

REQUEST FOR PROPOSAL

by

**The University of Texas System,
acting through The University of Texas System Supply Chain Alliance,**

for

selection of a

PREFERRED SUPPLIER

of an

OFFSITE RECORDS STORAGE SOLUTION

RFP No. UTS/A40

**Submittal Deadline: January 9, 2013
@ 3:00 PM, CST**

Issued: November 12, 2013

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SECTION 1 **INTRODUCTION**

1.1 Description of The University of Texas System

The University of Texas System is comprised of System Administration and 15 institutions of higher education with campuses across the State of Texas whose missions are devoted to world class healthcare, teaching, research, and public service (collectively, “**UT System**”). UT System currently has six health institutions and nine academic facilities, making it one of the larger education systems in the United States. With an operating budget of \$14.6 billion, UT System has a current student enrollment exceeding 216,000. UT System employs more than 87,000 faculty and staff, making UT System one of the largest employers in the State of Texas.

UT System is comprised of the following institutions:

- The University of Texas Southwestern Medical Center (UTSW)
- The University of Texas Medical Branch at Galveston (UTMB)
- The University of Texas Health Science Center at Houston (UTHSCH)
- The University of Texas Health Science Center at San Antonio (UTHSCSA)
- The University of Texas MD Anderson Cancer Center (UTMDACC)
- The University of Texas Health Science Center at Tyler (UTHSCT)
- The University of Texas at Arlington
- The University of Texas at Austin
- The University of Texas at Brownsville
- The University of Texas at Dallas
- The University of Texas at El Paso
- The University of Texas – Pan American
- The University of Texas of the Permian Basin
- The University of Texas at San Antonio
- The University of Texas at Tyler

UT System has established the University of Texas System Supply Chain Alliance (the “**Alliance**”) to conduct and coordinate strategic purchasing initiatives across UT System. Through collaborative relationships, the Alliance seeks to combine supply chain and contracting activities and obtain best value goods and services while reducing total acquisition costs. Any agreement resulting from this Request for Proposal, UTS/A40 (this “**RFP**”) will be extended and marketed to all UT System institutions. Various non-UT System institutions that are affiliated with the Alliance may participate, too, in any agreement resulting from this RFP.

1.2 Objective of this Request for Proposal

UT System is soliciting proposals in response to this RFP for selection of Preferred Supplier(s) to provide an offsite records storage solution and related services, as more specifically described in **Section 5.4** (Scope of Work) of this RFP. A successful Proposer to whom business may be awarded is referred to in this RFP as the “**Preferred Supplier.**”

UT System's goal is to team with one or more Preferred Suppliers and develop a relationship that will produce a win-win for all parties. UT System hopes to work with the Preferred Supplier(s) to establish practical business processes and procedures that will foster a strong working relationship.

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

Proposer is invited to submit a proposal, including innovative and non-traditional suggestions, to establish a strategic business alliance with UT System that will maximize the resources of both organizations to most effectively meet the requirements specified in this RFP. This RFP process should:

- provide a comprehensive and guaranteed service configuration and pricing structure;
- leverage the aggregate purchasing volumes of participants;
- achieve cost savings for participants;
- improve overall customer satisfaction; and
- enhance relationships between Preferred Supplier and participants.

1.3 **Scope of Opportunity**

UT System estimates the aggregate spend by UT System institutions for services that are the subject of this RFP at \$1.4 million annually, or \$7 million over the anticipated five-year duration of any agreement resulting from this RFP. This estimated aggregate spend is based upon historical spend reports of institutions that may participate in any agreement resulting from this RFP, and is an estimate of possible future volume.

Exhibit A shows the locations of UT System institutions (“**Institutional Participants**”) expected to participate in the agreement resulting from this RFP.

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

No contract resulting from this RFP will guarantee a specific volume of purchases from a Preferred Supplier.

SECTION 2 **NOTICE TO PROPOSER**

2.1 **Submittal Deadline**

UT System will accept proposals submitted in response to this RFP until **3:00 PM**, Central Standard Time, on **January 9, 2013** (the “**Submittal Deadline**”).

2.2 UT System Contact Person

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

Jacqui Mackel, Sourcing Specialist
 UT System Supply Chain Alliance
 Phone: 713-563-5656
 Email: jcmackel@mdanderson.org

UT System specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications forwarded to the UT System Contact. The UT System Contact must receive all questions or concerns no later than **5:00 PM**, Central Standard Time, on **December 9, 2013**. UT System will use a reasonable amount of time to respond to questions or concerns. It is UT System’s intent to respond to all appropriate questions and concerns; however, UT System reserves the right to decline to respond to any question or concern.

2.3 Criteria for Selection

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

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

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

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

2.3.1 Threshold Criteria Not Scored

- 2.3.1.1 Ability of UT System to comply with laws regarding Historically Underutilized Businesses; and
- 2.3.1.2 Ability of UT System to comply with laws regarding purchases from persons with disabilities.

2.3.2 Scored Criteria

- 2.3.2.1 cost of the goods and services;
- 2.3.2.2 reputation of Proposer and of Proposer's goods or services;
- 2.3.2.3 quality of Proposer's goods or services;

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

2.4 Key Events Schedule

Issuance of RFP	November 12, 2013
Pre-Proposal Conference (ref. Section 2.6 of this RFP)	December 5, 2013 2:00 PM, Central Standard Time
Deadline for Questions/Concerns (ref. Section 2.2 of this RFP)	5:00 PM, Central Standard Time on December 9, 2013
Submittal Deadline (ref. Section 2.1 of this RFP)	3:00 PM, Central Standard Time on January 9, 2013
Selection of Finalists	Late February 2014
Finalists Interviews and Negotiations	Mid March 2014
Anticipated Contract Award	April 2014

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

1. If selected as a finalist, Proposer may be required to attend an interview session that includes a face-to-face meeting with an advance notice of no more than one week. The anticipated location of this activity is Houston, Texas.
2. If selected for contract award, Proposer should have its chief legal and business officers available for commencement of contract negotiations with 72 hours of notice of award. Such negotiations may take place face-to-face in order to expedite the contracting phase. The anticipated location of this activity is Houston, Texas. Proposer is requested to reference **Section 4.1** of this RFP and provide any exceptions as part of Proposer's RFP response.

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

2.5 Historically Underutilized Businesses

- 2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (each a "**HUB**") in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all

businesses in contracting with state agencies. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFP, Preferred Supplier subcontracts any of its performance hereunder, Preferred Supplier must make a good faith effort to utilize HUBs certified by the Texas Procurement and Support Services Division of the Texas Comptroller of Public Accounts or any successor agency. Proposals that fail to comply with the requirements contained in this **Section 2.5** will constitute a material failure to comply with advertised specifications and will be rejected by UT System as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFP. Proposer acknowledges that, if selected by UT System, its obligation to make a good faith effort to utilize HUBs when subcontracting hereunder will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting hereunder by Proposer is subject to review by UT System to ensure compliance with the HUB program.

- 2.5.2 UT System has reviewed this RFP in accordance with Title 34, *Texas Administrative Code*, Section 20.13 (a), and has determined that subcontracting opportunities are probable under this RFP.
- 2.5.3 A HUB Subcontracting Plan (“**HSP**”) is required as part of Proposer’s proposal. The HSP will be developed and administered in accordance with UT System’s Policy on Utilization of Historically Underutilized Businesses attached as **APPENDIX TWO** and incorporated herein for all purposes.

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

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

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

Any proposal submitted in response to this RFP that is not accompanied by an HSP Packet meeting the above requirements will be rejected by UT System and remain unopened, as that proposal will be considered non-responsive due to material failure to comply with advertised specifications. Furthermore, UT System will open a Proposer’s HSP Packet prior to opening the proposal submitted by Proposer, in order to ensure that

Proposer has submitted a signed copy of the Proposer's HSP Packet as required by this RFP. A Proposer's failure to submit a signed copy of the completed HSP Packet as required by this RFP will result in UT System's rejection of the proposal submitted by that Proposer as non-responsive, due to material failure to comply with advertised specifications; such a proposal will remain unopened and will be disqualified and not reviewed by UT System (ref. **Section 1.5** of **APPENDIX ONE** to this RFP).

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

2.6 Pre-Proposal Conference

UT System will hold a pre-proposal conference at 2:00 PM, Central Standard Time, on December 5, 2013. Proposers may attend the conference in one of the following two formats:

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

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

The Pre-Proposal Conference will allow all Proposers an opportunity to ask the Alliance, the Strategic Sourcing Team, and UT System HUB representatives relevant questions and clarify provisions of this RFP. Proposer should notify the UT System Contact **by no later than December 2, 2013**, whether it will attend the Pre-Proposal Conference, by emailing the UT System Contact at jcmackel@mdanderson.org. Proposer must clearly state in which format it will attend. If the Proposer elects to attend the Pre-Proposal Conference in the webinar format, UT System will provide complete details and instructions (including personal computer requirements). If Proposer elects to attend the Pre-Proposal Conference in person, there will be a strict limit of two (2) individuals per Proposer.

SECTION 3 **SUBMISSION OF PROPOSAL**

3.1 Electronic Submission Notice

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

3.2 Proposal Validity Period

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

3.3 Terms and Conditions

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

- 3.3.1.1 Specifications, Additional Questions and Scope of Work (ref. **Section 5** of this RFP);
- 3.3.1.2 General Terms and Conditions (ref. **Section 4** of this RFP);
- 3.3.1.3. Proposal Requirements (ref. **APPENDIX ONE**); and
- 3.3.1.4 Notice to Proposer (ref. **Section 2** of this RFP).

3.4 Submittal Checklist

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

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

SECTION 4
GENERAL TERMS AND CONDITIONS

4.1 General Information regarding Structure of Transaction and Terms and Conditions

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

The terms and conditions contained in the attached Sample Preferred Supplier Agreement (ref. **APPENDIX THREE**) or, in the sole discretion of UT System, terms and conditions substantially similar to those contained in **APPENDIX THREE**, will constitute and govern any agreement that results from this RFP. If Proposer takes exception to any terms or conditions set forth in the Preferred Supplier Agreement, Proposer must submit a list of the exceptions as part of its proposal in accordance with **Section 5.3.5** of this RFP. Proposer’s exceptions will be reviewed by UT System and may result in disqualification of Proposer’s proposal as non-responsive to this RFP. If Proposer’s exceptions do not result in disqualification of Proposer’s proposal, UT System may consider Proposer’s exceptions when UT System evaluates the Proposer’s proposal.

SECTION 5

SPECIFICATIONS, ADDITIONAL QUESTIONS AND SCOPE OF WORK

5.1 General

The requirements and specifications for the services to be furnished, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below.

5.2 Minimum Requirement

The minimum qualification requirement is that Proposer must agree to pay to the Alliance, on a quarterly basis, an administrative fee of three percent (3%) of the Total Net Sales made by Proposer under the Agreement (ref. **Section 6.2** of this RFP). This administrative fee will be used to support Alliance activities or returned to Alliance member institutions at the direction of their chief business officers.

5.3 Additional Questions Specific to this RFP and Scope of Work

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

- 5.3.1 In its proposal, Proposer must indicate whether it will consent to include in the Agreement the "Access by Individuals with Disabilities" language that is set forth in **APPENDIX FOUR**, Access by Individuals with Disabilities. If Proposer objects to the inclusion of the "Access by Individuals with Disabilities" language in the Agreement, Proposer must, as part of its proposal, specifically identify and describe in detail all of the reasons for Proposer's objection. NOTE THAT A GENERAL OBJECTION IS NOT AN ACCEPTABLE RESPONSE TO THIS QUESTION.
- 5.3.2 In its proposal, Proposer must respond to each item listed in **APPENDIX FIVE**, Electronic and Information Resources ("EIR") Environment Specifications. **APPENDIX FIVE** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide to UT System. Responses to **APPENDIX FIVE** will be incorporated into the Agreement and will be binding on Preferred Supplier.
- 5.3.5 If Proposer takes exception to any terms or conditions set forth in **Section 4** of this RFP, Proposer must submit a list of the exceptions.
- 5.3.6 Proposers will provide answers to the questions listed in the Proposer's Survey ("**Proposer's Survey**") (ref. **Section 5.5** of this RFP) to the best of Proposer's knowledge, as responses may be incorporated into the Agreement. The questions in the Proposer's Survey will provide UT System with additional information about Proposer and various efficiencies and economies of scale that Proposer may provide to participating institutions.

5.4 Scope of Work

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

Unless specifically noted by Proposer in its response to this RFP, all costs pertaining to the services to which this RFP relates will be considered to be included in the Proposer's quoted fees. Separate costs to be borne by UT System will be only those expressly identified by Proposer in its response.

Outlined below are the key requirements that Proposer would have to satisfy in providing an Offsite Records Storage Solution:

- Analysis of Requirements. Provide an analysis of each Institutional Participant's storage requirements per applicable document archival policies and rules.
- Provision of Adequate Storage Facilities. Make available records management facilities to provide physical storage capacity for at the initiation of the Agreement.
- Changes in Needs. Accommodate needs of Institutional Participants for additional storage space as they arise, or be able to downsize.
- Location of Storage Facilities. Maintain storage facilities located within 50 miles of the Institutional Participant being served (ref. **Exhibit A**).
- Protection of Facilities. Provide a secure storage facility equipped with counter-intrusion systems, fire suppression and backup generators.
- Pest Control. Proposer must provide proof of semi-annual treatment and/or inspection for rodents and insects.
- Transportation of Records. Proposer must provide transportation of storage records to and from each Institutional Participant and the storage facilities. All vehicles used must have the appropriate security features (anti-theft device) and be secured while at the delivery / pick-up site. All vehicles must be equipped with a fire extinguisher.
- Climate Control. Provide storage facilities that are climate controlled, in addition to facilities without climate control
- Specialized Service Requirements. Meet specialized service requirements, which may include:
 - Packing, re-packing files
 - Indexing and cataloguing documents
 - Providing destruction services at the storage facility or onsite at Institutional Participant, if required
 - Working with a third party designated by the Institutional Participant for destruction services involving records no longer required to be stored by Proposer
- Storage Containers. Offer storage boxes and specialty containers built for long-term storage.
- Chain of Custody. Provide a secure chain of custody of records from pick-up to storage to retrieval.

- Controlled Access. Provide controlled access to stored records by users representing Institutional Participants.
- Customized Reports. Create customized reports to Institutional Participants on an as-needed basis.
- Rapid Access to Records. Implement a process that would enable Institutional Participants to access and retrieve documents rapidly and remotely around the clock. Same day service may be required, with 2-4 hour delivery time upon request.
- Online Listing of Records. Provide an online listing of stored records available for access and retrieval.
- Indexing of Records. Provide flexible indexing, including the option to identify records at the file, box or document level.
- Privacy Policies and Procedures. Ensure your compliance with Institutional Participants' privacy policies and in house procedures.
- Transfer of Records. Assume full responsibility for the transfer of all of an Institutional Participant's records, including those located offsite at current vendor's facility, to the Proposer's facility, when applicable. This responsibility includes:
 - New bar coding
 - Labeling
 - Data entry
 - Creating an inventory for records to be stored at the Proposer's facilities at the beginning of the Agreement, including those transferred from another site
 - Replacing boxes damaged and furnishing a report to each Institutional Participant, detailing which boxes were damaged and replaced
- Destruction of Specified Records. Remove and destroy specified boxes presently stored with the current vendor, as agreed upon in advance with each Institutional Participant, in accordance with the institution's procedures. Boxes permanently removed from storage and destroyed must not appear on subsequent monthly invoices for storage. Requirements to be met:
 - Certified destruction must be performed by either shredding or incineration.
 - Proposer must ensure that confidentiality of all destroyed records is maintained throughout the destruction process.
 - Proposer must provide a certificate of destruction to the relevant Institutional Participant for all records destroyed.
 - No records may be destroyed without prior written approval from the administrator or authorized user(s) of the Institutional Participant's account with Proposer.
- Inventory Tracking. Proposer would be required to maintain an accurate, bar-coded, reliable computer-based inventory and tracking system capable of documenting pickup, delivery, and storage location of each Institutional Participant's documents and records. At a minimum, this system must be web-enabled, with appropriate security, to provide internet access to information by Institutional Participant's users. At a minimum, the system must

identify the contents, the location, Institutional Participant's department, cost center, description, and status (checked in/checked out) for each storage container. Essential data fields include: box number, bar code, box size, location, cost center, department, major description, minor description, status, and box history (dates of check out and check-in). The inventory tracking process must include appropriate logs and receipts for pickup and delivery of individual boxes / containers for verification and audit purposes. Logs and receipts must be made available upon Institutional Participant's request. The system must allow Institutional Participant users to remotely view inventory data and to initiate delivery requests via the Internet. Inventory status must be updated within 24 hours of activity.

- Lost Boxes. Proposer would be required to address lost /misplaced boxes. Any box not located and delivered in an agreed-upon timeframe will be considered a lost box. The Proposer must include with its RFP response the policies and procedures to be followed should a box not be located and delivered on time. These must include, but not be limited to, notifications, location procedures, escalation procedures, timelines and status updates.
- Reporting. Proposer would be required to provide monthly, written reports to each Institutional Participant of the current inventory, sorted by department/cost center, to include: box # / barcode box description, date sent to storage, box size, and account activity to include new boxes added to inventory, number of delivery requests processed and pickups processed during the preceding month, including processing time for requests and deliveries. Institutional Participants must have access to these reports without additional fees. Activity reports should include a summary of ordering activity by location, quantity, and order type. Retrieval activity reports should include history for checked out, permanently removed, and destroyed inventory. Financial reports should provide billing activity for a specified invoice period.
- Current Record Inventory and Transfer Plan. Proposer would be required to submit a Transfer Plan to each Institutional Participant, detailing the transfer process from existing facilities to Proposer's location. At the commencement of the Agreement, Proposer must assume full responsibility for coordinating the transfer under the Transfer Plan of all existing records stored at various locations to the Proposer's facility. This responsibility includes new bar coding, labeling, data entry, and inventorying for the boxes/items to be stored at the Proposer's facility or facilities at the beginning of the Agreement. All costs related to this requirement must be clearly identified in Proposer's response.

Upon successful completion of the transfer, the Proposer would be required to supply to Institutional Participants a written report of the boxes moved to the new storage facility. The final Transfer Plan must be submitted for approval within 30 days after execution of the Agreement. The Transfer Plan would be subject to review and approval by the relevant Institutional Participant prior to implementation.

- Record Delivery. Contractor would be required to deliver, on an "as requested" basis, stored records to requesting departments designated by each Institutional Participant. Generally, deliveries will fall into one of the categories below:
 - Routine: Delivery between 8 am to 5 pm Monday through Friday. Requests made before 11 am are to be delivered the same business day. Requests made after 11 am may be delivered the next business day but no later than 24 hours from the request.

- Rush/Emergency Before 3 pm: Delivery between 8 am to 5 pm Monday through Friday. Requests made by 3 pm are to be delivered within two hours of the time of the request.
 - Rush/Emergency After 3pm: Requests made after 3 pm are either to be delivered same day delivery within 2 hours, or by 9 am the next business day, as determined by requestor.
- Accounts and Invoicing. Each Institutional Participant would be invoiced monthly and separately and would be responsible only for its own charges. Each institutional invoice would include detailed line item charges for every transaction.
 - Secure Storage and Facility Standards. Proposer's storage facilities would be required to provide a level of protection consistent with industry and State of Texas standards, and must be solidly constructed with secure loading and unloading areas. Floors must support at least 300 pounds per square foot and must be at or above ground level to assure dry storage. Walls surrounding the record storage area must be four-hour fire resistant. Roof must be of non-combustible construction and leak-proof. The records storage facilities must meet all applicable and current requirements of the National Fire Protection Association.

Proposer would be required to provide both non-environmentally controlled and environmentally controlled storage areas. Environmentally controlled storage areas will at a minimum, have an average office environment in temperature and humidity. The climate control equipment must not be turned off or thermostat settings adjusted during nights, weekends and holidays. Proposer must have a back-up power system in all facilities. Storage facilities cannot house any hazardous material. Storage facilities cannot be located within a flood area or risk exposure from external hazards.

Proposer would be responsible for security of all storage facilities. Storage facilities must be equipped with an intrusion alarm system that is monitored 24 hours per day, including weekends and holidays.

Proposer must provide adequate storage capacity to meet both the current and future needs of UT System. Proposer would be responsible for protecting against damage or loss of the contents stored in any of its storage facilities. Proposer must provide a written disaster and recovery plan for any catastrophic occurrences including but not limited to earthquake, flood, fire, etc. Proposer would be responsible for recovery from any catastrophic occurrences, including but not limited to fire, damage or theft, as well as any associated costs. Proposer must carry the appropriate insurance and provide proof thereof.

The storage facility or facilities must be properly shelved, fully secured, and equipped with motion, smoke and heat detectors/alarms to prevent loss from theft and fire. Facilities must be constructed and equipped with fire safety systems as required by the International Fire Code and other applicable codes. Appropriate redundant systems must be in place to ensure continuous operation.

- Staffing. Proposer would be required to perform background checks on each individual acting on Proposer's behalf in performing services on an Institutional Participant's premises. Proposer must not assign any individual to provide services on such premises, if the individual has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses.

Proposer would be required to remove or transfer, from the team serving an Institutional Participant, any of its employees upon request by UT System for any reason, provided that such request is in writing and does not violate any applicable federal, state or local employment laws. Institutional Participant would have no obligation to disclose to Proposer the reasons for any such request, unless such disclosure is required by applicable federal, state or local employment laws.

Preferred Supplier would be required to appoint a dedicated account manager, with a minimum of 5 years' records management experience, to the UT System account, as a single point of contact in order to ensure a high level of responsiveness to UT System's needs. A backup contact would also be designated for the purposes of providing coverage during the primary contact's absence. Preferred Supplier would be obligated to perform according to the service standards identified in the Agreement.

- Supplier Relationship Management. Preferred Supplier(s) will be enrolled in the UT System Supply Chain Alliance Strategic Sourcing Team's ("UTSSCASST") Supplier Relationship Management Program ("SRM") to monitor Preferred Supplier(s)' performance and pricing each quarter. The Alliance expects the Preferred Supplier to work closely with the UTSSCASST and each institutional participant to maintain or improve any service levels committed to in the Agreement.
- Contract Term. It is anticipated that the term of the Agreement would be five (5) years.

5.5 Proposer's Survey

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

SECTION 6
PRICING SCHEDULE AND AFFIRMATION

6.1 Pricing Schedule

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

6.2 Pricing Affirmation

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

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System

Ref.: Preferred Supplier of an Offsite Records Storage Solution

RFP No.: UTS/A40

Ladies and Gentlemen:

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

The prices quoted in **Attachment A**, Price Schedule, to this RFP will be Proposer's guaranteed pricing.

Proposer agrees that if Proposer is awarded an agreement under this RFP, it will provide to UT System a quarterly administrative fee of 3% of the Total Net Sales made by Preferred Supplier under the Agreement. *[Note to Proposer: this will be addressed in the Agreement's Scope of Work.]* "**Total Net Sales**" means the total dollar amount of all sales of services made under the Agreement that are made by Preferred Supplier to Institutional Participants, less credits, returns, taxes, and unpaid invoices. The administrative fee will be used by UT System to provide support for implementation, administration, monitoring, and management of the Agreement.

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

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

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

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

Exhibit A

Locations of Institutional Participants to Be Served at Agreement Initiation

ACADEMIC INSTITUTIONS	HEALTH INSTITUTIONS	UT SYSTEM
UT Arlington Box 19135, 219 West Main Street Arlington, TX 76019	UT Southwestern Medical Center at Dallas 5323 Harry Hines Blvd. Dallas, TX 75390-9056	Office of Administration 201 West 7 th Street Austin, TX 78701
UT Austin 2200 Comal Street Austin, TX 78722-2596	UT Medical Branch Galveston 301 University Blvd. Galveston, TX 77555-0905	
UT Brownsville 80 Fort Brown Brownsville, TX 78520	UT Health Science Center Houston 1851 Cross Point, OCB 1.160 Houston TX 77054	
UT Dallas P. O. Box 830688, 2601 N. Floyd Richardson, TX 75083-0688	UT Health Science Center San Antonio 7703 Floyd Curl Drive San Antonio, TX 78229-3900	
UT El Paso 500 W. University Ave., Kelly Hall, 3 rd Floor El Paso, TX 79968-0505	UT MD Anderson Cancer Center PO Box 301407 Houston, TX 77230	
UT Pan American 1201 West University Drive Edinburg, TX 78541	UT Health Center Northeast 11937 US Highway 271 Tyler, TX 75708	
UT Permian Basin 4901 East University Blvd. Odessa, TX 79762		
UT San Antonio One USTA Circle San Antonio, TX 78249		
UT Tyler 3900 University Blvd. Tyler, TX 75799		

APPENDIX ONE

PROPOSAL REQUIREMENTS

SECTION 1 GENERAL INFORMATION

1.1 Purpose

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

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

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

1.2 Inquiries and Interpretations

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

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

1.3 Public Information

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

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

Upon execution of a final agreement, UT System will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-

confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public Information Act (Government Code, Chapter 552.001, et seq.)*. Proposer will be advised of a request for public information that implicates their materials and will have the opportunity to raise any objections to disclosure to the Texas Attorney General. Certain information may be protected from release under Sections 552.101, 552.110, 552.113, and 552.131, *Government Code*.

1.4 Type of Agreement

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

1.5 Proposal Evaluation Process

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

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

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

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

System is not obligated to select Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to UT System overall, as determined by UT System.

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

1.6 Proposer's Acceptance of Evaluation Methodology

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

1.7 Solicitation for Proposal and Proposal Preparation Costs

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

1.8 Proposal Requirements and General Instructions

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

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

1.9 Preparation and Submittal Instructions

1.9.1 Specifications and Additional Questions

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

1.9.2 Execution of Offer

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

1.9.3 Pricing Affirmation

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

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

1.9.4 Submission

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

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

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

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

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

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

SECTION 2 **EXECUTION OF OFFER**

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

- 2.1** By signature hereon, Proposer represents and warrants the following:
- 2.1.1 Proposer acknowledges and agrees that (1) this RFP is a solicitation for a proposal and is not a contract or an offer to contract; (2) the submission of a proposal by Proposer in response to this RFP will not create a contract between UT System and Proposer; (3) UT System has made no representation or warranty, written or oral, that one or more contracts with UT System will be awarded under this RFP; and (4) Proposer will bear, as its sole risk and responsibility, any cost arising from Proposer’s preparation of a response to this RFP.
 - 2.1.2 Proposer is a reputable company that is lawfully and regularly engaged in providing the related goods and services.
 - 2.1.3 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform under the Agreement.
 - 2.1.4 Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances.

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

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

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

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

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

RFP No.: UTS/A-37

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

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

Submitted and Certified By:

(Proposer Institution's Name)

(Signature of Duly Authorized Representative)

(Printed Name/Title)

(Date Signed)

(Proposer's Street Address)

(City, State, Zip Code)

(Telephone Number)

(FAX Number)

APPENDIX TWO

UT SYSTEM POLICY ON UTILIZATION OF HISTORICALLY UNDERUTILIZED BUSINESSES

[Note: the Alliance should include the most recent edition, obtained from the UT System HUB Office, of the System's Policy on Utilization of Historically Underutilized Businesses.]

APPENDIX THREE

SAMPLE PREFERRED SUPPLIER AGREEMENT

for an

OFFSITE RECORDS STORAGE SOLUTION

between

THE UNIVERSITY OF TEXAS SYSTEM

and

University of Texas Agreement Number: _____

This Preferred Supplier Agreement, dated effective as of _____, 2013 (“**Effective Date**”), is made by and between **The University of Texas System** (“**UT System**”), a state agency and institution of higher education authorized under the laws of the State of Texas, and _____ (“**Preferred Supplier**”), a _____ corporation, Federal Tax Identification Number _____, with its principal offices located at _____.

This Agreement specifies the terms and conditions applicable to the supply by Preferred Supplier of an offsite records storage solution to UT System and institutional participants, all as further described below.

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

SECTION 1 – Definitions

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

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

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

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

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

SECTION 2 – Term:

The term of this Agreement will begin on the Effective Date and expire _____ [*term of five years*], unless earlier terminated in accordance with the provisions of this Agreement.

SECTION 3 – Amendment:

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

SECTION 4 – Performance by Preferred Supplier:

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

SECTION 5 – Family Code Child Support Certification:

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

SECTION 6 – Eligibility Certifications:

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

SECTION 7 – Tax Certification:

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

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

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

SECTION 9 – Loss of Funding:

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

SECTION 10 – Force Majeure:

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

SECTION 11 – Notices:

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

If to UT System:

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

with copy to:

The University of Texas System Supply Chain Alliance
Mid Campus Building
7007 Bertner Ave., Suite 11.2339
Houston, TX 77030

Attention: Director
Fax : 713-792-8084
Email:jfjoshua@mdanderson.org

If to Preferred Supplier: _____

Attn: _____
Fax: _____
Email: _____

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

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

and

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

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

SECTION 12 – Preferred Supplier's Obligations.

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

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

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

similar products and services in major United States urban areas under the same or similar circumstances.

12.4 Preferred Supplier warrants and agrees that all services supplied under this Agreement will be accurate and free from any material defects. Preferred Supplier's performance hereunder will at no time be in any way diminished by reason of any approval by UT Party nor will Preferred Supplier be released from any liability by reason of any approval by UT Party, it being agreed that UT Party at all times is relying upon Preferred Supplier's skill and knowledge in performing hereunder. Preferred Supplier will, at its own cost, correct all material defects in services supplied under this Agreement, as soon as practical after Preferred Supplier becomes aware of the defects. If Preferred Supplier fails to correct such material defects within a reasonable time, then UT Party may correct the defect at Preferred Supplier's expense. This remedy is in addition to, and not in substitution for, any other remedy for the defect that UT Party may have at law or in equity.

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

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

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

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

SECTION 13 – State Auditor's Office:

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

SECTION 14 –Governing Law:

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

SECTION 15 – Breach of Contract Claims:

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

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

15.1.2 If the parties are unable to resolve their disputes under Section 4.11.1.1, the contested case process provided in subchapter C of Chapter 2260 is Preferred Supplier's sole and exclusive process for seeking a remedy for any and all of Preferred Supplier's claims for breach of this Agreement by UT Party.

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

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

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

SECTION 16 – Compliance with Law:

Preferred Supplier will perform hereunder in compliance with all Applicable Law. Preferred Supplier represents and warrants that neither Preferred Supplier nor any firm, corporation or institution represented by Preferred Supplier, nor anyone acting for such firm, corporation or institution, (1) has violated the antitrust laws of the State of Texas, Chapter 15, *Texas Business and Commerce Code*, or federal antitrust laws, or (2) has communicated directly or indirectly the content of Preferred Supplier's response to UT System's procurement solicitation to any competitor or any other person engaged in a similar line of business during the procurement process.

SECTION 17 – UT Party's Right to Audit:

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

SECTION 18 – Access to Documents:

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

SECTION 19 – Insurance:

19.1 Preferred Supplier, consistent with its status as an independent contractor, will carry and will cause its subcontractors to carry, at least the following insurance in the form, with companies admitted to do business in the State of Texas and having an A.M. Best Rating of A:-VII or better, and in amounts (unless otherwise specified), as UT Party may require:

19.1.1 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

Policies must include (a) Other States Endorsement to include TEXAS if business is domiciled outside the State of Texas, and (b) a waiver of all rights of subrogation and other rights in favor of UT Party;

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

Each Occurrence Limit	\$1,000,000
Damage to Rented Premises	\$ 100,000
Medical Expenses (any one person)	\$ 10,000
Personal & Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products - Completed Operations Aggregate	\$2,000,000

Policy will include independent contractor's liability, covering, but not limited to, the liability assumed under the indemnification provision of this contract, fully insuring Preferred Supplier's (or Subcontractor's) liability for bodily injury (including death) and property damage.

19.1.3 Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 Combined Single Limit Bodily Injury and Property Damage;

19.1.4 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, and (i) providing coverage in excess of the coverages of, and (ii) "following form" subject to the same provisions as, the underlying policies required in **Section 19.1.1 Employers Liability Insurance, **Section 19.1.2** Commercial General Liability Insurance, and **Section 19.1.3** Business Auto Liability Insurance.**

19.1.5 Director and Officer Liability Insurance with limits of not less than \$1,000,000 on a claims-made basis.

19.2 Preferred Supplier will deliver to UT Party:

19.2.1 Evidence satisfactory to UT Party in its sole discretion, evidencing the existence of all insurance after the execution and delivery of this Agreement and prior to the performance or continued performance of any services to be performed by Preferred Supplier under this Agreement.

Additional evidence, satisfactory to UT Party in its sole discretion, of the continued existence of all insurance not less than thirty (30) days prior to the expiration of any insurance. Insurance policies, with the exception of Workers' Compensation and Employer's Liability, will be endorsed and name UT Party as an Additional Insured. All policies will be endorsed to provide a waiver of subrogation in favor of UT Party. All policies with the exception of Workers' Compensation and Employer's Liability will be endorsed to provide primary and non-contributory coverage. No policy will be canceled until after thirty (30) days' unconditional written notice to UT Party.

Preferred Supplier will be responsible for providing to UT Party immediate notice of its receipt of a notice of cancellation, termination, material change, or non-renewal relating to any insurance policy required herein. This requirement may be satisfied by providing a copy of the notice received by the Preferred Supplier to the UT Party within two business days or by endorsement of the policy to require notice to the UT Party to be provided by the insurer.

19.3 The insurance policies required in this Agreement will be kept in force for the periods specified below:

19.3.1 Commercial General Liability Insurance; Business Automobile Liability Insurance; Umbrella/Excess Liability Insurance, will be kept in force until Preferred Supplier's receipt of final payment from every Institutional Participant; and

19.3.2 Workers' Compensation Insurance and Employer's Liability Insurance will be kept in force until all the goods and services have been fully delivered, performed and accepted by every Institutional Participant.

SECTION 20 – Indemnification:

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

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

AGREE TO REASONABLY COOPERATE WITH PREFERRED SUPPLIER. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

SECTION 21 – Ethics Matters; No Financial Interest:

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

SECTION 22 – Assignment of Overcharge Claims:

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

SECTION 23 – Assignment and Subcontracting:

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

SECTION 24 – Historically Underutilized Business Subcontracting Plan:

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

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

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

SECTION 25 – Payment and Invoicing:

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

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

SECTION 26 – Limitations:

The parties to this Agreement are aware that there are constitutional and statutory limitations on the authority of UT Party (a state agency) to enter into certain terms and conditions of this Agreement, including, but not limited to, those terms and conditions relating to disclaimers and limitations of warranties; disclaimers and limitations of liability for damages; waivers, disclaimers and limitations of legal rights, remedies, requirements and processes; limitations of periods to bring legal action; granting

control of litigation or settlement to another party; liability for acts or omissions of third parties; payment of attorneys' fees; dispute resolution; indemnities; and confidentiality (collectively, the "**Limitations**"), and terms and conditions related to the Limitations will not be binding on UT Party except to the extent authorized by the laws and Constitution of the State of Texas.

SECTION 27 – Affirmative Action:

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

SECTION 28 – OSHA Compliance:

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

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

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

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

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

SECTION 30 – Premises Rules:

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

SECTION 31 – Debarment:

Preferred Supplier confirms that neither Preferred Supplier nor its Principals are suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from the award of contracts from United States ("U.S.") federal government procurement or nonprocurement programs, or are listed in the List of Parties Excluded from Federal Procurement or Nonprocurement Programs issued by the U.S. General Services Administration. "**Principals**" means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g. general manager, plant manager, head of a subsidiary, division or business segment, and similar positions). Preferred Supplier will provide immediate written notification to UT Party if, at any time prior to award, Preferred Supplier learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. This certification is a material representation of fact upon which reliance will be placed when UT Party executes this Agreement. If it is later determined that Preferred Supplier knowingly rendered an erroneous certification, in addition to the other remedies available to UT Party, UT Party may terminate this Agreement for default by Preferred Supplier.

SECTION 32 – Office of Inspector General Certification:

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

SECTION 33 – Termination:

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

(30) days after termination, Preferred Supplier will reimburse UT Party for all fees paid by UT Party to Preferred Supplier that were (a) not earned by Preferred Supplier prior to termination, or (b) for goods or services that UT Party did not receive from Preferred Supplier prior to termination.

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

SECTION 34 – Authority:

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

SECTION 35 – Survival of Provisions:

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

SECTION 36 – Confidentiality and Safeguarding of University Records; Press Releases; Public Information:

Under this Agreement, Preferred Supplier may (1) create, (2) receive from or on behalf of UT Party, or (3) have access to UT Party 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 federal, state and local, laws, regulations, and ordinances, including the Gramm-Leach-Bliley Act (Public Law No: 106-102) and the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g (“**FERPA**”). If University Records are subject to FERPA, (1) UT Party designates Preferred Supplier as a university official with a legitimate educational interest in University Records, and (2) Preferred Supplier acknowledges that its improper disclosure or redisclosure of personally identifiable information from University Records may result in Preferred Supplier’s exclusion from eligibility to contract with UT Party for at least five (5) years. Preferred Supplier 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 Agreement, (b) required by law, or (c) otherwise authorized by UT Party in writing; (2) safeguard University Records according to reasonable administrative, physical and technical standards (such as standards established by (i) the National Institute of Standards and Technology and (ii) the Center for Internet Security, as well as the Payment Card Industry Data Security Standards) that are no less rigorous than the standards by which Preferred Supplier 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 federal, state and local, laws, regulations, and ordinances, including FERPA and the Gramm-Leach Bliley Act, and the terms of this Agreement; and (4) comply with the UT Party rules,

policies, and procedures regarding access to and use of UT Party computer systems. At the request of UT Party, Preferred Supplier agrees to provide UT Party with a written summary of the procedures Preferred Supplier uses to safeguard and maintain the confidentiality of University Records.

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

36.2 Return of University Records. Preferred Supplier 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 UT Party will be (1) returned to UT Party, with no copies retained by Preferred Supplier; or (2) if return is not feasible, destroyed. Twenty (20) days before destruction of any University Records, Preferred Supplier will provide UT Party with written notice of Preferred Supplier's intent to destroy University Records. Within five (5) days after destruction, Preferred Supplier will confirm to UT Party in writing the destruction of University Records.

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

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

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

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

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

SECTION 37 – Tax Exemption

UT Party may be an agency of the State of Texas or other non-profit entity and may be exempt from certain state taxes under various exemption statutes, including Texas Sales & Use Tax in accordance with Section 151.309, *Tax Code*, and Title 34 *Texas Administrative Code* ("TAC") Section 3.322.

Notwithstanding its exemption from certain state taxes, UT Party will be responsible for any taxes (except corporate income taxes, franchise taxes, and taxes on Preferred Supplier's personnel, including personal income tax and social security taxes) from which UT Party is not exempt. Preferred Supplier will provide reasonable cooperation and assistance to UT Party in obtaining any tax exemptions to which UT Party is entitled.

SECTION 38 – Undocumented Workers:

The *Immigration and Nationality Act* (8 *United States Code* 1324a) ("**Immigration Act**") makes it unlawful for an employer to hire or continue employment of undocumented workers. The United States Immigration and Customs Enforcement Service has established the Form I-9 Employment Eligibility Verification Form ("**I-9 Form**") as the document to be used for employment eligibility verification (8 *Code of Federal Regulations* 274a). Among other things, Preferred Supplier is required to: (1) have all employees complete and sign the I-9 Form certifying that they are eligible for employment; (2) examine verification documents required by the I-9 Form to be presented by the employee and ensure the documents appear to be genuine and related to the individual; (3) record information about the documents on the I-9 Form, and complete the certification portion of the I-9 Form; and (4) retain the I-9 Form as required by law. It is illegal to discriminate against any individual (other than a citizen of another country who is not authorized to work in the United States) in hiring, discharging, or recruiting because of that individual's national origin or citizenship status. If Preferred Supplier employs unauthorized workers during performance of this Agreement in violation of the Immigration Act then, in addition to other remedies or penalties prescribed by law, UT Party may terminate this Agreement in accordance with Section 4.31. Preferred Supplier represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Act.

SECTION 39 – HIPAA Compliance:

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

SECTION 40 – No Required Quantities or Minimum Amounts:

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

SECTION 41 – Access by Individuals with Disabilities:

Preferred Supplier represents and warrants ("**EIR Accessibility Warranty**") that the electronic and information resources and all associated information, documentation, and support that it provides to UT Party under this Agreement (collectively, the "**EIRs**") comply with the applicable requirements set forth in Title 1, Chapter 213 of the *Texas Administrative Code* and Title 1, Chapter 206, Rule §206.70 of

the *Texas Administrative Code* (as authorized by Chapter 2054, Subchapter M of the *Texas Government Code*). To the extent Preferred Supplier becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Preferred Supplier represents and warrants that it will, at no cost to UT Party, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty, or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event that Preferred Supplier is unable to do so, then the UT System may terminate this Agreement and Preferred Supplier will refund to UT System all amounts UT System has paid under this Agreement within thirty (30) days after the termination date.

SECTION 42 – Entire Agreement; Modifications:

This Agreement supersedes all prior agreements, written or oral, between Preferred Supplier and UT System and will constitute the entire agreement and understanding between the parties with respect to the subject matter of this Agreement. This Agreement and each of its provisions will be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by UT System and Preferred Supplier.

SECTION 43 – Captions:

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

SECTION 44 – Waivers:

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

SECTION 45 – Binding Effect:

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

SECTION 46 – Limitations of Liability:

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

SECTION 47 – Relationship of the Parties:

For all purposes of this Agreement and notwithstanding any provision of this Agreement to the contrary, Preferred Supplier is an independent contractor and is not a state employee, partner, joint venturer, or agent of UT Party. Preferred Supplier will not bind nor attempt to bind UT Party to any agreement or contract. As an independent contractor, Preferred Supplier is solely responsible for all taxes,

withholdings, and other statutory or contractual obligations of any sort, including workers' compensation insurance.

SECTION 48 – Severability:

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

SECTION 49 – External Terms:

This Agreement completely supplants, replaces, and overrides all other terms and conditions or agreements, written or oral (“**External Terms**”), concerning Preferred Supplier’s performance under this Agreement. Such External Terms are null and void and will have no effect under this Agreement, regardless of whether UT Party or any of its employees, contractors, or agents consents or agrees to External Terms. External Terms include any shrinkwrap, clickwrap, browsewrap, web-based terms and conditions of use, and any other terms and conditions displayed in any format that UT Party, or its employees, contractors, or agents are required to accept or agree to before or in the course of accessing or using any goods or services provided solely by Preferred Supplier.

SECTION 50 – Conflicts:

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

SECTION 51 – Attachments:

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

- Rider 100** Scope of Work
- Rider 100-A** Locations of Institutional Participants to Be Served at Agreement Initiation
- Rider 200** Pricing Schedule
- Rider 300** Institutional Participation Agreement Form
- Rider 400** Supplier Relationship Management
- Rider 500** HUB Subcontracting Plan
- Rider 600** Affirmative Action Compliance Program

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

THE UNIVERSITY OF TEXAS SYSTEM

[PREFERRED SUPPLIER]

Signed: _____

Signed: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Rider 100-A**Locations of Institutional Participants to Be Served at Agreement Initiation**

ACADEMIC INSTITUTIONS	HEALTH INSTITUTIONS	UT SYSTEM
UT Arlington Box 19135, 219 West Main Street Arlington, TX 76019	UT Southwestern Medical Center at Dallas 5323 Harry Hines Blvd. Dallas, TX 75390-9056	Office of Administration 201 West 7 th Street Austin, TX 78701
UT Austin 2200 Comal Street Austin, TX 78722-2596	UT Medical Branch Galveston 301 University Blvd. Galveston, TX 77555-0905	
UT Brownsville 80 Fort Brown Brownsville, TX 78520	UT Health Science Center Houston 1851 Cross Point, OCB 1.160 Houston TX 77054	
UT Dallas P. O. Box 830688, 2601 N. Floyd Richardson, TX 75083-0688	UT Health Science Center San Antonio 7703 Floyd Curl Drive San Antonio, TX 78229-3900	
UT El Paso 500 W. University Ave., Kelly Hall, 3 rd Floor El Paso, TX 79968-0505	UT MD Anderson Cancer Center PO Box 301407 Houston, TX 77230	
UT Pan American 1201 West University Drive Edinburg, TX 78541	UT Health Center Northeast 11937 US Highway 271 Tyler, TX 75708	
UT Permian Basin 4901 East University Blvd. Odessa, TX 79762		
UT San Antonio One USTA Circle San Antonio, TX 78249		
UT Tyler 3900 University Blvd. Tyler, TX 75799		

APPENDIX THREE- 300

INSTITUTIONAL PARTICIPATION AGREEMENT

By entering into this Institutional Participation Agreement (“**Institutional Participation Agreement**”), the undersigned institution (“**Institutional Participant**”) agrees to the terms and conditions set forth in the Preferred Supplier Agreement for _____ between The University of Texas System and _____, Agreement Number UTSSCA_____ dated effective _____, 2013 (the “**Preferred Supplier Agreement**”). All of the terms and conditions of the Preferred Supplier Agreement are incorporated into this Institutional Participation Agreement for all purposes. Unless otherwise specified in this Institutional Participation Agreement, all defined terms used in this Institutional Participation Agreement have the same meaning as assigned to those terms in the Preferred Supplier Agreement.

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

Benefits from Preferred Supplier Agreement:

Access to _____ from Preferred Supplier at prices which should generate significant cost savings for Institutional Participant.

Institutional Participant’s Responsibilities

To the extent authorized by Applicable Law, Institutional Participant will use commercially reasonable efforts to perform the following responsibilities:

- Identify Preferred Supplier as the preferred source of _____ services.

[tbd]

Institutional Participant’s notice address and contact information is:

The University of Texas at _____
 Street Address: _____
 Fax: _____
 Email: _____
 Attention: _____

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

INSTITUTIONAL PARTICIPANT: Primary Contact:

Name: _____
Title: _____
Telephone: _____
Fax: _____
Email: _____

INSTITUTIONAL PARTICIPANT: HUB Contact:

Name: _____
Title: _____
Telephone: _____
Fax: _____
Email: _____

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

PREFERRED SUPPLIER Primary Contact:

Name: _____
Title: _____
Telephone: _____
Fax: _____
Email: _____

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

The University of Texas _____

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

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

APPENDIX FOUR

ACCESS BY INDIVIDUALS WITH DISABILITIES

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

APPENDIX FIVE

ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS

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

Basic Specifications

If the EIR will be hosted by a UT System institution, 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?

If the EIR will be hosted by Proposer, describe in detail what the hosted solution includes, and address, specifically, the following issues:

- A. Describe the audit standards of the physical security of the facility; and
- B. Indicate whether Proposer is willing to allow an audit by University or its representative.

If the user and administrative interfaces for the EIR are web-based, do the interfaces support Firefox on Mac as well as Windows and Safari on the Macintosh?

If the EIR requires special client software, what are the environment requirements for that client software?

Manpower Requirements: Who will operate and maintain the EIR? Will additional UT System 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?

Upgrades and Patches: Describe Proposer's strategy regarding EIR upgrades and patches for both the server and, if applicable, the client software. Include 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. UT System will not take final delivery of the EIR if University determines there are serious vulnerabilities within the EIR.
2. Which party, Proposer or UT System, will be responsible for maintaining critical EIR application security updates?
3. If the EIR is hosted, indicate whether Proposer's will permit UT System to conduct a penetration test on UT System's instance of the EIR.
4. If confidential data, including HIPAA or FERPA data, is stored in the EIR, will the data be encrypted at rest and in transmittal?

Integration

1. Is the EIR authentication Security Assertion Markup Language ("**SAML**") compliant? Has Proposer ever implemented the EIR with Shibboleth authentication? If not, does the EIR integrate with Active Directory? Does the EIR support SSL 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 UT System? If so, is the API .Net based? Web Services-based? Other?

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

Accessibility Information

1. Please complete the Voluntary Product Accessibility Template (“**VPAT**”) found at <http://www.itic.org/index.php?submenu=resources&src=gendocs&ref=vpat&category=resources> and submit the VPAT with Proposer's proposal.

ATTACHMENT A
PRICE SCHEDULE

OFFSITE RECORDS STORAGE MANAGEMENT			
Item	Task/Description	Unit	Price/Unit
01	Storage – Environmentally Controlled Monthly storage of classified records.	Per cubic foot	\$
02	Storage – Non-Environmentally Controlled (< 100,000 cubic feet) Storage of unclassified records. Less than 100,000 cubic feet of storage.	Per cubic foot	\$
03	Storage – Non-Environmentally Controlled (>= 100,000 cubic feet) Storage of unclassified records. Greater than or equal to 100,000 cubic feet of storage.	Per cubic foot	\$
04	Minimum Storage A minimum monthly storage charge that is applied to a customer's account when the storage charges do not meet the customer's contractual minimum storage requirement.	Per month	\$
05	Administration Fee – Summary Billing Monthly fee for account maintenance, support and administrative services for those accounts receiving summary billing.	Per Account ID/UT System institution	\$
06	Administration Fee – Detailed Billing Monthly fee for account maintenance, support and administrative services for those accounts receiving detailed billing.	Per Account ID/UT System institution	\$
07	Receiving and Entry – Cartons The act of processing new deposits when they are first received at Proposer's facility, resulting in an increased storage volume.	Per cubic foot	\$
08	Regular Retrieval – Carton Temporary removal of Cartons from storage, scheduled for Next Day Delivery.	Per cubic foot	\$
09	Regular Retrieval – File from Carton Temporary removal of Files from a Carton, scheduled for Next Day Delivery.	Each	\$
10	Rush Retrieval – Carton Temporary removal of Cartons from storage, scheduled for Rush Delivery.	Per cubic foot	\$

OFFSITE RECORDS STORAGE MANAGEMENT			
Item	Task/Description	Unit	Price/Unit
11	Rush Retrieval – File from Carton Temporary removal of Files from a Carton, scheduled for Rush Delivery.	Each	\$
12	Archival Destruction – Carton The process of securely shredding Cartons, and their paper based contents, stored with Proposer upon authorization by the UT System institution.	Per cubic foot plus Regular Retrieval Charge	\$
13	Permanent Withdrawal – Carton The act of processing a Permanent Withdrawal order to prepare and confirm items retrieved at Proposer’s dock for transportation and to update the status of the item in the inventory system as permanently removed.	Per cubic foot plus Regular Retrieval Charge	\$
14	Regular Refile – Carton A Carton previously retrieved by a customer that is returned to storage at Proposer’s facility.	Per cubic foot	\$
15	Regular Refile – File to Carton A File previously retrieved by a customer that is returned to storage at Proposer’s facility.	Each	\$
16	Interfile A new File that is sent to storage and inserted into an existing Carton.	Each	\$
17	Document Insert A new Document that is sent to storage and inserted into an existing File.	Each	\$
18	Individual Listing of Files Data entry of file descriptions into Proposer’s database.	Each	\$
19	Minimum Service Order Charge Minimum charge for an Order, excluding transportation related services.	Per order	\$
20	Photocopy Service Photocopy of pages contained in customer’s inventory.	Per page	\$
21	Facsimile Services Facsimile of pages contained in customer’s inventory.	Per page	\$

OFFSITE RECORDS STORAGE MANAGEMENT			
Item	Task/Description	Unit	Price/Unit
22	Miscellaneous Hourly Labor Charges for unclassified miscellaneous services requested by a customer that are not specifically described and provided for in the customer's Pricing Schedule or in the Additional Services section of Proposer's online Customer Information Center. Miscellaneous Services are billed in 15 minute increments. Examples include transmittal preparation; file packing and purging; re-labeling, re-boxing, data capture/indexing and data entry.	Per hour	\$
23	Regular Pick-up (within 50 mile radius) Use this service to schedule the pickup of material from an address located within 50 miles of Proposer's storage facility. Pickup orders placed before 4:00 p.m. on a Business Day will be picked up within the following two Business Days.	Per transportation visit	\$
24	Rush Pick-up (within 50 mile radius) Use this service to schedule the pickup of material from an address located within 50 miles of the Proposer's storage facility. Pickup orders placed before 4:00 p.m. on a Business Day will be picked up on the following Business Day.	Per transportation visit	\$
25	Next Day Delivery (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer's storage facility. Order by 3:00 p.m. for delivery next Business Day.	Per transportation visit	\$
26	Half Day Delivery (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer's storage facility. Order by 10:00 a.m. for delivery same Business Day; or Order by 3:00 p.m. for delivery next Business Day by 12:00 p.m.	Per transportation visit	\$
27	Rush Delivery – Business Day (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer's storage facility. Delivery within 3 hours of placement of Order (for orders received not later than 2:00 p.m.) on a Business Day.	Per transportation visit	\$

OFFSITE RECORDS STORAGE MANAGEMENT			
Item	Task/Description	Unit	Price/Unit
28	Rush Delivery – Weekends/Holidays/After Hours (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer’s storage facility. Delivery within 4 hours of placement of Order on a weekend, holiday, or after Business Hours.	Per transportation visit	\$
29	Transportation Handling Fee Use this service in conjunction with item number 23, 24, 25, 26, 27, and 28 for each cubic foot of material that is to be transported to or from an address.	Per cubic foot	\$
30	Third-party Shipping – Handling Fee Use this service when material is to be delivered using a third party courier outside of Proposer’s partner network.	Each	\$
31	Onsite Review Room A service in which a customer leverages an Onsite Review Room within Proposer’s facility.	Per Day	\$
32	Re-boxing Charge The re-boxing of customer material when the condition of the Carton will not support other Cartons in a standard storage configuration, or when the Carton is not safe for transport or handling.	Per carton	\$
33	Standard Carton Use this service to request a Standard 1.2 cubic feet Carton.	Each	\$

ATTACHMENT A
PRICE SCHEDULE

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02	Storage – Non-Environmentally Controlled (< 100,000 cubic feet) Storage of unclassified records. Less than 100,000 cubic feet of storage.	Per cubic foot	\$
03	Storage – Non-Environmentally Controlled (>= 100,000 cubic feet) Storage of unclassified records. Greater than or equal to 100,000 cubic feet of storage.	Per cubic foot	\$
04	Minimum Storage A minimum monthly storage charge that is applied to a customer's account when the storage charges do not meet the customer's contractual minimum storage requirement.	Per month	\$
05	Administration Fee – Summary Billing Monthly fee for account maintenance, support and administrative services for those accounts receiving summary billing.	Per Account ID/UT System institution	\$
06	Administration Fee – Detailed Billing Monthly fee for account maintenance, support and administrative services for those accounts receiving detailed billing.	Per Account ID/UT System institution	\$
07	Receiving and Entry – Cartons The act of processing new deposits when they are first received at Proposer's facility, resulting in an increased storage volume.	Per cubic foot	\$
08	Regular Retrieval – Carton Temporary removal of Cartons from storage, scheduled for Next Day Delivery.	Per cubic foot	\$
09	Regular Retrieval – File from Carton Temporary removal of Files from a Carton, scheduled for Next Day Delivery.	Each	\$
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16	Interfile A new File that is sent to storage and inserted into an existing Carton.	Each	\$
17	Document Insert A new Document that is sent to storage and inserted into an existing File.	Each	\$
18	Individual Listing of Files Data entry of file descriptions into Proposer's database.	Each	\$
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OFFSITE RECORDS STORAGE MANAGEMENT			
Item	Task/Description	Unit	Price/Unit
22	Miscellaneous Hourly Labor Charges for unclassified miscellaneous services requested by a customer that are not specifically described and provided for in the customer's Pricing Schedule or in the Additional Services section of Proposer's online Customer Information Center. Miscellaneous Services are billed in 15 minute increments. Examples include transmittal preparation; file packing and purging; re-labeling, re-boxing, data capture/indexing and data entry.	Per hour	\$
23	Regular Pick-up (within 50 mile radius) Use this service to schedule the pickup of material from an address located within 50 miles of Proposer's storage facility. Pickup orders placed before 4:00 p.m. on a Business Day will be picked up within the following two Business Days.	Per transportation visit	\$
24	Rush Pick-up (within 50 mile radius) Use this service to schedule the pickup of material from an address located within 50 miles of the Proposer's storage facility. Pickup orders placed before 4:00 p.m. on a Business Day will be picked up on the following Business Day.	Per transportation visit	\$
25	Next Day Delivery (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer's storage facility. Order by 3:00 p.m. for delivery next Business Day.	Per transportation visit	\$
26	Half Day Delivery (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer's storage facility. Order by 10:00 a.m. for delivery same Business Day; or Order by 3:00 p.m. for delivery next Business Day by 12:00 p.m.	Per transportation visit	\$
27	Rush Delivery – Business Day (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer's storage facility. Delivery within 3 hours of placement of Order (for orders received not later than 2:00 p.m.) on a Business Day.	Per transportation visit	\$

OFFSITE RECORDS STORAGE MANAGEMENT			
Item	Task/Description	Unit	Price/Unit
28	Rush Delivery – Weekends/Holidays/After Hours (within 50 mile radius) Use this service to request the delivery of material to an address located within 50 miles of the Proposer’s storage facility. Delivery within 4 hours of placement of Order on a weekend, holiday, or after Business Hours.	Per transportation visit	\$
29	Transportation Handling Fee Use this service in conjunction with item number 23, 24, 25, 26, 27, and 28 for each cubic foot of material that is to be transported to or from an address.	Per cubic foot	\$
30	Third-party Shipping – Handling Fee Use this service when material is to be delivered using a third party courier outside of Proposer’s partner network.	Each	\$
31	Onsite Review Room A service in which a customer leverages an Onsite Review Room within Proposer’s facility.	Per Day	\$
32	Re-boxing Charge The re-boxing of customer material when the condition of the Carton will not support other Cartons in a standard storage configuration, or when the Carton is not safe for transport or handling.	Per carton	\$
33	Standard Carton Use this service to request a Standard 1.2 cubic feet Carton.	Each	\$

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
September 2012

APPENDIX TWO

POLICY ON UTILIZATION HISTORICALLY UNDERUTILIZED BUSINESSES

Vendor/Commodities



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

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

**POLICY ON UTILIZATION OF
HISTORICALLY UNDERUTILIZED BUSINESSES (HUBs)**

Introduction

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

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

- **11.2% for heavy construction other than building contracts;**
- **21.1% for all building construction, including general contractors and operative builders contracts;**
- **32.7% for all special trade construction contracts;**
- **23.6% for professional services contracts**
- **24.6% for all other services contracts, and**
- **21% for commodities contracts.**

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

NOTE:

In accordance with 34 TAC §20.13 (d) (1)(D)(iii), the goals above are the State of Texas HUB goals. For purposes of this procurement, the University of Texas System goals listed in the Special Instructions on page 10 will apply.

SUMMARY OF REQUIREMENTS
Historically Underutilized Business (HUBs) Subcontracting Plan

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

1. In all contracts for professional services, contracting services, and/or commodities with an expected value of \$100,000 or more, The University of Texas System (“U. T. System” or the “University”) will indicate in the purchase solicitation (e.g. RFQ, RFP, or CSP) whether or not U. T. System has determined that subcontracting opportunities are probable in connection with the contract. A HUB Subcontracting Plan is a required element of the architect, contractor or vendor Response to the purchase solicitation. The HUB Subcontracting Plan shall be developed and administered in accordance with the Policy. **Failure to submit a required HUB Subcontracting Plan will result in rejection of the Response.**
2. If subcontracting opportunities are probable, U. T. System will declare such probability in its invitations for bids, requests for proposals, or other purchase solicitation documents, and shall require submission of the appropriate HUB Subcontracting Plan with the Response.
 - a. When subcontracting opportunities are probable, and the Respondent proposes to subcontract any part of the work, the Respondent shall submit a **HUB Subcontracting Plan as prescribed by the Texas Comptroller** identifying subcontractors **[[34 TAC §20.14 (d) (1)(A)(B)(C)(D)(i)(ii)(iii)(2)(3)(A)(B)(C)(D)(E)(F)(4)(A)(B)].**
 - b. When subcontracting opportunities are probable, but the Respondent can perform such opportunities with its employees and resources, the Respondent’s HUB Subcontracting Plan shall include **the Self Performance HUB Subcontracting Plan, Section 3 – Self Performance Justification as the HUB Subcontracting Plan (HSP).** **[34 TAC §20.14 (d)(5)(A)(B)(C)(D)].**
3. If subcontracting opportunities are not probable, U. T. System will declare such probability in its invitations for bids, requests for proposals, or other purchase solicitation documents and shall require submission of the appropriate HUB Subcontracting Plan with the Response.
 - a. When subcontracting opportunities are not probable, and the Respondent proposes to perform all of the work with its employees and resources, the Respondent shall submit a HUB Subcontracting Plan that includes **the Self Performance HUB Subcontracting Plan, Section 3 – Self Performance Justification as the HUB Subcontracting Plan (HSP).**
 - b. When subcontracting opportunities are not probable, but the Respondent proposes to subcontract any part of the work, the Respondent shall submit a **HUB Subcontracting Plan as prescribed by the Texas Comptroller** identifying subcontractors.
4. Respondents shall follow, but are not limited to, procedures listed in the Policy when developing a HUB Subcontracting Plan.
5. In making a determination whether a good faith effort has been made in the development of the required HUB Subcontracting Plan, U. T. System shall follow the procedures listed in the Policy. If accepted by the University, the HUB Subcontracting Plan shall become a provision of the Respondent’s contract with the University of Texas System. **Revisions necessary to clarify and enhance information submitted in the original HUB subcontracting plan may be made in an effort to determine good faith effort.** Any revisions after the submission of the HUB Subcontracting Plan shall be approved by the HUB Coordinator.
6. The University of Texas System shall reject any Response that does not include a fully completed HUB Subcontracting Plan, as required. **An incomplete HUB Subcontracting Plan is considered a material failure to comply with the solicitation for proposals.**

7. Changes to the HUB Subcontracting Plan. Once a Respondent's HUB Subcontracting Plan is accepted by U. T. System and becomes a provision of the contract between Respondent and U. T. System, the Respondent can only change that HUB Subcontracting Plan if (a) the Respondent complies with 34 TAC Section 20.14; (b) the Respondent provides its proposed changes to U. T. System for review; (c) U. T. System (including U. T. System's HUB Coordinator) approves Respondent's proposed changes to its HUB Subcontracting Plan; and (d) U. T. System and the Respondent amend their contract (via a writing signed by authorized officials of both parties) in order to replace the contract's existing HUB Subcontracting Plan with a revised HUB Subcontracting Plan containing the changes approved by U. T. System.
8. Expansion of Work. If, after entering into a contract with a Respondent as a result of a purchase solicitation subject to the Policy, U. T. System wishes to expand the scope of work that the Respondent will perform under that contract through a change order or any other contract amendment (the "Additional Work"), U. T. System will determine if the Additional Work contains probable subcontracting opportunities not identified in the initial purchase solicitation for that contract. If U. T. System determines that probable subcontracting opportunities exist for the Additional Work, then the Respondent must submit to U. T. System an amended HUB Subcontracting Plan covering those opportunities that complies with the provisions of 34 TAC Section 20.14. Such an amended HUB Subcontracting Plan must be approved by U. T. System (including U. T. System's HUB Coordinator) before (a) the contract may be amended by U. T. System and the Respondent to include the Additional Work and the amended HUB Subcontracting Plan and (b) the Respondent performs the Additional Work. If a Respondent subcontracts any of the additional subcontracting opportunities identified by U. T. System for any Additional Work (i) without complying with 34 TAC Section 20.14 or (ii) before U. T. System and that Respondent amend their contract to include a revised HUB Subcontracting Plan that authorizes such subcontracting, then the Respondent will be deemed to be in breach of its contract with U. T. System. As a result of such breach, U. T. System will be entitled to terminate its contract with the Respondent, and the Respondent will be subject to any remedial actions provided by Texas law, including those set forth in Chapter 2161, Texas Government Code, and 34 TAC Section 20.14. University may report a Respondent's nonperformance under a contract between that Respondent and U. T. System to the Texas Comptroller in accordance with 34 TAC Sections 20.101 through 20.108.
9. A Response may state that the Respondent intends to perform all the subcontracting opportunities with its own employees and resources in accordance with the Policy. However, if such a Respondent enters into a contract with U. T. System as a result of such a Response but later desires to subcontract any part of the work set forth in that contract, before the Respondent subcontracts such work it must first change its HUB Subcontracting Plan in accordance with the provisions of Section 7 above .
10. The University shall require a vendor to whom a contract has been awarded to report the identity and the amount paid to its subcontractors on a monthly basis using a **HUB Subcontracting Plan (HSP) Prime Contractor Progress Assessment Report (PAR)** as a condition for payment.
11. If the University determines that the successful Respondent failed to implement an approved HUB Subcontracting Plan in good faith, the University, in addition to any other remedies, may report nonperformance to the Texas Comptroller in accordance with 34 TAC, Section 20.14, (g)(1) related remedies of nonperformance to professional services firms, contractor, and vender implementation of the HUB Subcontracting Plan.
12. In the event of any conflict between this "Summary of Requirements" and the remainder of the HUB Policy, the remainder of the HUB Policy will control.
13. These requirements, including the attachments referred to above, may be downloaded over the Internet from <http://www.utsystem.edu/hub/hubforms.html>. For additional information contact Office of HUB Development, The University of Texas System Administration, 512/499-4530.

**Vendor/Commodities HSP
Summary of Attachments required from Respondents**

	Letter of Transmittal Page 7	Letter of HUB Commitment page 8	HUB Subcontracting Plan (HSP) Pages 10-17	Progress Assessment Report (PAR) Page 18
1. UT SYSTEM DETERMINES THAT SUBCONTRACTING OPPORTUNITIES ARE PROBABLE.				
1. A. Respondent Proposes Subcontractors: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are probable.</u>	X		X	
1. B. Respondent Proposes Self-Performance: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are probable.</u> but the Respondent can perform such opportunities with its employees and resources.	X		X	
2. UT SYSTEM DETERMINES THAT SUBCONTRACTING OPPORTUNITIES ARE NOT PROBABLE.				
2. A. Respondent Proposes Self-Performance: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are not probable.</u> but the Respondent can perform such opportunities with its employees and resources.	X		X	
2. B. Respondent Proposes Subcontractors: Attachments required from the Respondent for the HUB Subcontracting Plan if the solicitation states that <u>subcontracting opportunities are not probable</u> but the Respondent proposes to subcontract any part of the work.	X		X	
3. Indefinite Duration/Indefinite Quantity Contracts: Submit with initial qualifications. Attachments required from the Respondent prior to contract execution for each contract associated with a solicitation for miscellaneous services.		X	X	
4. Changes in the HUB Subcontracting Plan After Award: Attachments required from the Respondent to whom a contract has been awarded if it desires to make changes to the approved HUB Subcontracting Plan.			X	
5. Reporting: The Progress Assessment Report (PAR) is required with all payment requests. The submittal of this attachment is a condition of payment.				X

(RESPONDENT'S BUSINESS LETTERHEAD)

Date

Mr. Hopeton Hay
Director, HUB & Federal Small Business Program
The University of Texas System
702 Colorado, Suite 6.600
Austin, Texas 78701

Re: Historically Underutilized Business Plan for _____ (related services)
RFP No. _____

Dear Mr. Hay,

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

I have read and understand The University of Texas System Policy on Utilization of Historically Underutilized Businesses (HUBs). I also understand the State of Texas Annual Procurement Goal according to 34 Texas Administrative Code Section 20.13 and the goal as stated in Agency Special Instructions section of the HUB Subcontracting Plan, page 9.

Select one of the following:

_____ 23.4% for all building construction, including general contractors and operative builders contracts

_____ 32.7% for all special trade construction contracts

_____ 23.6% for professional services contracts

_____ 24.6% for all other services contracts

_____ 34% for commodities contracts

Subcontractors	# of Subcontractors	Total Subcontract \$ Value	Total Estimated %	% Minority Owned	% Woman Owned
HUB					
Non-HUB					
TOTAL					

I understand the above HUB percentages must represent Texas Comptroller HUB certification standards. For each of the listed HUB firms, I have attached a Texas Comptroller certification document, or, if the HUB is certified by another Texas Comptroller approved certifying agency, a copy of their approved certification document.

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

Sincerely,

(Project Executive)
cc: Contract Administrator

(BUSINESS LETTERHEAD)

Date

Mr. Hopeton Hay
Director HUB & Federal Small Business Program
The University of Texas System
702 Colorado, Ste. 6.600
Austin, TX 78701

Re: Historically Underutilized Business Plan for (Project Title)
Project Number ____-____

Dear Mr. Hay:

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

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

Good Faith Effort will be documented by a two part HUB Subcontracting Plan (HSP) process. Part one (1) of the HSP submission will reflect self-performance with the appropriate sections completed per the instructions in Option One of the HSP Quick Checklist located on page 9 of The University of Texas Exhibit H Policy on Utilization of Historically Underutilized Businesses (HUBs).

As the scope of work/project is defined under this ID/IO contract, part two (2) of the process will require a revised HUB Subcontracting Plan (HSP) and the Good Faith Effort will be documented per instructions in Attachment B (page 15-16) and Option Four of the HSP Quick Check List. The revised HUB Subcontracting Plan will be submitted to the HUB Coordinator prior to execution of each contract process. Documentation of subcontracted work will be provided with each pay request.

Sincerely,

Contractor's Name

cc: Project Manager

UT SYSTEM HUB SUBCONTRACTING PLAN (HSP)

QUICK CHECKLIST

Option One -

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

- 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

Option Two -

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

- Section 1 – Respondent and Requisition Information
- Section 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.
- Attach copies of HUB certification documents

Option Three -

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

- Section 1 – Respondent and Requisition Information
- 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.
- Attach copies of HUB certification documents

Option Four -

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

- Section 1 – Respondent and Requisition Information
- Section 2 a. – Yes, I will be subcontracting portions of the contract
- Section 2 b. – List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
- Section 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.
- Section 4 – Affirmation
- Attach copies of HUB certification documents

***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,
- 32.7 percent for all special trade construction contracts,
- 23.6 percent for professional services contracts,
- 24.6 percent for all other services contracts, and
- 21 percent for commodities contracts.

- - Agency Special Instructions/Additional Requirements - -

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

Other Service HUB Goal – 24.6%

Commodities HUB Goal – 34%

Special Trades HUB Goal – 32.7%

- Responses for Special Trades construction shall submit a HUB Subcontracting Plan (HSP) that meets the Good Faith Effort prescribed in Method B (Attachment B). See instructions for Option Four on the HSP Quick Check List. **No other Good Faith Effort method will be accepted.**
- Responses for Miscellaneous Services Agreements for indefinite duration/indefinite quantity – Two (2) part process:
 1. Submit a Letter of HUB Commitment (page 8) and a Good Faith Effort described in Option One.
 2. Submit a revised HSP prior to execution of each contract process as described in Option Four of Quick Check List.
- Respondents shall submit a completed HUB Subcontracting Plan (HSP) to be considered responsive. Failure to submit a completed HSP shall result in the bid, proposal or other expression of interest to be considered Non-responsive.
- Respondents who intend to Self-Perform all of their work shall submit an HSP for Self Performance HUB Subcontracting Plan (HSP).
- Prime Contractor Progress Assessment Report (PAR) shall be submitted with each request for payment as a condition of payment.
- Please note that phone logs are no longer acceptable documentation of Good Faith Effort. Only fax, email and certified letter are acceptable.

SECTION 1 RESPONDENT AND REQUISITION 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 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 goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

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

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

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

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract</u> * in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract</u> * in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs .
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
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 <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>)

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

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

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

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

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

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

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

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

SECTION 4 AFFIRMATION

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

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

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

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

HSP Good Faith Effort - Method B (Attachment B)

Enter your company's name here: _____	Requisition #: _____
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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 <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

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 this attachment.

Item #: _____ Description: _____

SECTION B-2 MENTOR PROTÉGÉ PROGRAM

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

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

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

SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

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

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

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

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

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

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

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

Enter your company's name here: _____	Requisition #: _____
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SECTION B-4 SUBCONTRACTOR SELECTION

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

Item #: _____ Description: _____

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

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

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

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



HUB Subcontracting Opportunity Notification Form

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

34 Texas Administrative Code, §20.14 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more minority or women trade organizations or development centers at least seven (7) working days prior to submitting its bid response to the contracting agency.

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: _____ <small>(mm/dd/yyyy)</small>

Section C	SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION
1. Potential Subcontractor's Bid Response Due Date:	<p>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 <input type="text" value="Select"/> Central Time on: _____ Date (mm/dd/yyyy)</p> <div style="border: 1px solid black; padding: 5px; font-size: small;"> <p><i>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, we must provide the same notice to two (2) or more minority or women trade organizations or development centers at least seven (7) working days prior to submitting our bid response to the contracting agency.</i></p> <p><i>(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the minority or women trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)</i></p> </div>
2. Subcontracting Opportunity Scope of Work:	_____
3. Required Qualifications: <input type="checkbox"/> - Not Applicable	_____
4. Bonding/Insurance Requirements: <input type="checkbox"/> - Not Applicable	_____
5. Location to review plans/specifications: <input type="checkbox"/> - Not Applicable	_____

PROPOSER'S SURVEY QUESTIONNAIRE

The Proposer's Survey contains a list of additional questions the Proposer will answer when responding to this RFP. If Proposer needs to submit additional supporting information, refer to the supporting information in responses to the Proposer's Survey and attach supporting materials in a logical and clear manner.

Having carefully examined the Scope of Services, Requirements and Conditions affecting this Request for Proposal, please respond to the questions below as accurately and completely as possible. Your response should reflect services and tasks identified in the Scope of Services and Technical Proposal Requirements. Where applicable, provide examples of forms, reports, etc. Any supporting information must be included in electronic form via the Ariba® e Sourcing tool and must follow the following naming convention: (<Proposer Name> - <Question Number> - Response - <File Name>).

Company Structure and History

1. Please provide your company's main address, phone and fax number.
2. Please provide your company's FEIN.
3. Please provide your company's DUNS number.
4. Please provide your company's main contact person for the RFP.
5. What is your company's legal structure?
6. List all individuals, groups, corporations, etc. that hold 25% or greater equity in the company. Please list their respective percentage of ownership.
7. Provide any details of all past or pending litigation arising from your company furnishing an item or service similar to that described in this RFP.
8. Has your company, or any of its parents or subsidiaries, ever had a Bankruptcy Petition filed in its name, voluntarily or involuntarily? If yes, specify date, circumstances, and resolution.
9. Is your Company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, specify details, circumstances, and prospects for resolution.
10. Provide a brief description of your company, its operating divisions and length of years that you've provided document storage services.
11. Provide a customer reference list of no less than three (3) organizations with which Proposer currently has contracts with and/or has previously provided travel agency services of equal type and scope within the past five (5) years. Reference list to include,

company name, contact person, and telephone number, description of products and services provided, and length of business relationship.

12. Comment briefly on your competitive position in the industry. What sets you apart from your competition?
13. What is your level of familiarity with Federal and State of Texas legislation, statutes and rules related to records management?
14. Have you provided similar service to any other educational and/or State of Texas institution? If so, please describe.

Offsite Records Management Overview

15. Where are your company's storage facilities?
16. What are your hours of operation?
17. How many boxes/cartons of records do you currently store on your premises?
18. What is the fire protection class for your location?
19. Is your fire sprinkler system a wet or dry system? Is it an "in rack" system?
20. Please describe your both your climate control and non-climate controlled facilities?

Description of Services

21. Describe your company's records management services including the end-to-end process and timing involved.
22. What levels of indexing and cataloguing do you offer?
23. Describe your document retrieval process. Include time schedules.
24. Please explain the process for acquiring records from UT System institutions or any another records storage provider's current facility and a timeline for the process. List any additional costs not outlined in the Price Schedule.
25. Can you store sensitive original documents and media backup tapes? If so, describe your equipment, process and pricing.
26. What are your document destruction policy and methods?
27. Is your company capable of issuing certificates of destruction?
28. Are you willing to work with a third party destruction company that is designated by UT System institutions? If so, please describe your recommended procedure and any additional costs.

29. Can you provide document conversion and image on demand services?
30. How do you handle after hours requests?
31. Please describe your company billing and invoicing process including payment terms and billing systems.
32. Does your company employ subcontractors? If so, under what conditions?
33. Please describe any quality control processes your company has in place. Does your company use protocols such as ISO or equivalent standards? If so, please describe.
34. Please describe your company's security technology.
35. Provide your written Disaster and Recovery Plan for any catastrophic occurrences including but not limited to flood, fire, etc.
36. Will your company cover the cost of breach notification to effected persons when a breach is caused by business associate or its subcontractors?
37. Please provide a written implementation plan of transferring records from another supplier's storage facility. List any cost incentives that can be applied to the removal of records from another supplier's storage facility.

Pricing

36. How do you price your services?
37. Is there an additional per-incident charge for file retrieval, scanning, e-mail and fax transmission of records?
38. Describe how your organization identifies opportunities to maximize time and cost efficiencies.
39. Please explain in detail any fees, not outlined in the Price Schedule.

Customer Service

40. How does your company ensure consistent customer service across all operations and all levels within the company?
41. What is your procedure for responding to customer concerns or issues?
42. Please describe your company's hiring policies and job requirements.
43. How do you ensure standards of service?

Security

44. Describe the documented policies and supporting procedures that the Proposer have in place to protect its storage facilities and implement physical access safeguards to ensure appropriate granting, controlling, and monitoring of physical access to such facilities?
45. Please explain in detail the policy and procedures that the Proposer will have in place for lost boxes in your care, whether it be during transport or storage.
46. Has the Proposer established roles and does it enforce associated access requirements of storage facilities that will house University confidential information based on business requirements or function? Please describe.
47. What processes does Proposer have in place to control designated entry/exit points of areas where University confidential information are maintained?
 - a. Describe Proposer's formal authorization process for providing access credentials (badge, key, code, etc.);
 - b. Describe Proposer's process to revoke access (e.g., due to termination or change of job role) to the facility;
 - c. Describe how Proposer protects the system that manages control for entry/exit (e.g., restricting system access to the badge system); and
 - d. Describe how Proposer monitors for events that indicate potential unauthorized access attempts to the facility (e.g., unsuccessful badge attempts, loss of physical key, etc.)?
48. What physical safeguards has Proposer documented and implemented to protect University documents?
49. What documented standards and procedures does Proposer have in place to monitor physical access to offices, rooms, data centers, areas containing information systems, and other facilities based on risk? (e.g., monitoring includes review of logs and alerts from physical security systems, monitoring cameras, etc.)
50. What documented standards and procedures does Proposer have in place to log and document visits by guests, review visitor logs periodically, and retain logs in accordance with documented retention schedules?
51. Describe appropriate fire suppression equipment deployed to protect storage rooms and other areas containing University records in the event of a fire. Has Proposer staff received training in appropriate response in case of emergencies and use of fire suppression equipment?
52. Describe appropriate temperature and humidity controls deployed to monitor and maintain acceptable temperature and humidity levels in storage rooms and other areas containing University records.
53. Does the Proposer have documented processes and mechanisms to detect water leakage within storage rooms and other areas containing University records?
54. Has the Proposer assessed whether physical security to storage areas can be circumvented?

54. Does the Proposer have a documented policy and supporting processes for addressing staff background and other checks needed based on the role of the individual? Please describe. Is periodic re-screening required?
55. Does the Proposer have implemented processes that require Human Resources to screen potential employees and contractors prior to being hired in order to minimize the risk of unauthorized access to University records?
56. What documented policies and supporting processes does the Proposer have in place to:
 - a. Promptly revoke/disable access of employees, contractors, etc., upon termination; and
 - b. Retrieve all security-related property (e.g., access cards, keys, etc.)?
57. What processes does Proposer have in place to timely update access to Proposer facilities due to changes in role of the employee or contractor?
58. Does the Proposer have documented personnel security requirements for third party providers (e.g., requirements on background checks and other screening, training requirements, etc.), and are there processes in place to monitor their compliance to such requirements (e.g., sample checks by the Proposer and / or third-party assessment reports)?
59. Does Proposer employ formal sanctions when staff fails to comply with established information security policies and procedures (e.g., reprimands to termination depending on the degree and situation of non-compliance)?

Value Add

60. Provide a list of any services not specified in this RFP that your company will provide to UT System.
61. Provide details regarding any special services/benefits offered or advantages in UT System selecting your company.
62. What Policies are in place to monitor and manage your supply chain regarding environmental issues? Please check the items that apply.
 - We apply environmental criteria when making purchasing decisions.
 - We purchase "green" (recyclable, reusable, non-toxic, bio-degradable, and made from 100% post-consumer recycled materials) supplies, products and materials.
 - We specify sustainable products and or locally manufactured products
 - We specify products using Electronic Products Environmental Assessment Tool (EPEAT) standards
 - We partner with sustainable suppliers or utilize suppliers who share in the sustainability commitment
 - Our Director of Sustainability is researching industry best procurement practices

63. Does your company have an environmental policy statement? Please check the items that apply.

- We are developing an environmental policy statement
- Our environmental policy statement consists of a commitment to promote environmental stewardship
- Our environmental policy statement describes our company's Sustainability Initiative
- We have formed an oversight committee to ensure the success of our environmental policy
- Our environmental policy statement describes how our company explores opportunities to work with communities, governments and non-governmental and professional organizations to help articulate, teach and advance the principles of sustainability

64. Has your company ever been cited for non-compliance of an environmental or safety issue? Please check the item that applies.

- No, my company HAS NOT been cited for non-compliance of an environmental or safety issue
- Yes, my company HAS been cited for non-compliance of an environmental or safety issue

65. What programs do you have in place, or planned for promoting resource efficiency? (i.e. an environmental or waste audit)? Please check the items that apply.

- We recycle consumables, reduce waste and practice energy reduction when possible
- We are developing a recycling program
- We utilize a formal energy management system
- We are a member of various environmental organizations
- We have formed a Sustainability Committee to identify sustainable solutions for our company
- We have a company-wide Recycling Program
- Our Director of Sustainability initiates and supports sustainability efforts
- We have performed an environmental or waste audit
- We are recognized by peers and environmental organizations for providing leadership in sustainability
- We are a carbon-neutral company



RFP Submittal Deadline: **January 9, 2014** at **3:00 PM**
(CST)

Addendum Issue Date: **December 10, 2013**

ADDENDUM 1
REQUEST FOR PROPOSAL
UTS/A40
Offsite Records Storage Solution

DIRECT QUESTIONS TO: Kyle Barton, Telephone (713) 745-8339 or via the Ariba System

ACKNOWLEDGEMENT OF THIS ADDENDUM 1 IS REQUIRED IN ACCORDANCE WITH **SECTION 1.2 OF APPENDIX ONE**, TO THE RFP. THIS RFP ADDENDUM IS A FURTHERANCE OF RFP **UTS/A40** AND IS NOT A CONTRACT OR OFFER TO CONTRACT.

Item One:

The Pre-proposal PowerPoint slide presentation, Pre-proposal conference attendee list, and HUB Subcontracting Plan (HSP) handout has been posted in the "References" section of Section 16.1 of the Ariba tool. This document is available for downloading.

Item Two:

Section 5.4 (Scope of Work) has been deleted in its entirety and replaced with the following to correct invalid references to Exhibit A:

5.4 Scope of Work

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

Unless specifically noted by Proposer in its response to this RFP, all costs pertaining to the services to which this RFP relates will be considered to be included in the Proposer's quoted fees. Separate costs to be borne by UT System will be only those expressly identified by Proposer in its response.

Outlined below are the key requirements that Proposer would have to satisfy in providing an Offsite Records Storage Solution:

- Analysis of Requirements. Provide an analysis of each Institutional Participant's storage requirements per applicable document archival policies and rules.
- Provision of Adequate Storage Facilities. Make available records management facilities to provide physical storage capacity for at the initiation of the Agreement.
- Changes in Needs. Accommodate needs of Institutional Participants for additional storage space as they arise, or be able to downsize.
- Location of Storage Facilities. Maintain storage facilities located within 50 miles of the Institutional Participant being served (ref. **Exhibit A**).

- Protection of Facilities. Provide a secure storage facility equipped with counter-intrusion systems, fire suppression and backup generators.
- Pest Control. Proposer must provide proof of semi-annual treatment and/or inspection for rodents and insects.
- Transportation of Records. Proposer must provide transportation of storage records to and from each Institutional Participant and the storage facilities. All vehicles used must have the appropriate security features (anti-theft device) and be secured while at the delivery / pick-up site. All vehicles must be equipped with a fire extinguisher.
- Climate Control. Provide storage facilities that are climate controlled, in addition to facilities without climate control
- Specialized Service Requirements. Meet specialized service requirements, which may include:
 - Packing, re-packing files
 - Indexing and cataloguing documents
 - Providing destruction services at the storage facility or onsite at Institutional Participant, if required
 - Working with a third party designated by the Institutional Participant for destruction services involving records no longer required to be stored by Proposer
- Storage Containers. Offer storage boxes and specialty containers built for long-term storage.
- Chain of Custody. Provide a secure chain of custody of records from pick-up to storage to retrieval.
- Controlled Access. Provide controlled access to stored records by users representing Institutional Participants.
- Customized Reports. Create customized reports to Institutional Participants on an as-needed basis.
- Rapid Access to Records. Implement a process that would enable Institutional Participants to access and retrieve documents rapidly and remotely around the clock. Same day service may be required, with 2-4 hour delivery time upon request.
- Online Listing of Records. Provide an online listing of stored records available for access and retrieval.
- Indexing of Records. Provide flexible indexing, including the option to identify records at the file, box or document level.
- Privacy Policies and Procedures. Ensure your compliance with Institutional Participants' privacy policies and in house procedures.
- Transfer of Records. Assume full responsibility for the transfer of all of an Institutional Participant's records, including those located offsite at current vendor's facility, to the Proposer's facility, when applicable. This responsibility includes:
 - New bar coding
 - Labeling

- Data entry
 - Creating an inventory for records to be stored at the Proposer's facilities at the beginning of the Agreement, including those transferred from another site
 - Replacing boxes damaged and furnishing a report to each Institutional Participant, detailing which boxes were damaged and replaced
- Destruction of Specified Records. Remove and destroy specified boxes presently stored with the current vendor, as agreed upon in advance with each Institutional Participant, in accordance with the institution's procedures. Boxes permanently removed from storage and destroyed must not appear on subsequent monthly invoices for storage. Requirements to be met:
 - Certified destruction must be performed by either shredding or incineration.
 - Proposer must ensure that confidentiality of all destroyed records is maintained throughout the destruction process.
 - Proposer must provide a certificate of destruction to the relevant Institutional Participant for all records destroyed.
 - No records may be destroyed without prior written approval from the administrator or authorized user(s) of the Institutional Participant's account with Proposer.
- Inventory Tracking. Proposer would be required to maintain an accurate, bar-coded, reliable computer-based inventory and tracking system capable of documenting pickup, delivery, and storage location of each Institutional Participant's documents and records. At a minimum, this system must be web-enabled, with appropriate security, to provide internet access to information by Institutional Participant's users. At a minimum, the system must identify the contents, the location, Institutional Participant's department, cost center, description, and status (checked in/checked out) for each storage container. Essential data fields include: box number, bar code, box size, location, cost center, department, major description, minor description, status, and box history (dates of check out and check-in). The inventory tracking process must include appropriate logs and receipts for pickup and delivery of individual boxes / containers for verification and audit purposes. Logs and receipts must be made available upon Institutional Participant's request. The system must allow Institutional Participant users to remotely view inventory data and to initiate delivery requests via the Internet. Inventory status must be updated within 24 hours of activity.
- Lost Boxes. Proposer would be required to address lost /misplaced boxes. Any box not located and delivered in an agreed-upon timeframe will be considered a lost box. The Proposer must include with its RFP response the policies and procedures to be followed should a box not be located and delivered on time. These must include, but not be limited to, notifications, location procedures, escalation procedures, timelines and status updates.
- Reporting. Proposer would be required to provide monthly, written reports to each Institutional Participant of the current inventory, sorted by department/cost center, to include: box # / barcode box description, date sent to storage, box size, and account activity to include new boxes added to inventory, number of delivery requests processed and pickups processed during the preceding month, including processing time for requests and deliveries. Institutional Participants must have access to these reports without additional fees. Activity reports should include a summary of ordering activity by location, quantity, and order type. Retrieval activity reports should include history for checked out, permanently removed, and destroyed inventory. Financial reports should provide billing activity for a specified invoice period.
- Current Record Inventory and Transfer Plan. Proposer would be required to submit a Transfer Plan to each Institutional Participant, detailing the transfer process from existing

facilities to Proposer's location. At the commencement of the Agreement, Proposer must assume full responsibility for coordinating the transfer under the Transfer Plan of all existing records stored at various locations to the Proposer's facility. This responsibility includes new bar coding, labeling, data entry, and inventorying for the boxes/items to be stored at the Proposer's facility or facilities at the beginning of the Agreement. All costs related to this requirement must be clearly identified in Proposer's response.

Upon successful completion of the transfer, the Proposer would be required to supply to Institutional Participants a written report of the boxes moved to the new storage facility. The final Transfer Plan must be submitted for approval within 30 days after execution of the Agreement. The Transfer Plan would be subject to review and approval by the relevant Institutional Participant prior to implementation.

- Record Delivery. Contractor would be required to deliver, on an "as requested" basis, stored records to requesting departments designated by each Institutional Participant. Generally, deliveries will fall into one of the categories below:
 - Routine: Delivery between 8 am to 5 pm Monday through Friday. Requests made before 11 am are to be delivered the same business day. Requests made after 11 am may be delivered the next business day but no later than 24 hours from the request.
 - Rush/Emergency Before 3 pm: Delivery between 8 am to 5 pm Monday through Friday. Requests made by 3 pm are to be delivered within two hours of the time of the request.
 - Rush/Emergency After 3pm: Requests made after 3 pm are either to be delivered same day delivery within 2 hours, or by 9 am the next business day, as determined by requestor.
- Accounts and Invoicing. Each Institutional Participant would be invoiced monthly and separately and would be responsible only for its own charges. Each institutional invoice would include detailed line item charges for every transaction.
- Secure Storage and Facility Standards. Proposer's storage facilities would be required to provide a level of protection consistent with industry and State of Texas standards, and must be solidly constructed with secure loading and unloading areas. Floors must support at least 300 pounds per square foot and must be at or above ground level to assure dry storage. Walls surrounding the record storage area must be four-hour fire resistant. Roof must be of non-combustible construction and leak-proof. The records storage facilities must meet all applicable and current requirements of the National Fire Protection Association.

Proposer would be required to provide both non-environmentally controlled and environmentally controlled storage areas. Environmentally controlled storage areas will at a minimum, have an average office environment in temperature and humidity. The climate control equipment must not be turned off or thermostat settings adjusted during nights, weekends and holidays. Proposer must have a back-up power system in all facilities. Storage facilities cannot house any hazardous material. Storage facilities cannot be located within a flood area or risk exposure from external hazards.

Proposer would be responsible for security of all storage facilities. Storage facilities must be equipped with an intrusion alarm system that is monitored 24 hours per day, including weekends and holidays.

Proposer must provide adequate storage capacity to meet both the current and future needs of UT System. Proposer would be responsible for protecting against damage or loss of the contents stored in any of its storage facilities. Proposer must provide a written disaster and

recovery plan for any catastrophic occurrences including but not limited to earthquake, flood, fire, etc. Proposer would be responsible for recovery from any catastrophic occurrences, including but not limited to fire, damage or theft, as well as any associated costs. Proposer must carry the appropriate insurance and provide proof thereof.

The storage facility or facilities must be properly shelved, fully secured, and equipped with motion, smoke and heat detectors/alarms to prevent loss from theft and fire. Facilities must be constructed and equipped with fire safety systems as required by the International Fire Code and other applicable codes. Appropriate redundant systems must be in place to ensure continuous operation.

- Staffing. Proposer would be required to perform background checks on each individual acting on Proposer's behalf in performing services on an Institutional Participant's premises. Proposer must not assign any individual to provide services on such premises, if the individual has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses.

Proposer would be required to remove or transfer, from the team serving an Institutional Participant, any of its employees upon request by UT System for any reason, provided that such request is in writing and does not violate any applicable federal, state or local employment laws. Institutional Participant would have no obligation to disclose to Proposer the reasons for any such request, unless such disclosure is required by applicable federal, state or local employment laws.

Preferred Supplier would be required to appoint a dedicated account manager, with a minimum of 5 years' records management experience, to the UT System account, as a single point of contact in order to ensure a high level of responsiveness to UT System's needs. A backup contact would also be designated for the purposes of providing coverage during the primary contact's absence. Preferred Supplier would be obligated to perform according to the service standards identified in the Agreement.

- Supplier Relationship Management. Preferred Supplier(s) will be enrolled in the UT System Supply Chain Alliance Strategic Sourcing Team's ("UTSSCASST") Supplier Relationship Management Program ("SRM") to monitor Preferred Supplier(s)' performance and pricing each quarter. The Alliance expects the Preferred Supplier to work closely with the UTSSCASST and each institutional participant to maintain or improve any service levels committed to in the Agreement.
- Contract Term. It is anticipated that the term of the Agreement would be five (5) years.

Item Three:

The following are the responses to the Questions received concerning this RFP UTS/A40:

1. Q. **Since storage volumes cannot be provided per institution can you please provide us with the current records management annual spend for records management broken down by institution?**

A. Below is the breakdown of annual spend by Institutions currently utilizing offsite records storage solutions:

UTMDACC	\$1,000,000
UTSW	\$250,000
UTHSCSA	\$100,000

UTHSCH \$50,000
UT System \$5,000

Please note the above figures are estimates only and that other institutions may participate in any resulting agreement for this RFP. Products and services purchased may involve more or less than the estimates provided.

2. **Q. What is the approximate storage volume by institution that is currently not stored with a records management vendor?**

A. We do not have a good estimate of that volume at this time.

3. **Q. With regards to the Healthcare Institutions will one Business Associate Agreement (BAA) cover all institutions or will a separate BAA have to be negotiated per institution?**

A. A separate BAA will have to be negotiated per institution

4. **Q. Please expand upon the relevance of Appendix 5. This appendix refers to the storage of electronic information, but the requested price schedule only refers to the storage of paper records. Will there also be the possibility of electronic information storage that needs to be addressed in our response?**

A. Appendix 5 is a standard requirement included in all RFPs per state statute. We do not anticipate any electronic information storage as a part of this RFP.

5. **Q. Page Count Questions: Apparent page count discrepancy:**

- **Section One – The first page states on the bottom that this is page 1 of 55**
- **Section Two – The first page states on the bottom that this is page 3 of 57**
- **Pages 16, 17, 54, 55, 56, and 57 are not listed. Are they referenced some other way in the RFP?**

A. All pages are included in the sections. There were some page discrepancies when converting each section into a PDF. For your reference, a PDF the entire RFP (excluding the Proposer's Survey Questionnaire) has been posted in the "References" section of **Section 16.1** of the Ariba tool. This document includes the charges to Section 5.4 as described in **Item 2** above.

All other terms, conditions and requirements set forth in RFP UTS/A40 remain unchanged and in effect.

END OF ADDENDUM 1