/Account information
    Supplier information
    Requisitions
    Purchase Orders
    Vouchers
    Commitments/Encumbrances (Budget Checking)
    Workflows for Reqs, POs and Vouchers
    Security roles

Documentum Document Management System – Have not determined the level of integration at this time. Would like to understand the vendor approach to document management and which document management systems that vendor has integrated with. UTH would need integration for test and production environments.

29. Do you plan to continue using Jaggaer for e-catalog functionality or the new platform will be used for e-catalog functionality? If the new platform will be used, what are the current challenges faced with Jaggaer?

Answer: The "e-catalog functionality" is up for bid; University will consider all solutions presented. The greatest challenge faced with Jaggaer has been licenses that limits the number of PunchOut catalogs available. Another challenge we encounter is the amount of time spent in the overall enablement process of PunchOut suppliers.

30. Will you please share any SIPOC, Ishikawa, or other LEAN principled analysis that have been done in your procurement current state?

Answer: We have not completed any of the analysis you refer to above. We have conducted process mapping and these documents will become available if you are selected to move forward.

31. To what degree do you value Procurement Transformation qualifications and solutions that have been successfully deployed to Fortune 500 companies?

Answer: We highly value any solutions that have been implemented at Fortune 500 companies. Please describe or incorporate any successful deployments as you respond to the RFP.

32. Of the eight areas for which you are requesting Procurement transformation, which are your highest and first priorities?

Answer: Some areas of high priority include supplier information management, procurement, PO/Invoice automation. This may change as we continue to gather information through this RFP process.

33. What is your biggest issue or concern about the current end user interface?

Answer: A more user-friendly interface, more catalogs, budget information, one stop shopping.

34. What efforts to improve the existing system have been undertaken?

Answer: We have added catalogs (punch-out) but at a slow pace.

35. If there was a way to improve your current process without moving to a new software, what would be your level of interest?

Answer: You need to present whatever solution you consider to be most effective to address and improve our current state operations.

36. The underlying storage database of Oracle - does that present any issue as a repository for your data?

Answer: UTH utilizes Oracle for the PeopleSoft ERP systems. This is our preference.

37. What percentage of overall spend is consumable items vs services/indirect purchases?

Answer: Based on the purchase orders that were issued in FY18 (9/1/17 through 8/31/18) 15.68% were services.

38. Describe the process of solicitations/bidding for business with UT Health?

Answer: Please reference **Section 5.2 Scope of work** > Functional Area: Sourcing (pg. 17-18 of the RFP document.

39. How do prospective bidders submit bid proposals?

Answer: Please see Answer to Question #38.

40. How are bids evaluated?

Answer: It varies by bid. Typically, price is 20 – 30% of the score and the other 70-80% is determined by the evaluation team prior to the bid being issued. There are evaluation questions that are included in the RFP and the team will score these questions.

41. How are awards executed and communicated to bidders?

Answer: Currently the buyer manually tabulates the team's evaluation scores and merges them with the pricing scores to come up with a final ranking. The team will either make a decision to award to the top scoring supplier, or move into shortlist presentations. Award and regret letters are manually drafted and emailed to bidders.

42. In addition to the criteria specified in the RFP, what other information is collected about potential vendors before they are validated as such?

Answer: None

43. How are vendors evaluated for performance, and what, if any, is the process for a vendor to get blacklisted or audited?

Answer: Evaluated during the bid process. Suppliers that do not comply with our term and conditions, or do not fulfill their contract are inactivated. Suppliers show up on the State Comptroller's website as "Forfeited" or "Franchise Tax Involuntarily ended" cannot do business with us as a State entity.

44. What access do vendors have to modify their information?

Answer: Suppliers do not have access to alter information in our system, however the supplies can request that information be updated with a current / signed and dated W-9, W-8 or an invoice

45. Are vendors able to do self-service registration?

Answer: The suppliers do not have access to do self-service registration.

46. Are there any contract templates that UT Health uses today?

Answer: Yes. We use templates that are provided by our Office of General Council based on the type of service or commodity.

47. Is there any software that UT Health has procured to specifically support the contract authoring functions (aside from more manual methods like Microsoft Word, Adobe Acrobat, etc.)

Answer: We currently use Jaggaer contract management software.

48. What type of contracts are used in the procurement area?

Answer: construction, services, agreement between University and Contractor, architect and engineer agreements, commodity agreements.

49. Can suppliers respond to RFP/RFQ documents and requests for information through a portal?

Answer: We do not have this functionally available at this time.

50. Can suppliers acknowledge and respond to POs and Blanket POs through a portal?

Answer: We do not have this functionality available at this time.

51. Can UT Health share inventory forecasts (for those types of items) or demand signals with suppliers through a portal?

Answer: We do not have this functionality available at this time.

52. Can UT Health pay vendors and send invoices through a portal?

Answer: We do not have this functionality available at this time.

53. How is on hand inventory visibility viewed in the current environment?

Answer: Inventory is not managed centrally.

54. How is on hand inventory consumed in the current environment (from a transactional perspective)?

Answer: Please see answer to Question #53 above

55. Is there a cycle or physical count program in place? What is the current inventory accuracy?

Answer: Please see answer to Question #53 above

56. Are any purchased items lot or serial controlled?

Answer: Please see answer to Question #53 above

57. For capital expense purchases, are those assets tracked in some system today?

Answer: Capital expenses are tracked in PeopleSoft.

58. What methodology, if any, is in place to replenish inventory items?

Answer: Please see answer to Question #53 above

59. How often is inventory ordered?

Answer: Please see answer to Question #53 above

60. How is perpetual inventory value reported on today?

Answer: Please see answer to Question #53 above

61. What costing method (standard, average, actual) is used to value inventory?

Answer: Please see answer to Question #53 above

62. How are inventory adjustments handled (from a transactional standpoint)?

Answer: Please see answer to Question #53 above

63. What kind of costing reports are needed as a part of month end close?

Answer: Please see answer to Question #53 above

64. Do all schools use a single standard Chart of Accounts and same Accounting Calendar?

Answer: Yes.

65. Does any of the direct procurement require inventory tracking? If so, is any of that inventory costed?

Answer: Please see answer to Question #53 above

66. Where is the budgets for the procurement budgets checked currently stored?

Answer: All University budgets are stored in PeopleSoft's Commitment Control module.

67. Are approval routings for expense reports, AP invoices, etc. complex in nature (parallel approvals) or simplistic (employee/ supervisor)?

Answer: Approvals workflow can be simple as routing to employee groups and supervisors or combinations of monetary amounts, chart of accounts, departments.

68. What formats will be used for supplier payments (i.e. check, ACH)?

Answer: Check, ACH, EFT, Single-Use, and Wire.

69. How will AP disbursements accounts be reconciled (i.e. in PeopleSoft or the new P2P solution)?

Answer: PeopleSoft Financial Management System

70. Has there been any thought to deployment phases such as by location, business unit or product suite?

Answer: Yes, we are open to a phased implementation by location, business unit, or product suite. We are a complex institution with multiple schools and locations.

71. Will the point of integration be at the PeopleSoft GL with accounting distributions interfaced from the new P2P solution to the GL?

Answer: Yes, the expectation is that the new P2P solution will integrate with PeopleSoft in order to display GL information both account codes and budget and to encumber funds back to PeopleSoft.

72. How are employee travel expenses reimbursed (i.e. via payroll, check, ACH)?

Answer: Check, ACH, EFT, Direct Deposit.

73. Are programmatic data conversions expected including suppliers, open AP invoices and open Purchase Orders?

Answer: Yes, but will be evaluated at a later date. If this requires additional fees then please delineate.

74. What University resources will be participating in what roles/capacity during the project?

Answer: We are asking vendors to provide recommendations in their proposed solution.

75. Is The University providing Organizational Change Management (OCM) resources and capabilities or would you like the implementer to provide this?

Answer: We are asking vendors to provide recommendations in their proposed solution.

76. They talk about the initial term of the agreement beginning in September, but on the supplier call they mentioned it could be later in 2019. What timeframe should we plan to start the project? We understand the go-live July 1, 2020.

Answer: The expectation is that the award will take place in September, and the contract finalized sometime before the end of the calendar year. This means that the project may start as early as November, or in January of 2020.

IT Questions

77. Do vendors who are responding to the RFP need to be FedRAMP compliant? The Federal Risk and Authorization Management Program (FedRAMP) is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.

Answer: We require HIPAA Compliance for PHI, PCI-DSS compliance for credit cards and a FERPA agreement for student data.

We need to understand the level of standards/compliance that the vendors have in place for IT security controls (typically provided via a third party assessment (ie. SOC2, SSA16). We need each responding vendor to answer the questions thoroughly in the RFP questions.

78. Do vendors who are responding to the RFP need to be NIST compliant? Generally speaking, NIST guidance provides the set of standards for recommended security controls for information systems at federal agencies. I'm not sure if the University accepts federal funds and is subject to these recommended security controls.

Answer: Please see response to Question #77.

79. Do vendors who are responding to the RFP need to be PCI compliant? It's a Payment Card Industry Data Security Standard. Since we don't handle that information, we are not compliant. We have run into it before so I wanted to ask.

Answer: Please see response to Question #77.

<u>**Attachment A Questions**</u>

80. **Tab 1: Can you ensure the data is valid?** Is there certain data you are wanting validated?

Answer:
- We want to make sure a Duns number request is added to the list of required fields on the interface that the suppliers will complete.
- We want a current signed and dated W9, W8BEN or W8BEN-E, with all changes to supplier information. This way we will not have be concerned with a merger, or a name change, because the new documents will verify that information.
- **All suppliers do not show up in the System of Awards Management database,** so we look on the sites below also for a thorough vetting.
- Our validation process includes a check:
    - the State of Texas Comptroller's Office
    - Federal System for Award Management,
    - Visual Compliance, FMX Digit Calculator (which validates the EIN or SSN-pattern recognition)
    - Texas State Office of the Inspector General
    - Federal Office of the Inspector General

81. **Tab 3: Do you allow supplier punch outs to achieve even more savings through non-catalog items?** Can you please elaborate on what you're trying to do here?

Answer: Please skip this question – it will be removed from our list of questions.

82. **Tab 3: Does your solution us the web to find the best deals, product availability and add them to your cart with just a few clicks?** Are you asking if we do a full internet search, not just what is available based on your suppliers and catalogs setup?

Answer: Yes, we are asking if your solution performs internet searches to suggest best value for goods and services outside of existing supplier Enablement.

83. **Tab 4: Does your system features and functionally solve the challenges with our accounts payable process?** Kindly elaborate current challenges with your AP system? What gaps have you identified with present AP system?

Answer: Please skip this question – it will be removed from our list of questions.

84. **Tab 4: Does your system allow for compliant invoices to contain a supplier disclosure section which is created by the supplier?** Can you please provide more details around this requirement?

Answer: Please skip this question – it will be removed from our list of questions.

85. **Tab 8: P2P metrics benchmarked in real-time against market average.** Is there a sight in mind and/or expectation of where this information is pulled from?

Answer: No, we are relying on vendor proposals for suggestions/solutions

86. **Tab 8: Ranking based on top and bottom rated suppliers.** What is the ranking currently based on and/or how are we supposed to know the rankings?

Answer: Please skip this question – it will be removed from our list of questions.

87. **Tab 8:** Do you envision to replace your existing spend analytics tool? Or do you want the new tool for carrying out reporting functions only?

Answer: Depends on if the new system would be an improvement over our current system. The new tool should have extensive reporting and analytics capabilities.

88. **General:** We will be bidding on some but not all 8 functional areas. Would you like us to fill out, print and include functional areas we do not bid on in our response?

Answer: No, please only fill out and include functional areas that you are including in your response – please be sure to label your response with the corresponding Tab Number.

Attachment B Questions

89. **Line 93: Do you integrate with ImageNow?** How or what are you needing us to integrate with in imagenow or do you just need a bulk upload/transfer of imagenow documents/information one-time?

Answer: Depending on the P2P solution and workflow, we anticipate a requirement to extract documents from the P2P solution into ImageNow (based upon transaction status) and create a link from the P2P solution to view the document (which is housed in ImageNow).

90. **Line 94: What other solutions does your application integrate with?** Do you have a list of potential solutions or scenarios of solutions you are looking at?

Answer: This question is intended to determine what solutions the P2P application integrates with currently. We anticipate heavy PeopleSoft integration (Vendor, Account, Encumbrance, AP, GL), integration with Imaging solutions, SAML/SSO integration, and any new offerings that the P2P software provides (i.e., Address verification tools).

HUB Subcontracting Plan Questions

91. Where may I obtain the Requisition # that is required in the document? Is this a number you can provide?

Answer: The requisition number is RFP 744-R1913- P2P.

Section 5.6.2 Questions

92. **Section 5.6.2 Supplier Information Management - Question 5.6.2.8: After a form is completed and returned by a supplier, can it be routed for approval to verify the information the suppliers have provided? (www.sam.gov, State OIG, Federal OIG, Restricted Party Screening, State Comptroller's Office)** Is there requirement here to route the supplier responses to a 3rd party for approval? Can you please explain the requirement here in detail?

Answer: No 3rd Party approval required. Verification is done by the processors

93. **Section 5.6.2 Supplier Enablement & PO/Invoice Automation – Question 5.6.2.44: Do you support supplier owned user management and advanced authorization capabilities? If so, can authorization capabilities be configured to set up Supplier application/registration approvals?** Can you please provide more details around this requirement?

Answer: Supplier owned user management or supplier profile management includes functionality like self-service. The supplier user can maintain standard company profile details such as address, contacts, business/diversity classifications, products and services category, and banking details. Internal administrators can review the application/registration and changes that suppliers provide before approving.

For the follow up question - If so, can authorization capabilities be configured to set up Supplier application/registration approvals? In another words, can these approval workflow (example: how it routes) of applications/changes be configured or be setup on-line by internal administrator.

94. **Section 5.6.2 Procurement Card (BuyCard) Management and Expense Reconciliation – Question 5.6.2.135: Please describe how your system would help or improve the monthly reconciliation process by card user and how it would integrate with Citibank?** Can you please provide more details around this requirement and the envisioned process flow?

Answer: As a general planning tool, we are currently entering approximately 70K Point of Sale requisitions to track encumbrances by matching the online statement lines to the individual purchase order lines in Financial Management System. This two way matching process helps to avoid overspending as well as predict cash outflow within our annual budget. However, we would like to streamline the monthly reconciliation process.

95. **Question 5.6.2.189 mentions ongoing improvement and optimization.** Would The University like us to present a managed services or ongoing support program?

Answer: This question is a product development question. We would like to know if they have dedicated product development staff, how many staff and how do they ensure new features, functions, performance enhancements.

Pricing Questions

96. How many users will be using the Procure to Pay solution? How many will be accessing e-Procurement functionality?

Users defined: Users with the ability to:
- **Create catalogs, requisitions, orders, receipts, invoices & invoice reconciliation documents**
- **View catalogs, requisitions, orders, receipts, invoices & invoice reconciliation documents**
- **Approve catalogs, requisitions, orders, receipts, invoices & invoice reconciliation documents**
- **Create, save, view and export reports**

Answer: The 950 users identified in "Annual Volumes" of section 5.1 represents the number of users with various Oracle Procurement related user roles. These roles would allow for the types of functionalities as described in your definitions.

97. How many power users will be using the Sourcing solution?

Power Users defined: Users with the ability to:
- **Create Sourcing Events & Reports**
- **Create Sourcing Request**
- **Approve Sourcing Request**
- **Edit Sourcing Events & Reports**
- **View Sourcing Events & Reports**
- **Approve Sourcing Events**
- **Score Sourcing Events**
- **Search Sourcing Events**
- **Export Reports**
- **Create Sourcing Templates**

Answer: 10 -15 people

98. How many power users will be using the Spend Analysis solution?

Power Users defined: Users with the ability to:
- **Create Reports**
- **Edit Reports**
- **View Reports**
- **Share Reports with other Users**
- **Export Reports**

- **Subscribe/Schedule Reports**

Answer: 10 -15 people

99. How many power users will be using the Supplier Management solution?

Power Users defined: Users with the ability to:
- Add New Suppliers
- Create Forms, Scorecards and Action Plans
- Edit Supplier Profile
- View Suppliers, Forms, Scorecards & Reports
- Approve Suppliers
- Score Supplier Scorecards
- Evaluate Supplier Information
- Create Reports
- Search Suppliers
- Export Reports
- Create Form & Scorecard Templates

Answer: There are four power users that will need access to the Supplier Management solution.

100. How many power users will be using the contract management solution?

Answer: We are not seeking a contract management solution at this time.

101. How many # of suppliers will you be communicating with via the application? The ones that will logon and communicate with UTH Procurement? (getting clarification on this)

Answer: Approximately 8,000 annually.

ADDENDUM 2

DATE: May 23, 2019

PROJECT: Procure to Pay (P2P) Business Solutions

RFP NO: 744-R1913 P2P ("RFP")

OWNER: The University of Texas Health Science Center at Houston

TO: Prospective Proposers

This Addendum 2 forms part of and modifies the RFP dated, April 30, 2018, with amendments and additions noted below.

Those vendors submitting a proposal for Functional Area 7 Sourcing/e-Sourcing ONLY do not need to meet the requirement below from **Section 5.3.1**.

B) Experience with at least five (5) successful PeopleSoft integrations. These integrations must be cloud-based solutions within the last five (5) years. Specify what modules or solutions were implemented. List locations and reference contact information.

END OF ADDENDUM 2

	Top 200 Suppliers - PO Invoice Processing	
Rank	**Supplier**	**Invoices**
1	IMPERIAL LINEN SERVICES INC	5631
2	SIGMA-ALDRICH	3024
3	ZENO IMAGING	2997
4	TAYLOR COMMUNICATIONS INC.	2216
5	GREATAMERICA LEASING CORPORATION	2124
6	MATHESON TRI-GAS INC	1655
7	ARARMARK	1544
8	MCKESSON MEDICAL SURGICAL INC	1503
9	CMR-CARBONICS, INC.	1410
10	SHI GOVERNMENT	1272
11	TODAY'S BUSINESS SOLUTIONS LLC	1226
12	FISHER SCIENTIFIC LLC	1161
13	NESTLE WATERS NORTH AMERICA	1014
14	HADRIAN	947
15	MIKE'S SUPERIOR DENTAL LAB LLC	786
16	MIRACLE DENTAL LAB	786
17	EXEUTEAM STAFFING	783
18	AIRGAS SOUTHWEST, INC.	691
19	FOLLETT HIGHER EDUCATION GROUP INC	673
20	COMCAST	657
21	EUROFINS	637
22	MASTER WORD SVCS	586
23	CSI LEASING, INC	540
24	TEXADENT DENTAL	520
25	INTEGRATED DNA TECHNOLOGIES INC	511
26	LANGUAGE LINE SERVICES INC	494
27	IMEDX	478
28	GENEWIZ	470
29	PITNEY BOWES GLOBAL FINANCIAL SVS LLC	461
30	SUMMUS INDUSTRIES INC	440
31	GRAINGER INC	440
32	QIAGEN INC	437
33	CELL SIGNALING TECHNOLOGY	418
34	HENRY SCHEIN	411
35	TEXAS MEDICAL CENTER	408
36	LAB ANIMAL SUPPLIES	394
37	ABCAM INC	386

38	APPLE INC.	377
39	GENESEE SCIENTIFIC	372
40	LONE STAR LABS, INC.	355
41	UNIVERSITY OF TX MD ANDERSON CANCER CTR	352
42	GE HEATHCARE	351
43	ANDERSON DENTAL LAB	340
44	PROCONSTRUCT INCORPORATED	330
45	OLMSTED-KIRK PAPER COMPANY	319
46	QUARTZY, INC	309
47	NOVOGENE CORPORATION INC.	299
48	MODERN PEST CONTROL INC	296
49	UTHEALTH	291
50	CHARLES RIVER	289
51	VWR INTERNATIONAL, LLC	281
52	HARRIS COUNTY PROFESSIONAL GASES, INC	277
53	GLIDEWELL LABORATORIES	256
54	NIVERCO BIOMEDICAL SERIVICES	250
55	CARDINAL HEALTH	250
56	LAWN MANAGEMENT COMPANY, INC.	241
57	GCA SERVICES GROUP	239
58	SPOK INC	235
59	DENTSPLY	233
60	MEMORIAL MERMANN	232
61	LIFE TECHNOLOGIES CORPORATION	225
62	ENVIGO INT'L HOLDINGS INC	223
63	WIDEX USA INC	221
64	TEXAS CONTRACT FLOORS	219
65	DATA & MAILING RESOURCES OF HOUSTON, LP	215
66	MIREX AQUAPURE SOLUTIONS	210
67	SANOFI PASTEUR	196
68	A1 SHREDDING, INC.	195
69	HEALTH ASUURE	190
70	HOLIDAY INN	189
71	READYREFRESH NESTLE	184
72	CONFERENCE AMERICA	183
73	SANTA CRUZ BIOTECHNOLOGY INC	181
74	IDELMAR CONSTRUCTION LLC	178
75	R&D SYSTEMS INC	176
76	BOSWORTH PAPERS INC	176
77	ANGELICA TEXTILE SVCS INC	173
78	VOYAGER	172
79	INGENESIS, INC.	172
80	MERCK SHARP & DOHME CORP	164
81	BELOR HOME HEALTH INC	156

82	AGILENT TECHNOLOGIES	149
83	BIO-RAD LABORATORIES, INC	143
84	EDM OFFICE SERVICES INC	142
85	THYSSENKRUPP ELEVATOR	138
86	NETWORK CABLING SERVICES INC	138
87	GENDEPOT LLC	137
88	CDW GOVERNMENT INC	137
89	IRON MOUNTAIN RECORD MANAGEMENT, INC.	136
90	DENVILLE SCIENTIFIC INC	134
91	IMPACT FIRE SERVICES	134
92	PHENIX RESEARCH PRODUCTS INC	133
93	SAFESITE INC	131
94	CINTAS	130
95	BIOLEGEND	126
96	SIERRA SPRINGS	125
97	JOHNSON & JOHNSON HEALTHCARE SYSTEMS	125
98	SEHGAL & SONS ETNERPRISES	124
99	CITY OF HOUSTON	122
100	BAYER HEALTHCARE PHARMACEUTICALS INC	117
101	ADMIRAL LINEN & UNIFORM SERVICE, INC.	116
102	AMPLIFIED RESOURCE GROUP LLC	115
103	JACKSON LABS	114
104	NOBEL BIOCARE	106
105	SHRED-IT USA, INC.	104
106	MEDSUPPLY PARTNERS LLC	104
107	PACKAGE EXPRESS LP	104
108	TEXAS A&M UNIVERSITY	102
109	AMERICAN DRY ICE	101
110	OAKSTONE PUBLISHING LLC	100
111	EMD MILLIPORE CORPORATION	100
112	EPPENDORF	100
113	ETON BIOSCIENCE INC	100
114	TEXAS A&M HEALTH SCIENCE CENTER	98
115	USA SCIENTIFIC INC	98
116	TAYLOR CORPORATION	97
117	HiEd INC	97
118	RELIANT ENERGY	96
119	DELL MARKETING LP	96
120	GENZYME CORPORATION	96
121	ADDGENE, INC.	96
122	RICHARDS-CARLSBERG INC	95
123	MCKESSON SPECIATLY	95
124	ULTRADENT PRODUCTS, INC.	94
125	WORKLIFE TODAY	94

126	PETER BRASSELER HOLDINGS LP	94
127	STATLAB MEDICAL PRODUCTS, INC.	93
128	MEDIX STAFFING	91
129	PRIORITY HEALTHCARE DISTRIBUTION INC	88
130	ASD SPECIALTY HEALTHCARE, INC	88
131	PFIZER PHARMACEUTICALS	87
132	FACILITY SOLUTIONS GROUP, INC.	87
133	ULINE INC	86
134	STEMCELL TECHNOLOGIES INC	86
135	TRIGON UNITED OF TEXAS, LLC	86
136	COOPER SURGICAL	86
137	ZIMMER BIOMET	85
138	ADVANCE PROTECTION GROUP INC	85
139	MIDWEST SCIENTIFIC	83
140	LEICA MICROSYSTEMS INC	83
141	UTDB STUDENT COUNCIL	82
142	PEARSON DENTAL SUPPLY CO.	82
143	CLAMPITT PAPER CO	82
144	TEJAS OFFICE PRODUCTS	81
145	HOLOGIC	81
146	MILLIPORE SIGMA	80
147	BAYLOR COLLEGE OF MEDICINE	79
148	JP GOULD	78
149	CHILDREN'S MEMORIAL HERMANN	78
150	HEIDELBERG USA	77
151	SPRINT BINDERY	76
152	ATT	75
153	HU-FRIEDY MFG. CO., LLC	74
154	CINTAS THE UNIFORM PEOPLE	73
155	COVIDIEN	72
156	E & C ENGINEERS & CONSULTANTS	71
157	SCHOLASTIC INC	70
158	NEW ENGLAND BIOLABS, INC.	70
159	JACKSON & COKER	70
160	TEXAS CHILDRENS HOSPITAL	69
161	3M COMPANY	69
162	ABC PEST CONTROL OF HOUSTON INC	69
163	TYCO	68
164	LOCUMTENENS.COM.LLC	68
165	DIXIE HARDWARE PLUMBING AND ELECTRICAL	68
166	MCMASTER-CARR SUPPLY CO	67
167	GENSCRIPT USA INCORPORATED	67
168	REPUBLIC SERVICES, INC.	66
169	MILTENYI BIOTEC INC	66

170	GREAT SOUTHWEST PAPER CO. INC.	66
171	GULF COAST REGIONAL	66
172	MEMORIAL HERMANN HEALTH SOLUTIONS INC	65
173	TRANSNETYX INC	64
174	BIO RAD	64
175	SCRIBEAMERICA, LLC	63
176	SILVERSAND SERVICES INC	63
177	MACROGEN CORP	63
178	DENTSPLY INTERNATIONAL, INC.	63
179	SOUTHERN ANESTHESIA & SURGICAL	62
180	TMC	62
181	CONSOLIDATED COMMUNICATIONS	62
182	ALLSCRIPTS HEALTHCARE LLC	62
183	MIDWEST DENTAL	61
184	PATTERSON DENTAL SUPPLY	61
185	LONE STAR COFFEE	61
186	ARTHREX, INC.	61
187	BIOVERATIVE US LLC	61
188	BAYSHORE FAMILY PRACTICE CENTER PA	60
189	ATCC	60
190	METTLER-TOLEDO	59
191	B&H FOTO & ELECTRONICS CORP	59
192	TEXAS PUBLIC HEALTH LEADERSHIP INST	58
193	SPARKLETTS & SIERRA SPRINGS	58
194	PERKIN ELMVER	58
195	XEROX CORP	57
196	LABORIE MEDICAL TECHNOLOGIES CORP	57
197	IVOCLAR VIVADENT INC.	56
198	SEHGAL SONS	55
199	BARNES & NOBLE	55
200	FRENCH CORNER CATERING	54
Total		**61254**

UTHealth HUB Subcontracting Plan Checklist

Determination of Good Faith Efforts when subcontracting:

- **HUB goal for this project 26% (Other Services Contracts)**

- Divide the contract work into reasonable lots or portions to the extent consistent with prudent industry practices.

- Give notification in writing to all potential bidders –Notification Form is included in the HSP package. Use of this form is highly recommended.

- You must allow the HUBs at least seven (7) *working* days to respond to the notice prior to your submitting your response to the contracting agency. (does not include the day notice was sent)

- Notify a minimum of two (2) minority or women trade organizations or development centers of subcontracting opportunities (see list attached to Rider 104 HUB Plan for contact information). Complete Section B-3 (d) of Option 3 Attachment B.

- Give notification to at least 3 HUBs for each trade/scope identified for the project.

- Provide written justification of the selection process if a HUB is not selected. Complete Section B-4 (b) of Option 3 Attachment B.

- Encourage participating non-certified minority or woman owned businesses to apply for State certification.

- Provide supporting documentation of all good faith efforts. Failure to produce required documentation may result in rejection of your HUB Plan and subsequently your proposal.

1. The person completing the forms needs to contact me so that I can walk them through the process.

2. This contract is anticipated to exceed $100,000 and it has been determined that HUB subcontracting opportunities exist.

3. All bidders must submit a HUB Subcontracting Plan regardless of whether you are a certified Texas HUB or not.

4. You may choose to subcontract or self perform. You have 4 GFE options for subcontracting/ self performing. HSP Check List is on **Page 6**.

5. If you choose to self perform, you will be required to provide a detailed Self Performance Justification as to how your company will perform the entire contract with its own equipment, supplies, materials and employees in **SECTION 3 of the HUB Subcontracting Plan.**

6. <mark>**When subcontracting you must contact three (3) or more certified HUB subcontractors** from the State of Texas Centralized Master Bidders List (CMBL) for each subcontracting opportunity.</mark>

   <mark>https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp</mark>

7. You will need to provide the subcontractors with written notification to include the scope of work, information regarding the location to review applicable plans and specifications, bonding and insurance requirements and identify a contact person. Utilize the HUB Subcontracting Opportunity Notification Form **Page 21** of the HSP Documents.

8. You must allow the HUB subcontractors no less than seven (7) working days from the receipt of their notice to respond.

9. You must also list the subcontracting opportunity with a minority and woman trade organizations or development centers no less than seven (7) working days prior to your submission of your HUB Subcontracting Plan for this bid.

10. You are required to submit all supporting documentation (HUB Subcontracting Opportunity Notification Form(s), letters, phone logs, fax transmittals, emails, etc.) demonstrating evidence of good faith effort performed in contacting subcontractors and listings.

11. You are required to submit on your company letterhead your Statement of Understanding pertaining to either self performance or subcontracting.

12. <mark>Your HUB Subcontracting Plan is due Friday**, May 31, 2019 at 2:00 p.m. CST** and the HUB Manager can review your plan for accuracy up until 24 hours prior to submission deadline of the plan.</mark>

13. If your HUB Subcontracting Plan does not meet the State of Texas guidelines the associated bid proposal can not be opened and will be returned to you unopened.

14. Two copies of your HUB Subcontracting Plan are required in a **<u>separate envelope</u>** from the bid proposal.

15. For answers to frequently asked questions regarding the HUB Subcontracting Plan, please visit our HUB webpage at http://www.uthouston.edu/buy/hub.htm

<mark>**Contact Information:**
Shaun A. McGowan
Manager, HUB and Small Business Program
Email: shaun.a.mcgowan@uth.tmc.edu
Phone: 713-500-4862
Fax: 713-500-4710</mark>

ATTACHMENT A

Business Requirement Section Questions

IDENTIFY WHICH FUNCTIONAL AREAS YOU ARE SUBMITTING A PROPOSAL IN THE TABLE BELOW:		

FUNCTIONAL AREA	PROPOSAL SUBMITTED (YES/NO)	TAB NUMBER
Supplier Information Management		1
Supplier Enablement & PO/Invoice Automation		2
Procurement: Includes Catalog/Non-Catalog requisitions, Budget Check and Workflow Approvals, Purchase Orders, and Receiving		3
Invoicing (PO & Non-PO)		4
Employee Expenses & Travel		5
Procurement Card (Buy-card) Management and Expense Reconciliation		6
e-Sourcing		7
Spend Analytics		8

Supplier Information Management	Response
Questions	**Y/N**
Can you ensure the data submitted by the Supplier is valid?	
Do you offer a streamline experience for suppliers including guided video tours?	
Do you offer actionable notifications that let the processor team know when data has been changed or added?	
Are we going to be able to review the supplier approvers- say managers, team leaders or sales reps to insure the integrity of the confidential data (Federal Tax ID's)?	
Is there a place for suppliers to access our documents for their records? i.e. W9's, Credit Reference Forms, State Tax Exempt Forms etc.	
Are there any safeguards around the use of our confidential information? i.e. password protection two-step authentication, etc.	
Will processors and end users be able to create supplier requests free-form inside the interface if the supplier has sent the information via our old system i.e. email/fax?	
Can international supplier information be added into the system? Since the forms are so different than our US W9, and most international companies do not have a United State Federal ID number, we need a way to add the info by hand. Currently the database allows changes, but to an interface one 9-digit number is as good as another even if it is not an American Tax ID number.	

Supplier Enablement & PO/Invoice Automation	Response
Questions	Y/N
Can suppliers process purchase orders and invoices free of charge?	
Will suppliers be able to manage disputed invoices from the network?	
Can suppliers process non-PO invoices from the network?	
Can a supplier manipulate an invoice before transmission? If so, is there a notification that lets us know changes have been made? For example. Remittance address, price, quantity item update.	
Can your solution check for other charges such as: tax, shipping, freight, or any other misc. charges?	
Do you offer actionable notifications that let suppliers, with email-based interactions, receive and acknowledge POs, submit invoices, and receive status updates?	
Do you provide a supplier portal for quick and easy registering for suppliers for the no-fee, no-contract supplier portal?	
Do you provide real-time visibility into invoice processing status for suppliers?	
Do you provide smart tools to enable visibility in all transactions for all our business units?	
Does a supplier have to be enabled on your network to conduct a transaction with us?	
Does your solution offer suppliers multiple ways of submitting an invoice for payment?	
Does your solution perform a check for errors before an invoice is transmitted?	
Does your solution provide a 2-way match on price and quantity?	
Does your solution provide a 3-way match on price, quantity, and receipt?	
Is your supplier network integrated with your platform so suppliers can interact with transactions in the application?	

Procurement: Includes Catalog/Non-Catalog requisitions, Budget Check and Workflow Approvals, Purchase Orders, and Receiving	Response
Questions	**Y/N**
Catalog Management	
Can internal catalogs be hosted in your solution?	
Can catalog content and structure be defined?	
Do you have image functionality for hosted catalogs?	
Can review and approval be required for every catalog supplier that is submitted?	
Does your solution support punch-out to supplier hosted catalogs?	
Do suppliers have access to a network portal to interact with purchasing?	
Can access to catalog content be segregated and restricted based on specific criteria (e.g. users, roles, location, company, project, etc.)?	
Can catalogs support tiered pricing when used in conjunction with contracts?	
Can buying policies be configured and displayed when requesting specific items or services? Example: Fund restrictions.	
Is there a validation method that notifies shoppers that restricted goods and/or services are not allowed to purchase with the funding source their attempting to pay with?	
Can catalogs be interfaced with GPO contract pricing systems to support University tiered purchase rates?	
Requisition Build	
Does your solution support all common web browsers (i.e. Internet Explorer & Firefox)?	
Does your solution support custom fields?	
Does your solution support for single-sign on via Active Directory, LDAP server, and SAML 2.0?	
Do you provide online FAQ (frequently asked questions) to capture common employee questions and the answers?	
Does your solution support embedding instructions on company policy into the requisitioning process?	
Can end users type in requests directly / free-form in your solution?	
Does your solution perform auto-complete functionalities for purchase requests using preferred catalog items to capture contract pricing?	
Does your solution perform auto-complete functionalities to infer supplier name based on limited keystrokes?	
Does your solution allow for price comparisons with other online sources i.e. Nextag, Amazon, and any other price comparison engines to ensure best value before ordering?	
Does your solution allow employees to request a new supplier for a one-off request and capture the supplier information for purchasing and A/P processing?	
Does your solution support intuitive natural language search across preferred catalog items?	

Does your solution present item search results with thumbnail images in gallery or list view?	
Does your solution allow employees to rate items using a star rating system?	
Does your solution allow employees to help classify content and maintain favorites list?	
Will your solution allow employees to order a single preferred catalog item from multiple supplier sources?	
Will your solution sort catalog search results by relevance, item name, and or supplier?	
Do you have a filtering criteria/mechanism to display catalog content to users?	
Do you allow supplier punch outs to achieve even more savings through non-catalog items?	
Does your solution support for cXML open standard transmission of PO and invoicing data?	
Can you purchase goods and services on and off contract with suppliers?	
Does your solution offer Supplier Self-Service profile registration, setup and information management via an established supplier network?	
Does your solution offer the ability to limit access to supplier Punch Outs to particular groups of employees?	
Does your solution offer the ability for employees to request items from any consumer shopping website without reentering item data?	
Is your solution compatible with the use of Bookmarklet or other technology to act as interface between procurement platform and any consumer website?	
Does your solution allow purchasing departments the ability to override employee requests?	
Does your solution provide the ability to store user BuyCard information for use as payment method on consumer websites?	
Does your solution offer configurable web forms?	
Does your solution offer an unlimited number of configuration web forms?	
Is your solution capable of attaching supporting documentation of order requests for workflow approver?	
Is your solution capable of attaching supporting documentation of order requests for supplier review?	
Does your solution offer customizable form features?	
Does your customizable form feature include hints / input field-specific help?	
Does your solution assign contract suppliers and preferred pricing to web forms?	
Does your solution use the web to find the best deals, product availability and add them to your shopping cart with just a few clicks?	
Does your solution offer a consistent checkout experience no matter what order method is used (i.e. free form vs. catalog vs. supplier website)?	
Dos your solution provide intelligent defaulting of accounting codes?	
Can the accounting data of the requisition be defaulted based on commodity, user, supplier, etc., and allow employee override?	

Does your solution include the ability to attach unlimited supporting documents and keep internal to approvals or pass on securely to supplier once approved (word documents, media files, CAD drawings, excel spreadsheets, etc.)?	
Does your solution include the ability to attach supporting documents to individual order lines as well as entire document?	
Does your solution include the ability to capture supplier part number, need-by-date, payment & shipping terms?	
Does your solution provide the ability to allocate request against specific budget periods?	
Does your solution provide the ability to accommodate mix and match ordering including, but not limited to the following entry methods: free-form, web form, catalog, punch-out and off-contract consumer website items all on a single request?	
Does your solution allow for the selection of multiple suppliers in a single order?	
Does your solution allow employees to copy prior requests for repeat orders?	
Does your solution allow employees to copy requisitions of other co-workers which they have access to?	
Does your solution gives employees full visibility into prior orders and order status (including approvals and supplier transmission of PO)?	
Does your solution allow employees to rate suppliers using a star ranking system for a fixed time period subsequent to order receipt?	
Does your solution allow the ability to request on behalf of others?	
Budget Control and Checks	
Does your solution provide accurate budget visibility at the time of requisition?	
Does your solution have the ability to set spending targets?	
Does your solution allow adjustments (tighten or loosen) of spending targets prior to or during an open period?	
Does your solution provide the ability to assign ownership to spending targets?	
Does your solution provide real-time tracking against target to owner and other parties	
Does your solution alert requester to potential over-spending before they submit their spending request?	
Does your solution alert managers in approval chain to request to over-spend?	
Does your solution set triggers to detect the potential for over-spending during an open period?	
Does your solution provide the ability to drill down to see every purchase impacting spending budgets, including drilling into approval history and originating requester?	
Workflow Approvals	
Does your solution allow order Requesters the ability to modify workflow - add additional approvers & cc personnel on approval status (add approval watchers)?	
Does your solution allow Approvers to edit request details; including reducing quantities and correcting accounting codes?	

Does your solution support approval delegation and administrative override?	
Does your solution provide support for unlimited number of approval levels?	
Does your solution provide support for variable number of approval levels based on nature of request (i.e. one request requires 2 approval levels, another request requires 5 approval levels)?	
Can your solution manage special approval conditions based on amount of order & other factors such as Department, Cost Center, Account, Commodity, Supplier, Item Name, or Line Description?	
Can your solution accommodate special approval conditions to add approvers at the beginning or end of management approvals, or override and replace default approval rules?	
Does your solution notify all parties associated with the order of Denials, Rejected, Modified or Approved actions taken on the order? Is a record kept of all Workflow activity the order has gone through.	
Does your solution provide the ability for approvers to add comments when approving or rejecting?	
Purchase Orders	
Does your solution provide the ability for purchasing clerks to intercept off-contract purchasing requests before management approvals to source requests to preferred suppliers or get competitive bids?	
Does your solution provide the ability for clerks to monitor all purchasing requests in a single view?	
Does your solution provide the ability for clerks to create an unlimited number of custom views on requisitions and purchase orders to determine which data shows up, the sort order and include filter conditions to restrict the transactions that appear automatically?	
Does your solution provide the ability to search requisitions and purchase orders from a single search box that queries across all objects (i.e. search matches to many data attributes like Purchase Order Number, Line Description, etc.)?	
Does your solution provide the ability to automatically create a PO from an approved requisition without any manual work?	
Does your solution provide the ability to create multiple PO's automatically from a multi-supplier requisition?	
Does your solution provide complete control over printed PO formats; including providing an online gallery of sample styles?	
Does your solution provide the ability to place orders (single and multiple at a time) on "Hold" for specific reasons or time period - and then route set to automatically dispatch to suppliers without manual effort after a specified date? I.e.. Fiscal year transitions or pending review.	
Does your solution offer formal and auditable PO editing & revision tracking features?	
Does your solution offer the ability to capture current and all prior versions of change orders; including all data element histories?	
Does your solution offer the ability to send revisions to supplier?	

Does your solution offer the ability to change price, quantity, units of measure (UOM), item, accounting codes, budget period, commodity classification, attachments, ship-to user, ship-to address, shipping terms, payment terms, payment method, or even the supplier	
Does your solution offer the ability to capture unstructured comments on the PO for internal communication?	
Does your solution offer the ability to add supporting documents to a PO or PO line	
Does your solution provide the ability to capture and display billing (purchase card or other) and shipping information for purchasing clerk?	
Does your solution provide the ability for purchasing agent to turn one-off purchases (whether free form, punch-out, or consumer website purchases) into preferred catalog items?	
Does your solution offer formal and auditable PO editing & revision tracking features to capture current and all prior versions of change orders; at both PO Header and Line levels?	
Can your solution help generate a purchase order when buy card is used?	

Invoicing (PO & Non-PO)	Response
Questions	**Y/N**
Does your system features and functionally solve the challenges with our accounts payable process?	
Can your system support PO-backed and non-PO invoices?	
Does your system have the ability to create one-click invoices from open purchase orders (PO flip)?	
Does your system offer paperless invoice submission by the supplier for approved PO's?	
Can your system store invoice image scans and other supporting documents?	
Can your system capture sales tax, shipping, and other miscellaneous charges?	
Can your system perform 2-way, 3-way or no match options once a supplier submits an invoice?	
Can your system hold invoice tolerances by absolute quantity or amount, or percenatge quantity or amount?	
Can your system hold invoice tolerances for absolute order amount and for special charges absolute amount or percentage of total?	
Can your system hold Invoice tolerances against catalog prices on contract invoices?	
Does your system have the ability for a requestor to dispute an invoice directly with a supplier?	
Can your system hold invoice tolerance be set separately for a supplier with paperless invoices?	
Does your system support notification of invoice matching and tolerance errors by Email?	
Does your system support notification of invoice matching and tolerance by line item?	
Does system calculate discounts according to the payment terms?	
Does your system have the ability for internal users to flip PO's into invoices for reoccurring billing?	
Can your system support credit memos and debit memos?	
Can your system confirm receipt and send auto-notification to employee requester if there's a matching or missing receipt error (with auto-hold removal once employee confirms receipt)?	
Can your system hold release / approval queue for invoices that fail tolerance checks?	
Does your system provide support for electronic invoice submission from supplier via cXML?	
Can your system perform split invoicing to easily add the same PO line to an invoice multiple times?	
Can your system calculate early payment discount?	
Can your system perform split billing invoices?	
Can your system track recently used and favorite chart of accounts?	
Does your system have an invoice approval workflow?	
Does your system have the ability to submit invoice approvals though mobile devices?	
Does your system track payment status against invoices?	
Does your system allow for broadcasting payment status and invoice hold status to suppliers via online portal?	
Does your system allow the supplier to provide the requestor on an non-PO invoice?	

UT Health

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Procurement Services

Does your system allow the supplier to select alternate payment terms?	
Does your system allow direct export of approved invoices to ERP / accounting system via pre-packaged integration or web service?	
Does your system provides the ability to turn on and enforce HMRC compliance?	
Does your system provide an invoice control total at the header level to make sure submitted invoice total is correctly added?	
Does your system have the ability to show Invoice history when changes are made even before invoice exits draft status, keeping an accurate reflection of all revisions?	
Does your system allows for multiple taxes at both line and header level of invoice?	
Does your system confirm compliance of electronic invoices specific to country requirements. In the process, creating an electronically-signed legal invoice?	
Does your system allow for compliant invoices to contain a supplier disclosure section which is created by the supplier?	
Does your system allows for Invoice Presentation templates by country, ensuring that all legally-required fields are present, and allowing for customization of other fields on the document?	
Does your system have the ability to differentiate between Remit-to and Ship-to addresses?	
Does your system have the ability to show a listing of tax amounts grouped by all applicable tax rates for the origination country if required by law?	
Does you system have the ability to allow entry and display of taxes in the origination country's currency, even if the invoice isn't in the origination country's currency?	
Does your system have the ability to translate invoices that are bilingual when the default language of the origination country (primary language) is different from the default language of the destination country (secondary language)?	
Can your system ensure that only tax codes that are applicable to the origination country are available for selection?	
Does your system have the ability to generate a legal PDF version of the invoice on behalf of the supplier when an invoice is created via Supplier Network, CSV, API, or cXML?	
Can you system provide a full audit history for supplier-created invoices.	
Does your system have the ability facilitates e-invoicing compliance.	
Does your system allow users to create a credit note from the invoicing screen, and for suppliers to create credit notes via the supplier network, integration, or email, even if the corresponding PO has already been closed?	
Does you system have the ability to lock the invoice date so suppliers can't backdate or forward-date invoices?	

Does you system have the ability for suppliers to provide a requestor when submitting unbacked invoices?	
Does your system have the ability for user to submit check request to AP for processing.	
Does your system charge supplier any fees to ensure adoption for electronic invoicing?	
Does your system have the ability for invoices to be submitted by supplier through email without logging into a network?	
Can you system track the delivery method of invoices such as electronic vs non-electronic?	
Can your system provide reporting tools to determine discrepancies between orders, receipts, and invoices?	
Can you system provide a full audit history for invoice approval workflow?	
Do you support suppliers with global invoicing and compliance?	
Does your system have OCR capabilities?	
Can your system use OCR template or require a template?	
Is your OCR solution capable of learn-by-example?	
Does your system allow for invoices templates to be created?	
Can your system maintain invoice templates by the system, ensuring compliance stays up to date with changes in regulations around legal invoicing?	
Is there a limit or size max which a document can be attached and or loaded?	
Does your system detect duplicate invoices and/or give warning for fuzzy duplicates	

Employee Expenses & Travel	Response
Questions	**Y/N**
Expense Reporting	
Does your solution have the ability to log into intuitive employee expense reporting portal w/homepage branded with our logo?	
Is your system 100% web browser-based, no software installation required by employees?	
Does your solution provide support for all common web browsers (i.e. Internet Explorer, Chrome & Firefox)?	
Does your solution look and feel like a consumer shopping portal with appropriate consumer terminology?	
Does your solution offer support for single-sign on via Active Directory, LDAP server, or SAML?	
Does your solution includes online FAQ to capture common employee questions and the answers?	
Does your solution supports embedding instructions on company policy into the expense reporting process?	
Does your solution supports user visibility to accounting information through roles and permissions?	
Does your solution have the ability to capture receipts on mobile device platforms?	
Does your solution have the ability to email in receipts into the system?	
Does your solution have the ability to process credit cards?	
Does your solution have the ability to require or not require receipts per category or amount?	
Expense Categories	
Can your solution create unlimited amount of expense categories?	
Can your solution tie expense categories to GL Accounts?	
Can your solution capture travel start and end points?	
Can your solution integrate with Google or other platforms to capture mileage in a automated fashion?	
Does your solution support expense categories managed under per diems?	
Configuration	
Can your solution create category specific custom fields?	
Does your solution have the ease of configuration empowering customer to administer all configuration without the need for IT or Support?	
Other requirements	
Can your solution cut down expense reporting creations from hours to minutes with ease of use?	
Does system allow warning of users if an expense line is high for the category limit?	
Does your solution have the ability to default billing information per user or by expense line for accuracy and ease of use?	
Does your solution have the ability to handle any currency and exchange rates?	
Expense Approvals	

Can approvers edit request details including reducing quantities and correcting accounting codes?	
Can your solution support approval delegation and administrative override?	
Can your solution support hierarchical / management approval?	
Can your solution support for unlimited number of approval levels?	
Can your solution support variable number of approval levels based on nature of request (i.e. one request requires 2 approval levels, another request requires 5 approval levels)?	
Can your solution support for special approval conditions based on amount of expense report & other factors such as Department, Account, Commodity, Supplier, Item Name, or Line Description or any custom field?	
Can your solution create special approval conditions and add approvers at the beginning or end of management approvals, or override and replace default approval rules?	
Can you system support approval on any mobile device with a browser (iPhone, Android, etc...)?	
Does your solution have the ability for approvers to add comments when approving or rejecting?	
Does your solution have the ability for employee to edit and resubmit requests that have been rejected without re-keying them in?	
Does your solution have the ability to change approval rules in real-time while system is operational & have changes reflected on all subsequent requests?	
Does you system have the ability to compare approval cycle times for our business to an aggregate average across many companies?	
Can you system accept feeds from HR to activate and inactivate users & optionally specify approval limits?	
Expense Report Processing	
Can you system provide audit score that helps you determine how to prioritize which expense reports may require additional attention?	
Does your solution have the ability to configure Accounting Review based on audit score or include them at the end of every expense report?	
Does your solution have the ability to configure accounting review reasons as to why they allowed an expense report to be approved that didn't include all information or needed a special reason for approval?	
Does your solution have the ability to flag expense reports if receipts are not attached?	
Does your solution have the ability to show billing fields to all users, or just accounting reviewers?	
Spending Targets (Budgets)	
Does your solution have the ability to set flexible periods for measuring spending (i.e. quarterly, yearly, monthly)?	
Does your system have the ability to upload spending targets (budgets) from other enterprise systems?	
Does your solution have the ability to set spending targets manually?	

Can your solution adjust (tighten or loosen) spending targets prior to or during an open period?	
Can your system assign owner to spending target?	
Can your solution provide real-time tracking against target to owner and other parties?	
Can your solution alert requester to potential overspending before they submit their spending request?	
Can your solution alert managers in approval chain to request to over-spend?	
Does your solution have the ability to set triggers to detect the potential for overspending during an open period?	
Does your system provide the ability to drill down to see every purchase impacting spending target area (budget), including drilling into approval history and originating requester?	
Analytics / Reporting	
Does your solution have the ability to build custom reports for Expense Reports, Lines and Categories that are available online and export to Excel?	
Does your solution have the ability to instantly share custom reports with all users?	
Can you system report on all custom fields?	
Does your solution have the ability to pull spend / budget reports?	
Does your solution have the ability to process real time dashboards to trace transactions through Expense Process; Expenses by Category, Vendor, Employee, Account Review Status Policy Exceptions?	
Reports at line-level for Expenses	
Does your system have the ability to reports on expense spending across any date range, any management hierarchy, accounting segment or code, supplier, department, etc.?	
Can you your system review spending against budgets and assess projected overspending?	
Does your solution have the ability to set spending alerts on leading spending indicators?	
Does your solution have the ability to review spending by supplier, category, user etc.?	
Reporting Dashboards	
Does your system have the ability to review historical spending and forecast future spending based on past trends?	
Does your solution have the ability to review executed savings generated through using Expense system through cost of expense reports over time?	
Does your system have the ability to drill down on all dashboards by clicking the graphs for granular information that comprises report totals?	
Benchmarking	
Does your system allow expense process metrics to be benchmarked in real-time against a market average to determine improvement areas for my business?	

Does your solution have the ability for real time benchmarking and compare key expenses statistics against the market: Avg Expense Report Value, Approval Cycle Time, Price per Airfare, hotel and car rental, Cost of processing per expense report, and others...?	
Integration	
Does your solution offer REST (representational state transfer), high efficiency web services?	
Does your solution offer an API control over objects including: expense lines, expense reports, accounts, addresses, shipping terms, payment terms, currencies, exchange rates, items, suppliers, and users?	
Does your system secure export and selective import for Expense Reports?	
Does your solution allow for direct integration with travel provider, populating trips on a regular basis and automatically filling in information for the user, so they can seamlessly add their trips to expense reports?	
Does your system have the ability to fill in an expense report pre-populated expense report from travel provider integration are editable, but easily compared with the originally transmitted file in the reconciliation tab by anyone in the approval chain?	
Does your solution have the ability to provides a table for viewing all expense lines that violate category limit policy, an easy way to find offenders in one stop?	
Does your solution allows users to easily move lines between draft or working expense reports?	
Does your solution allows for the creation of custom totals within each expense report to track specifics to company policy?	
Does your solution allow for direct integration with the leader booking tools?	
Does your solution allow for direct integration with home grown booking tools?	
Mobile	
Does your solution deliver a native mobile app available via the AppStore for both Android and iPhone?	
Can users approve, reject, or hold requisitions & expense reports in their To-Do lists or queues via mobile app?	
Can users create new expense reports on-the go, via mobile app?	
Does your mobile app have a Quick Receipt feature to capture expense receipts with a smartphone, with the ability to add them to new or existing expense reports?	
Can recently created or approved requisitions & expense reports be viewed via mobile app?	
Can push notifications be configured for important To Do's, allowing users to take care of them immediately?	
Can expense reports be created and edited offline, even when your phone is in airplane mode? If so, will the mobile app submit the updates when a connection is available?	
Can Mobile app users choose their merchant from a list of nearby merchants directly from their phone or mobile device when creating an expense line?	

Can users create an expense line item by talking it into their phone instead of typing?	
Can your solution support touchless processing of expense reports?	
Does your system have the ability where your customers can customize the solution to meet their needs without coding or IT intervention?	
Does your system provide visibility to finance, users and managers?	
Does your system help minimize or eliminate the need of user training?	
Does your system support user-based reports, visibility and scheduling of files/reports (no IT needed)?	
Does your solution have the ability to simplify Travel Advance?	
Does your solution handle electronic personal credit payments for example Registration, Airfare, Car rental, and lodging. Will you be able to implement GSA rates limits?	
Does your solution have the capability to program travel Account codes for fund allowance and reporting?	
Can your solution approve mandatory forms (for example official functions forms) where it is needed in the process?	

Procurement Card (Buy-card) Management and Expense Reconciliation	Response
Questions	**Y/N**
Can we load compliance reviews in the financial management system?	
Can we send out cardholder compliance review notifications?	
Can an online Buy Card Test be included in the system for new carhold members before a new card is issued?	
Can you type in the comment section directly / free-form?	
Will there be Support hierarchical / management approval?	
Does your solution provide mobile approval workflow functionality?	
Will there be an accurate budget visibility at the time of requisition?	
Will there be approval notifications for POS requisitions?	
Can approvers add comments when approving or rejecting?	
Can we use proxies to reconcile BuyCards?	
Are proxies required to be cardholders to reconcile BuyCards?	

Sourcing	Response
Questions	**Y/N**
Does your solution offer the ability to export a Bid Tabulation?	
Can the dashboard be edited to a users preference?	
Can list of potential bidders be imported into the solution?	
Does your solution allow the user to edit the emails sent to potential bidders?	
Does your solution recognize Adobe .pdf files?	
Does your solution recognize MSWord files?	
Does your solution recognize MSExcel files?	
Does your solution recognize .jpg files?	
Do you offer online training webinars for new users?	
Can training materials be exported for new users?	
Does your solution offer an 'Audit Trail'?	
Can we use our own bid numbering system?	
Is there a limit to the number of active bids?	
Is there a limit to the number of active buyers?	
Does your solution offer the ability to assign specific weights to questions?	
Does your solution allow a buyer to impose a time limit for evaluations to be completed by the team?	
After the initial round of scoring is complete, does your system allow for a second round or short list presentation scoring? If so, please describe.	

Spend Analytics	Response
Questions	**Y/N**
Does your solution provide spend optimization recommendations?	
Does your solution allow procure-to-pay process metrics to be benchmarked in real-time against a market average to determine improvement areas ?	
Can users open documents such as requisitions, PO's, Invoices and Contracts directly from your solution?	
Can users of the system create their own dashboards/reports?	
Can your Analytics/Reporting solution be used with mobile devices?	
Does your solution allow for review of top and bottom rated suppliers?	
Does your solution allow for review of spending by type of request (i.e. catalog vs. one-off)?	
Can users review spending by commodity or supplier?	
Can users set spending alerts on leading spending indicators?	
Does your solution allow for review of spending against budgets and assess projected over-spending?	
Can your solution provide reports on PO spending across any date range, accounting segment or code, supplier, department, or commodity?	

	Information Technology Questions	
Ref.	**CLOUD**	**ANSWERS**
1	Provide a proposed architecture document which includes a full network diagram of the proposed University environment, illustrating the relationship between the University environment and any other relevant networks (include ports/protocols). Include a data flowchart that details where University data resides (including backup processes), what data will be collected (data inventory), data fields required, and the applications that manipulate the data and the security thereof.	
2	Define how you classify your cloud solution: IaaS, SaaS, PaaS, etc.	
3	Is your cloud solution hosted by a 3rd party cloud provider, or based in your own datacenter?	
4	Provide a description of how often the infrastructure/hardware/software is upgraded, hardened and patched and what communications/requirements are there to notify the customer? Can the customer select its own maintenance window(s)? Provide a description of the maintenance schedule and customer notification process.	
5	Is the cloud solution a single-tenant and/or shared (multi-tenant) cloud service?	
6	Explain how customer data is either physically or logically separated from your other customers.	
7	Who is responsible for entering or transferring initial and/or ongoing data to your solution?	
8	Are there any customization or customer specific changes allowed for your cloud services? If so please describe along the associated costs for these changes.	
9	Describe the automated Information Lifecycle (Configuration Upgrade and Control) Management capabilities of your cloud solution and the benefits clients receive from this functionality.	
10	What are the options for dedicated storage, dedicated hardware firewalls and load balancers to connect to the public cloud offerings in your facilities?	
11	Do you share networks, VPNs, firewalls and load balancers between your dedicated and public cloud environments?	
12	Provide an outline of the size of the network (number of contiguous IP addresses) available to a customer's cloud environment; if applicable.	
13	Explain your data and sensitive documents handling and destruction practices for customer data.	
	ENCRYPTION	
14	For data in storage, what encryption technology is utilized for data storage?	
15	For data in storage, how are encryption keys for stored data managed?	
16	Particularly for data backup and recovery, what technology is used to encrypt data backups and how are those keys managed?	
17	If databases are utilized in the solution, what level of encryption is applied?	
	DATA RECOVERY	
18	Describe the storage options connected to your cloud solution: SAN and/or NAS, etc.	
19	Describe the backup and archival process and length of time backups are available.	
20	Do you perform test restores? How frequently?	
21	Do you have any file or directory versioning capabilities short of restoring from a backup?	
22	Identify the location of backups, key management, and storage for any backup encryption keys.	
23	What archival backup/restore/versioning is part of the agreement and what actions require any additional service fees?	
24	Explain any shadowing or redundancy you have across multiple datacenters or repositories, and if those data repositories are within or outside the continental US and are directly controlled by the vendor	
25	Do you offer persistent cloud images (longer than 2-week retention) or offer back up in your cloud longer than 1-month retention?	
26	Does your cloud backup allow file-based restore, without requiring clients to mount a full historic copy of their virtual machine?	
	ACCESS PRIVILEGES AND INTERNAL CONTROLS	
27	A description of the physical security measures in place within your data centers. Describe both the physical data center access as well as server room and physical host access.	
28	How are the logical and physical data center services secured from other users and external threats?	
29	What level of support does the vendor provide for Single Sign On (SSO) or authentication utilizing UTHealth identity management infrastructure (SAML)? Please provide a detailed description of those authentication methods.	
30	Is there support for two-factor authentication?	
31	What level of administrative privileges and controls does UTHealth have over the system, software, and our users?	
32	Explain your employee hiring, orientation, and security training process and any non-compete or data/customer confidentiality agreements you have them sign.	
	AUDITING, MONITORING, AND REPORTING	
33	Does the provider have an allowance for UTHealth to audit either the application or network infrastructure?	
34	What notice is required to do non-intrusive vs. intrusive scans or other vulnerability assessments?	
35	What allowances does the vendor provide to access or request any security related configuration files, developed application code, policies, or quality assurance and testing documents?	
36	What internal software/hardware/infrastructure audits do you perform? How often are they done?	
37	Explain how the vendor monitors and reports upon notification of abuse or investigation. Specifically, include DMCA notices, regulatory violations, criminal or civil investigations and additional requests, etc. made by either an outside entity or UTHealth.	
38	Describe your scheduled maintenance times and customer notification processes. A 36 month maintenance history should be provide for review.	
39	Explain your levels of customer support for your cloud offering beyond self-help, knowledge based or message boards. Are there additional costs associated for this support? If so, note those costs or cost structure used.	
40	Define your trouble ticket severity levels. How are they assigned and how are they escalated? Is escalation automatic based on a metric or customer initiated?	
41	Explain all dashboards and analytics that are in place for customer use.	
42	Explain any real-time monitoring that the customer might deploy that the vendor has developed.	
43	Explain what additional reporting, training, aggregate, industry, research, or other reporting information or data might be available as part of a customer subscription.	
	SECURITY AND BUSINESS CONTINUITY	
44	What actions do you take after identifying a security issue? Define "security issue" as it relates to your cloud solution.	
45	Do you have an incident response plan? Will you provide a copy? Provide incident response history or examples.	
46	Explain how you notify a customer in the event of a breach or security issue?	
47	Do you have a formal Risk Analysis plan and review it annually? Provide a copy for review.	
48	Do you have a Disaster Recovery plan, and what tests do you perform on your disaster recovery plan? Describe the maximum downtime limits: RPO and RTO objectives.	
49	What are the contract stipulations regarding potential customer losses and/or for transfer of data and support to another organization should the business fail?	
50	Do you use the UTHealth data for any other purposes, whether metadata (in part) or whole for other services?	
	APPLICATION ACCESSIBILITY	
51	Describe the ADA or other accessibility requirements or capabilities of your solution. Specifically, does it comply with the following: a) TGC 2054.451 requires that all state agencies and institutions of higher education, provide state employees and members of the public access to and use of electronic information resources. b) 1 TAC 206 aligns state web accessibility standards with the federal regulations set forth in Section 508 of the Rehabilitation Act of 1973. c) 1 TAC 213 enacted state standards for procurement, development, or usage of EIR for people with disabilities and also aligns accessibility standards with the federal regulations set forth in Section 508.	
52	Detail the mobile device access capabilities and any security controls for protecting linking to lost or stolen customer mobile devices containing data.	
	REGULATORY COMPLIANCE	
53	What is the vendor's and any 3rd party's compliance requirements to SSAE 16/SAS70-II, SOX, PCI-DSS, ISAE3402, SOC1, 2 or 3, Safe Harbor, HIPAA, FERPA, TAC202, or other regulatory requirements?	
54	Can the vendor describe their own commitment to remaining in compliance?	
55	Can the vendor describe how they ensure any 3rd parties utilized remain in compliance?	
56	Will the vendor attach their latest compliance audit performed by a recognized qualified 3rd party and commit to maintaining that described level of security?	
	ARCHITECTURE - Answer questions 57 - 65 if the proposed application is to be implemented as an On Premise solution	

#	Question	Response
57	Provide an application structure diagram listing hardware, 3rd party software, desktop/mobile device requirements, WI-FI requirements, barcode scanners, RFID, printers, etc.	
58	Can the application software run in a virtualized environment? What virtualization technologies are supported? Please explain.	
59	Provide the supported operating systems (O/S). What O/S version is the application currently certified to run on? How fast do you certify the product with new O/S version updates?	
60	Do you support Oracle and/or SQL Server for the database? If not, please provide the required database. Describe the licensing methodology for the database. (Submit pricing for licensing in Section 6.)	
61	Is Java required? If yes, what version(s) are currently supported, and how are new versions of Java certified and how often?	
62	Does licensing support multiple environments (i.e. Production, Test, Development, Training/Sandbox, Disaster Recovery, etc.)?	
63	Does the application support archiving of data? If so, describe the process, how data can be accessed later.	
64	How many concurrent users are supported? Provide details.	
65	Based on the volume of P2P data described, what is the approximate size of the database? Provide details	
	SECURITY (answer all questions - both cloud and on premise solution)	
59	Describe/diagram the applications physical security and connectivity.	
60	Does the application software provide an administration interface where all administrators are identified as individuals as opposed to a generic administrator? If so, explain.	
61	Does the application support normal user account controls (i.e. unique user IDs, password standards, forgotten password procedures, multiple logins, timeouts, etc.)? Please elaborate on the user ID/password process.	
62	Can a user be logged in to the application from more than one location at the same time? If so, explain how.	
63	Does the application support LDAP or SAML integration for authentication/Single Sign On? If so, provide details.	
64	Does the application support SSL technology? If so, explain.	
65	Does the application encrypt passwords? If so, what is the level of encryption?	
66	Does the application encrypt sensitive data both during transmission and at rest? If so, explain.	
67	Does the application have session timeouts and alerts before the user is disconnected? If so, explain.	
68	Does the application have role-based security profiles which can be dynamically created and modified? If so, explain.	
69	Does the application have an audit trail/log to show the "who, what, when and where" of user activities? How is this log information accessed? Provide details.	
70	Does the application support the storage, security, and potential redaction of the following data? If so, provide details. a. Financial information, grant or contract information and payment data b. Redacted internal research data/detail, private departmental information, redacted financial transactions, IT infrastructure data c. Public University data (e.g., unrestricted University web information) and University directory information	
	INTEGRATION/INTERFACES (answer all questions - both cloud and on premise solution)	
71	Does the application integrate with PeopleSoft Financial Management System? If so, please explain the interface functions and interface methods (api, database lookup, file based).	
72	What is the process for compatibility with PeopleSoft updates? Can the PeopleSoft interface pull authorized accounts for staff and authorized staff for accounts? Explain how.	
73	Does the application integrate with Imaging software (ImageNow)?	
74	What other solutions does the application integrate with. Explain how.	
75	Does the application support general integration into other systems such as importing of data, database access, API calls, Web Services, data exports, etc.? If so, please describe.	
76	Have you ever completed an integration with Oracle Cloud ERP? If yes, what modules and who were the customers.	
77	Have you ever completed an integration with Work Day ERP? If yes, what modules and who were the customers.	
	DATA CONVERSION	
78	Based on the information below, describe the data conversion process to the new P2P application. If there is additional cost for data conversion please outline in Pricing Schedule. a. At a minimum, data conversion will include PO and Vendor File data. The data can be made available in a MS Excel spreadsheet or XML format. b. In addition, the University may want to import documents from ImageNow or Documentum or from a shared drive.	
	SUPPORT	
79	Describe the annual maintenance required for the P2P application.	
80	What is the average monthly and annual downtime for the application?	
81	Is there a standard maintenance window? If so, when and how often does it occur? What notification methods are used when unscheduled maintenance is required?	
82	Describe the cycle for new product releases. Please provide the schedule of updates for the past 2 years.	
83	Provide an overview of the internal testing and quality assurance processes. Does it include application testing and integration testing?	
84	Does testing for a new installation and/or upgrade include application and integration testing? Please provide a general plan including timeline for this process.	
85	Provide Proposer's customer support plan. What are the support hours, methods of support (phone, email, live chat, portal for FAQ, on-site), levels of support, escalation procedure, issue priority determination?	
86	How are customer issues resolved? What is the average time to resolution for the different priority levels?	
87	What is the end of life strategy for software versions? How long are obsolete versions supported?	
88	What type of Online and Offline Support Documentation is available?	
89	Describe in detail the types of application Support offered for users after the initial training is complete (phone, email support or User Group meetings, etc.)	

Attachment C - Pricing

IDENTIFY WHICH FUNCTIONAL AREAS YOU ARE SUBMITTING A PROPOSAL IN THE TABLE BELOW:		
FUNCTIONAL AREA	**PROPOSAL SUBMITTED (YES/NO)**	**TAB NUMBER**
Supplier Information Management		1
Supplier Enablement & PO/Invoice Automation		2
Procurement: Includes Catalog/Non-Catalog requisitions, Budget Check and Workflow Approvals, Purchase Orders, and Receiving		3
Invoicing (PO & Non-PO)		4
Employee Expenses & Travel		5
Procurement Card (Buy-card) Management and Expense Reconciliation		6
Sourcing		7
Spend Analytics		8

		(1) Supplier Information Management	(2) Supplier Enablement & PO/Invoice Automation	(3) Procurement	(4) Invoicing	(5) Employee Expenses & Travel	(6) Procurement Card	(7) Sourcing	(8) Spend Analytics
One-Time Costs									
	Software								
	License								
	Implementation								
	Supplier Support								
	Consulting Support								
Year 1									
	Software								
	License								
	Maintenance								
	Support								
	Additional Fees								
Total Year 1									
Year 2									
	Software								
	License								
	Maintenance								
	Support								
	Additional Fees								
Total Year 2									
Year 3									
	Software								
	License								
	Maintenance								
	Support								
	Additional Fees								
Total Year 3									

Year 4									
	Software								
	License								
	Maintenance								
	Support								
	Additional Fees								
Total Year 4									

Year 5									
	Software								
	License								
	Maintenance								
	Support								
	Additional Fees								
Total Year 5									

Grand Total									