

# **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 COMPUTER PERIPHERALS, ACCESSORIES, SOFTWARE AND RELATED SERVICES**

**RFP No. UTS/A42**

**Submittal Deadline: January 15, 2014  
@ 3:00 PM, CST**

Issued: December 9, 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. The Alliance is also affiliated with various Texas institutions of higher education. Through collaborative relationships, the Alliance seeks to combine supply chain and contracting activities and obtain best value goods and services while reducing total acquisition costs. The Alliance has created a team of supply chain professionals (the “**Strategic Sourcing Team**”) that has been tasked with executing Alliance purchasing initiatives. The Strategic Sourcing Team assembles a team of subject matter experts (“**SMEs**”) from participating institutions to assist in the development of each sourcing event and the evaluation of suppliers during the procurement process. SMEs are involved from the sourcing event’s initial inception and work with the Alliance and UT System to select the best value supplier(s). Any agreement resulting from this Request for Proposal, UTS/A42 (this “**RFP**”) will be extended and marketed to all UT System institutions. Various non-UT System institutions that are affiliated with the Alliance may participate, too, in any agreement resulting from this RFP.

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

## 1.2 Objective of this Request for Proposal

UT System, acting through the Alliance, is soliciting proposals in response to this RFP from qualified suppliers, for the computer peripherals, accessories, software and related services more specifically described in **Section 5.4 (“Scope of Work”)** of this RFP (collectively, the “**Computer Peripherals**” or “**Products and Services**”). The successful Proposer(s) to whom business may be awarded is referred to in this RFP as the “**Preferred Supplier.**”

Specifically this RFP process should:

- Provide a comprehensive and guaranteed pricing structure for related goods and services;
- Leverage the aggregate purchasing volumes of Institutional Participants;
- Achieve cost savings for Institutional Participants;
- Create a process for utilization of Preferred Supplier to meet the needs of the Institutional Participants for both routine purchases and individual projects;
- Improve overall customer satisfaction; and
- Enhance relationships between Preferred Supplier and Institutional Participants.

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). UT System will work through the Alliance to team with a Preferred Supplier to develop a relationship that will produce a win-win for all parties and establish practical business processes and procedures that will foster a strong working relationship.

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.

## 1.3 Scope of Opportunity

UT System estimates that aggregate spend by UT System institutions for the Products and Services at \$8 Million Dollars annually, or \$64 million over the anticipated eight-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 only an estimate of possible future volume. The chart below is a list of the top product categories and the associated percent of the historical spend for each category included in this RFP:

Spend Category	% of TL. Spend
Software Utilities and Maintenance Support	29%
Printers, Computer Equipment and Supplies	19%
Flash Memory	15%
Input Devices	10%
System Hardware Maintenance	5%
Data Storage Equipment	5%
Monitors and Displays	3%
Operating Systems	3%
Audio and visual equipment	2%
Other	10%

Additionally, the chart below is a representation of how the spend is distributed by institution along with the primary mode for procuring computer peripheral products:

Institutions	2011-2012 Historical Spend	Primary Mode of Purchase
UT M.D. Anderson	\$3,731,690	SciQuest
UT Austin	\$3,342,014	SciQuest
UTMB Galveston	\$1,213,853	SciQuest
UT Southwestern	\$1,132,886	SciQuest
UTHSC-San Antonio	\$800,705	Direct Connect
UTHSC-Houston	\$717,963	SciQuest
UTHSC-Tyler	\$156,511	P-Card
UT Pan American	\$141,605	SciQuest
UT Dallas	\$119,667	SciQuest
<i>UT Arlington**</i>	<i>\$70,756</i>	<i>P-Card</i>
UT System Administration	\$49,251	P-Card
UT Physicians (UTHSCH)	\$23,212	SciQuest
UT El Paso	\$6,871	SciQuest
UT Permian Basin	\$698	P-Card

**\*\* UT Arlington spend is for 2013**

No contract resulting from this RFP will guarantee a specific volume of Products or Services to a Preferred Supplier.

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.

## **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 15, 2014** (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**”):

Miguel F. Machado, Sourcing & Contract Management Analyst  
UT System Supply Chain Alliance  
Phone: 713-792-0210  
Email: mfmachad@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 **January 7, 2014**. 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.

### 2.3.1 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	December 9, 2013
Pre-Proposal Conference (ref. <b>Section 2.6</b> of this RFP)	December 17, 2013 10:30 AM, Central Standard Time
Deadline for Questions/Concerns (ref. <b>Section 2.2</b> of this RFP)	5:00 PM, Central Standard Time on January 7, 2014
Submittal Deadline (ref. <b>Section 2.1</b> of this RFP)	3:00 PM, Central Standard Time on January 15, 2014
Selection of Finalists	February 2014
Finalists Interviews and Negotiations	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 10:30 AM, Central Standard Time, on December 17, 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 13, 2013**, whether it will attend the Pre-Proposal Conference, by emailing the UT System Contact at [UTSSCAinfo@mdanderson.org](mailto:UTSSCAinfo@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 PCs, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below.

**5.2 Minimum Requirements**

- 5.2.1 Proposer must pay to the Alliance a quarterly administrative fee of 2% of the Total Net Sales made under the Agreement (ref. **Section 6.2** of this RFP).
- 5.2.2 Proposer must certify its compliance with Subchapter Y, Chapter 361, Texas Health and Safety Code and the Texas Commission on Environmental Quality rules, 30 TAC Chapter 328.

**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.
- 5.3.3 In accordance with Section 361.965(d), *Health and Safety Code*, Proposer must demonstrate whether it has a program to recycle the computer equipment of other manufacturers, including collection events and manufacturer initiatives to accept computer equipment labeled with another manufacturer's brand.
- 5.3.4 In its proposal, Proposer must respond to each item listed in **APPENDIX SIX**, Security Characteristics and Functionality of Proposer’s Information Resources. **APPENDIX SIX** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide to UT System. Responses to **APPENDIX SIX** 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

UT System seeks to identify the Preferred Supplier that will provide the most practical and cost effective business model to serve the needs of Institutional Participants. The goal of this RFP is to improve current pricing to Institutional Participants and work toward solutions that will minimize cost, while maintaining or improving current service levels. Proposer will provide a “cost plus” pricing structure (see **Attachment A**) in response to this RFP. In order to facilitate the pricing analysis, a list of commonly purchased items (the “**Market Basket**”) is attached (see **Attachment A**). Proposer should quote pricing on products and services listed in the Market Basket consistent with the cost plus percentage proposed in the pricing structure offered in response to **Attachment A**. Proposer should provide solutions involving HUB suppliers, where possible. Proposers are invited to submit proposals 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.

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

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

**"Direct Manufacturers Agreement" ("DMA")** = an agreement, also known as a Preferred Manufacturer Agreement, made by UT System or Institutional Participant directly with an original equipment manufacturer ("OEM") that establishes recommended resale pricing and other terms for products that are supplied to the Preferred Supplier for distribution

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

- 5.4.2 **General Description.** The following outlines the minimum required and essential service requirements for the Scope of Work. The Proposer acknowledges and understands that this RFP provides a general description of the work to be performed and is not intended to be all inclusive. The Proposer represents that it is familiar with the requirements and general conditions that are essential and necessary to provide a comprehensive program for the Scope of Work consistent with industry best practices and in accordance with all licensing, regulations, and professional standards.

Preferred Supplier will provide Products and Services to Institutional Participants as their preferred primary computer peripheral products supplier. The Agreement resulting from this RFP will provide Institutional Participants with access to Preferred Supplier Products and Services at discounted prices and is intended to permit all parties to reduce procurement and transaction costs and improve business processes. Preferred Supplier will quote certain prices for the sale of Preferred Supplier products shipped directly to Institutional Participants. Preferred Supplier will sell the Products and Services to Institutional Participants under the terms and conditions set forth in the Agreement.

UT System acknowledges that each Proposer has an existing business model and may choose to supply the Products to UT System in a variety of ways that best suit the Proposer's organization and market approach. Notwithstanding this, the following are the minimum required service requirements necessary for successfully implementing the Agreement:

#### 5.4.3 Preferred Supplier-Alliance Account Support Team

Preferred Supplier will provide a Senior Management Account Representative with the authority and responsibility for the overall success of the Agreement within the Preferred Supplier's organization. The Preferred Supplier will also designate a Program Manager assigned to the Alliance account responsible for: (i) receiving and providing ongoing communications by and between the Preferred Supplier and UT System; (ii) monitoring the overall implementation of the Agreement at each Institutional Participant and providing updates to the UT System Contract Administrator; (iii) identifying and fostering process improvements; (iv) serving as the liaison to engage resources with the Preferred Supplier's organization to troubleshoot and resolve problems; (v) organizing Quarterly Business Reviews ("QBR"); monitoring Key Performance Indicators ("KPIs") and providing early warning notices to Preferred Supplier's management team and the UT System Contract Administrator.

UT System will designate the individual who will serve as the UT System Contractor Administrator.

#### 5.4.4 Preferred Supplier-Institutional Participant Account Support Team

Each Institutional Participant has varying and different support needs. The following outlines the minimum account management, sales and technical support to be provided to each Institutional Participant by Preferred Supplier. Within sixty (60) days after execution of the Agreement, Preferred Supplier will work with each Institutional Participant to develop local performance measures; program goals; implementation plan; sales marketing plan; e-commerce integration plan; ordering method(s); invoicing method(s); and premises rules.

Sales Manager: Preferred Supplier will assign Sales Manager(s) who will provide the following minimum services:

- Be responsible for and facilitate the relationship between Institutional Participant's purchasing team and Preferred Supplier's local and corporate team.
- Achieve understanding of Institutional Participant's business processes, rules, and requirements.
- Provide and manage personnel staffing to support initiatives.
- Work to develop and train representatives.
- Identify opportunities in coordination with Institutional Participant and provide strategic direction.
- Provide support for issue resolution, product selling, conversion, and savings opportunities.
- Conduct performance reviews of onsite representatives.
- Provide project management and oversee Preferred Supplier resource utilization.
- Identify and communicate customers' requirements within Preferred Supplier's organization.

Inside Sales Support: Preferred Supplier will provide an inside customer service representative or team, available via a toll-free number and/or email, who is intimately familiar with the account requirements, to provide the following minimum services:

- Product research, services and knowledge
- Order processing
- Assist with pricing validation and error correction
- Handle all billing and credit issues, including returns
- Track shipments when required
- Support the sales representative on campus when required
- Information regarding more cost effective alternatives for Institutional Participants.
- Training and support for use in on-line ordering systems.

#### 5.4.5 Ordering

5.4.5.1 Preferred Supplier will provide to Institutional Participants one or more local or toll free telephone numbers for telephone orders.

5.4.5.2 Preferred Supplier's web-based ordering system will be available seven days a week, 24 hours per day.

5.4.5.3 Each Institutional Participant will be responsible for its own process for ordering authorization and ordering method (e.g., manual purchase orders, telephone, EDI, or via an internet based ordering system such as SciQuest or PeopleSoft).

5.4.5.4 Preferred Supplier will accept electronic orders submitted through an internet based ordering system and purchasing card ("**P-card**") orders at no additional costs, fees or handling charges.

5.4.5.5 Preferred Supplier will maintain throughout the term of the Agreement a website designed specifically for UT System and Institutional Participants to allow end-users to access Preferred Supplier's catalog of Products and Services for pricing information, descriptions, specifications, and order submission.

The web site, at a minimum, must:

- Allow Institutional Participants to search Preferred Supplier's catalog based on key word, brand name, description, etc.;
- Provide list price, discount information and contract pricing;
- Allow Institutional Participants to place an order on-line, inquire on orders, and check on product price and availability;
- Provide tracking/status information after an order is submitted.

5.4.5.6 Any purchase order or purchasing card transaction ("**PCT**") issued by an Institutional Participant under the Agreement will be governed by additional commercial terms and conditions in Institutional Participant's purchase order or PCT. Each purchase order or PCT will include the ordering Institutional Participant's specific "ship to" and "invoicing and bill to" information.

#### 5.4.6 Delivery

Preferred Supplier will be responsible for the delivery of products and equipment in first-class condition at the point of delivery, and in accordance with good commercial practice. All products and equipment will be extended “free shipping” with no handling or inside delivery charges. All deliveries will be made FOB destination, freight prepaid and included.

#### 5.4.7 Campus Requirements

5.4.7.1 Each Institutional Participant will have its own unique set of rules and regulations for conducting business on its campuses. Preferred Supplier will be responsible for compliance with each Institutional Participant’s rules and regulations including any and all requirements for background checks, badging/credentialing, and security.

5.4.7.2 The Institutional Participants utilize a variety of ERP Systems, software, ordering methods, tools, technologies and formats (e.g. PeopleSoft, SciQuest, EDI, XML, cXML). Preferred Supplier will be responsible for integrating these systems with Preferred Supplier’s systems for ordering, delivery/receipting, invoicing, payment, at no additional charge to the Institutional Participants.

5.4.7.3 Preferred Supplier will establish with each Institutional Participant campus specific delivery schedules and delivery locations.

5.4.7.4 Preferred Supplier will cause its representatives, agents, employees and permitted subcontractors (if any) to become aware of, fully informed about, and in full compliance with all applicable UT System’s and Institutional Participants’ rules and policies, including, without limitation, those relative to personal health; security; environmental quality; safety; fire prevention; noise; smoking; access restrictions; consideration for students, patients and their families as well as employees; and parking.

#### 5.4.8 Preferred Supplier Relationship Management

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

#### 5.4.9 Invoicing and Payment

Preferred Supplier will invoice the Institutional Participants, not UT System or the Alliance.

Each Institutional Participant is solely responsible for the payment of any purchase orders or PCT it issues, and no other Institutional Participant will have any liability whatsoever relating to a purchase order or PCT issued by another Institutional Participant.



#### 5.4.10 Product Condition of Sale

At a minimum, the manufacturer's standard warranty will apply. The Preferred Supplier may offer a warranty that clearly illustrates an improvement to the manufacturer's standard warranty and a benefit to the Institutional Participant. Unless offering an improvement, warranties will not be subject to change during the term of the Agreement without the prior written approval of the UT System Contract Administrator. Preferred Supplier certifies and warrants that all products sold to the Institutional Participant will be:

- (a) New and genuine and in conformity to published specifications
- (b) Free from defects in design, materials or workmanship.
- (c) Provided in the manufacturer's original packaging (unless otherwise requested).
- (d) Sold or manufactured via legal and reputable channels.
- (e) Not misbranded.

#### 5.4.11 Lost and Damaged Shipments; Shipment Tracking

If Preferred Supplier fails to deliver, or erroneously delivers products, Preferred Supplier will take immediate corrective action to make the correct delivery at no cost to Institutional Participant.

Should any action cause visible damage to the products during transport, once notified by either the carrier or Institutional Participant the Preferred Supplier will immediately contact the Institutional Participant and make arrangements to inspect the damaged product and/or authorize a return of the product and ship a replacement.

Preferred Supplier will have the capability of tracking all shipments and upon request will provide a shipment status report to the Institutional Participant.

#### 5.4.12 Cost Plus Pricing Structure

Preferred Supplier will provide a "cost plus" pricing structure for Preferred Supplier Products and Services, as more particularly described in **Attachment A**. The proposed cost plus percentage used in the pricing structure will remain fixed for the term of the Agreement, unless otherwise agreed to in writing by UT System. Cost should be based on Proposer's acquisition cost which includes all of Proposer's cost components (inbound freight or handling fees charged to Proposer, any third party fees associated with acquisition, special pricing that Proposer may receive on transaction such as promotional or volume discounts, etc.).

All of Proposer's cost components must be included in the pricing offered. Any costs not disclosed will not be chargeable. The pricing offered shall be based on FOB destination, freight prepaid.

#### 5.4.13 Initial Contract Term and Extensions

It is anticipated that the term of the Agreement would be five (5) years with renewal options up to an additional three (3) 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>).

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

## 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 Products and 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 Computer Peripherals  
**RFP No.:** UTS/A42

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the Products and Services 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 2% 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 Products and Services 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:** \_\_\_\_\_

# 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

**COMPUTER PERIPHERALS**

between

**THE UNIVERSITY OF TEXAS SYSTEM**

and

\_\_\_\_\_  
**University of Texas Agreement Number:** \_\_\_\_\_

This Preferred Supplier Agreement, dated effective as of \_\_\_\_\_, 2014 ("**Effective Date**"), is made by and between **The University of Texas System** ("**UT System**"), a state agency and institution of higher education authorized under the laws of the State of Texas, and \_\_\_\_\_ ("**Preferred Supplier**"), a \_\_\_\_\_ corporation, Federal Tax Identification Number \_\_\_\_\_, with its principal offices located at \_\_\_\_\_.

This Agreement specifies the terms and conditions applicable to the supply by Preferred Supplier of certain computer peripherals, accessories, software and related services 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.

"**Computer Peripherals**" means the products and related services described in **Rider 100**, Scope of Work.

**“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 \_\_\_\_\_ [*initial fixed term of five years*], unless earlier terminated in accordance with the provisions of this Agreement. UT System will have the option to extend the term of this Agreement for up to three additional one-year periods, upon written notice given to Preferred Supplier at least 90 days in advance of the renewal term.

### **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.

Pursuant to Section 361.965, *Texas Health and Safety Code*, Preferred Supplier also certifies that it is in full compliance with the State of Texas Manufacturer Responsibility and Consumer Convenience

Computer Equipment Collection and Recovery Act set forth in Chapter 361, Subchapter Y, Texas Health and 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. Preferred Supplier acknowledges that this Agreement may be terminated and payment may be withheld if this certification is 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 Computer Peripherals 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 Computer Peripherals 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, with companies authorized to do insurance business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code, having an A.M. Best Rating of A-:VII or better, and in amounts not less than the following minimum limits of coverage:

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

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

Workers' Compensation policy must include under Item 3.A. on the information page of the workers' compensation policy the state in which work is to be performed for Institutional Participant.

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

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

The required commercial general liability policy will be issued on a form that insures Preferred Supplier's or its subcontractor's liability for bodily injury (including death), property damage, personal and advertising injury assumed under the terms of this Agreement.

**19.1.3** Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 Single Limit of liability per accident for Bodily Injury and Property Damage.

**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 will be excess over and at least as broad as the underlying coverage as required under **Sections 19.1.1** Employer's Liability; **19.1.2** Commercial General Liability; and **19.1.3** Business Auto Liability. Inception and expiration dates will be the same as the underlying policies. Drop-down coverage will be provided for reduction and/or exhaustion of underlying aggregate limits and will provide a duty to defend for any insured.

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

**19.2** Preferred Supplier will deliver to Institutional Participant:

- 19.2.1** Evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all required insurance policies after the execution and delivery of this Agreement and prior to the performance by Preferred Supplier under this Agreement. Additional evidence of insurance will be provided verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.
- 19.2.2** **All insurance policies**, with the exception of worker's compensation, employer's liability and professional liability, will be endorsed and name The Board of Regents of The University of Texas System, The University of Texas System, and Institutional Participant as Additional Insureds for liability caused in whole or in part by Preferred Supplier's acts or omissions with respect to its on-going and completed operations up to the actual liability limits of the required insurance policies maintained by Preferred Supplier. The Commercial General Liability Additional Insured endorsement including on-going and completed operations coverage will be submitted with the Certificates of Insurance. Commercial General Liability and Business Auto Liability will be endorsed to provide primary and non-contributory coverage.
- 19.2.3** Preferred Supplier hereby waives all rights of subrogation against The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant. **All insurance policies** will be endorsed to provide a waiver of subrogation in favor of The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant. No policy will be canceled until after thirty (30) days' unconditional written notice to Institutional Participant. **All insurance policies** will be endorsed to require the insurance carrier providing coverage to send notice to Institutional Participant thirty (30) days prior to any cancellation, material change, or non-renewal relating to any insurance policy required in this **Section 19**.
- 19.2.4** Preferred Supplier is responsible to pay any deductible or self-insured retention for any loss. Any self-insured retention must be declared to and approved by Institutional Participant prior to the performance by Preferred Supplier under this Agreement. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.
- 19.2.5** Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be mailed, faxed, or emailed to the Institutional Participant contact identified in the Institutional Participation Agreement.
- 19.3** Preferred Supplier's or subcontractor's insurance will be primary to any insurance carried or self-insurance program established by Institutional Participant or The University of Texas System. Preferred Supplier's or subcontractor's insurance will be kept in force until all obligations under this Agreement have been fully performed by Preferred Supplier and accepted by Institutional Participant in writing, except as may be noted in this **Section 19.3**.
- 19.3.1** Directors and Officers Liability insurance coverage written on a claims-made basis requires Preferred Supplier to purchase an Extended Reporting Period Endorsement, effective for two (2) full years after the expiration or cancellation of this policy.

**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](http://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 31<sup>st</sup> 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** In the event of a material failure by either party to perform in accordance with the terms of this Agreement (“**default**”), the other, non-defaulting party may terminate this Agreement upon thirty (30) days’ written notice of termination setting forth the nature of the material failure. The termination will not be effective if the material failure is fully cured prior to the end of the 30-day period. No such termination will relieve the defaulting party from liability for the underlying default or breach of this Agreement or any other act or omission.

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

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

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

#### **SECTION 34 – Authority:**

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

#### **SECTION 35 – Survival of Provisions:**

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

#### **SECTION 36 – Confidentiality 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*, Chapter 552, *Texas Government Code*.

**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 – 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 40 – 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 41 – 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 42 – 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 43 – 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 44 – 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 45 – 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 46 – 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 47 – 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 48 – External Terms:**

This Agreement completely supplants, replaces, and overrides all other terms and conditions or agreements, written or oral ("**External Terms**"), concerning Preferred Supplier's performance under this Agreement. Such External Terms are null and void and will have no effect under this Agreement, regardless of whether UT Party or any of its employees, contractors, or agents consents or agrees to External Terms. External Terms include any shrinkwrap, clickwrap, browserwrap, web-based terms and conditions of use, and any other terms and conditions displayed in any format that UT Party, or its

employees, contractors, or agents are required to accept or agree to before or in the course of accessing or using any goods or services provided solely by Preferred Supplier.

**SECTION 49 – 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 50 – Attachments:**

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

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

Having agreed to the foregoing terms, and with the intention of being 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: \_\_\_\_\_



## 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 \_\_\_\_\_, 2014 (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: \_\_\_\_\_

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

**PREFERRED SUPPLIER Primary Contact:**

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

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

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

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

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](mailto:utsscainfo@mdanderson.org).**

## APPENDIX THREE - 400

### SUPPLIER RELATIONSHIP MANAGEMENT

#### 1.0 Supplier Relationship Management (“SRM”) Program Requirements

Quarterly Business Reviews (“QBRs”) of Preferred Supplier’s performance under this Agreement will be conducted by the UT System Contract Administrator on behalf of UT System beginning six (6) months after the Effective Date of this Agreement and then every calendar quarter thereafter. Institutional Participants may elect to establish a local level SRM program by a separate mutual agreement with Preferred Supplier.

#### 2.0 Quarterly Business Reviews

2.1 The Quarterly Business Reviews will consist of two major components. These are:

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

**Table 1: Key Performance Indicators**

Performance Measure	Service Level	Variance	Maximum Score	Definition and Measured By
Pricing Accuracy	99%	$\leq 1\%$ $>1\%-\leq 5\%$ $>5\%$	10 5 0	Total number of items reflecting accurate contract pricing as posted on supplier’s website upon Alliance audit
Invoice Accuracy	98%	$\leq 1\%$ $>1\%-\leq 5\%$ $>5\%$	10 5 0	Total Number of invoiced items reflecting accurate contract pricing upon Alliance annual compliance review. The annual review will consist of an audit of a sample of invoices selected at random.
Invoice Accuracy	98%	$\leq 1\%$ $>1\%-\leq 5\%$ $>5\%$	10 5 0	Total Number of invoiced items reflecting accurate contract pricing upon Alliance audit
Shipment Errors	99%	$\leq 2\%$ $>2\%-\leq 5\%$ $>5\%$	5 2 0	Total number of items shipped without error by supplier. (error = <ul style="list-style-type: none"> <li>• Wrong Item</li> <li>• Wrong Location</li> </ul>
System Availability	98%	$\leq 2\%$ $>2\%-\leq 5\%$	5 2	Fax or web –based ordering 7x24; excludes scheduled downtime

		>5%	0	
Administrative Fees & Incentive Payments	Not more than 10 days late	Y	5	Paid accurately and on time within contract schedules
		N	0	
Historically Underutilized Business Report	Not more than 5 days late	Y	5	Submitted within contract schedule each month (includes monthly summary by institutional participant to Alliance)
		N	0	
Customer Satisfaction	90	≤ 3%	30	Preferred Supplier will attain Customer satisfaction score of 90 or greater per Alliance issued Survey.
		>3%-≤8%	25	
		>8%-≤15%	15	
		>15%	0	

**Table 2: Business Relationship Indicators**

Performance Measure	Goal	Definition
e-Commerce	TBD	e-Commerce utilization by Institutional Participants (method and quantity/percentage of transactions)
Sales	TBD	Total Sales for reporting Period; YTD sales and Change Year to Year and Quarter to Quarter
Savings	TBD	Total savings actually achieved to savings target
Order Processing Efficiency	TBD	TBD
Administrative Fees & Incentive Payments	TBD	Amount Paid to UT System and Institutional Participants
Historically Underutilized Business Plan	TBD	TBD
Process Changes, Improvement & Innovation	TBD	Report on any operating changes, improvements and impact to Institutional Participants

## 2.2 QBR Meeting Reports and Metrics

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

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

All reports may be modified by Institutional Participants within Preferred Supplier's reasonable capabilities to meet local requirements and service levels. Metrics may be revised upon mutual

agreement between Preferred Supplier and UT System Contract Administrator or the applicable Institutional Participant.

### **3.0 Preferred Supplier Evaluation and Rating**

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

After the initial Agreement implementation period of six (6) months starting on the Effective Date, Preferred Supplier must obtain a minimum composite score of 85 from UT System for each quarter during the remaining term of this Agreement.

### **4.0 Corrective Action Plan**

UT System Contract Administrator will notify Preferred Supplier during a QBR if Preferred Supplier receives a composite score of less than 85 during the previous quarter or a score of Zero ("0") for any KPI. Within fifteen (15) calendar days after receipt of such notice, Preferred Supplier will provide UT System Contract Administrator with a written corrective action plan ("CAP") acceptable to UT System Contract Administrator to address such unacceptable scores. At a minimum, the CAP will address Preferred Supplier's performance issues resulting in unacceptable score(s) and contain a root cause analysis of the problems causing such performance issue, proposed solutions to those problems, proposed process modifications to prevent reoccurrence of such problems, a time frame for Preferred Supplier's implementation of the proposed solutions and process modifications, and the person(s) who will be responsible for Preferred Supplier's implementation of the CAP. The CAP will be presented to the UT System Contract Administrator for concurrence prior to implementation. Concurrence with the CAP by the UT System Contract Administrator will not be unreasonably withheld or delayed. Concurrence with the CAP will not constitute a waiver by UT System to exercise its rights regarding remedies.

### **5.0 Liquidated Damages**

If Preferred Supplier's implementation of the CAP does not result in a minimum composite score of 85 or greater or if two (2) or more KPI's remain with a score of Zero ("0") during the following subsequent calendar quarter then Preferred Supplier agrees to pay UT System \$2,000 per quarter until such time as the composite score is 85 or greater and no more than one KPI has a score of Zero ("0"). The parties agree that the \$2,000 charge shall not be construed as a penalty but as liquidated damages to cover the additional administrative and management cost incurred by UT System to monitor the Preferred Supplier's performance during the period of correction.

### **6.0 Corrective Action and Remedies**

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

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

## 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=vpas&category=resources> and submit the VPAT with Proposer's proposal.

## APPENDIX SIX

### **SECURITY CHARACTERISTICS AND FUNCTIONALITY OF PROPOSER'S INFORMATION RESOURCES**

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

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

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

#### **General Protection of University Records**

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

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

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

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

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

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

### **Access Control**

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

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

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

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

### Use of Data

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

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

data contained in backup systems is not fully sanitized, describe processes in place that would prevent subsequent restoration of backed-up UT System data.

### **Data Transmission**

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

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

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

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

### **Notification of Security Incidents**

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

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

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

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

### **Compliance with Applicable Legal & Regulatory Requirements**

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

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

2. Describe the safeguards Proposer has in place to ensure that systems (including any systems that would hold or process UT System Records, or from which UT System Records may be accessed) that interact with Information Resources reside within the United States of America. If no such controls,

describe Proposer's processes for ensuring that data is protected in compliance with all applicable US federal and state requirements, including export control.

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

**ATTACHMENT A**  
**PRICE SCHEDULE**

*[I presume this will consist of the Price Schedule that you provided to me in Excel format.]*



## **15 COMPANY BACKGROUND INFORMATION**

### **15.1 Supplier Profile Update Notice**

**15.1.1** As part of the UT System Supply Chain Alliance's decision process, we may use your company's background information provided during your registration for award consideration or next steps. We recommend that you take a few minutes to review your company's profile to ensure all information is up to date before proceeding to the next section.

#### **Steps to Access Your Company's Profile:**

- a) From your current Ariba Supplier Portal screen, click on the Home button. The Home button can be located below the M. D. Anderson's logo.
- b) Then click on Update Profile
- c) Review your company's profile
- d) When done, click OK
- e) You will then be taken back to your Events list
- f) From the list, click on the name for this event
- g) Navigate back to this question section

1. I have been made aware by the UT System Supply Chain Alliance that my company's background information may be
2. I had the opportunity to review and update my company's profile.

**15.2** Please provide a brief biography of your company, including such things as when the company was first established, ownership (public or private), where the corporate headquarters is located, any branch locations that exist, information about the company's short and long term goals and objectives, and your mission statement should you have one. We would also be interested in knowing who your target market is, your top five largest customers, number of employees, and

**15.3** Please provide your company's main address, and telephone number.

**15.4** Please provide your company's FEIN.

**15.5** Please provide your company's DUNS number.

**15.6** Please provide the contact information for the individual responsible for the negotiating business terms. (include

**15.7** Please provide the contact information for the individual responsible for negotiating legal terms. (include telephone

**15.8** Provide any details of all past or pending litigation or claims filed against your company that would affect your

**15.9** Has your company, or any of its parents or subsidiaries, ever had a Bankruptcy Petition filed in its name, voluntarily

**15.10** If yes, specify the date, circumstances, and resolution.

**15.11** Is your company currently in default on any loan agreement or financing agreement with any bank, financial

**15.12** If yes, specify date(s), details, circumstances, and prospects for resolution.

**15.13** Is your company currently for sale or involved in any transaction to expand or to become acquired by another

**15.14** If yes, please explain the impact both in organizational and directional terms.

**15.15** If requested, please indicate your company's agreement to provide the company's audited financial statement for the last two (2) years.

## **16 COMPANY REFERENCES**

**16.1** Please provide three existing "non UT System" customers (preferably healthcare or academic) who can be contacted for a reference related to the product and services described in the RFP.

Your customer reference list shall include the company name; contact person including telephone number and email address; scope of services, annual sales volume (\$), and the period of time for which work was performed.

Reference sites should be comparable to the service required by the Alliance and should be contacted by the Proposer in advance of the submittal of the Proposal response to ensure that they are available to provide a reference.

**16.2** If you did not provide your company's DUNS number as requested above, please provide two financial references (1 trade reference and 1 financial institution/bank reference). List should include company name, mailing address, telephone

## **17 ACCOUNT MANAGEMENT AND SERVICES**

**17.1** Will your company assign a senior account manager to manage the overall contractual relationship with the

**17.2** Provide the name, title and brief summary of the individual who will assume overall responsibility for the work to be

**17.3** Please describe how your company would facilitate account management across multiple institutions? Specifically, would your company assign individual account managers to each participating institution or would there be one account

**17.4** Provide a project-staffing plan including a brief summary for all proposed "key" staff members who will be assigned to this account and defining their role in supporting the UT System account.

**17.5** Identify the staff/personnel resources outside of your company that is typically engaged to assist in performing the work contemplated under this RFP and the role they play in performing the services.

**17.6** What is the average response time for an account manager(s) to respond to initial requests from a customer?

**17.7** Will your company assign a dedicated customer service line to support the Alliance institutions?

**17.8** Is your company's support line that will be dedicated to the Alliance institutions based in the United States?

**17.9** What are the general hours of operation for the dedicated customer service representative(s) that would be

**17.10** Please describe the helpline support capabilities your company willing to offer as part of your offering?

**17.11** Provide details as to how sales support and order placement continuity will be maintained when supplier's key personnel are on vacations or holidays, or when illness or emergency strikes.

**17.12** Please describe the elevated or escalation process available for customers?

**17.13** Explain how your company proposes to resolve any complaints, issues or challenges. Please detail your company's problem resolution process for customer complaints and concerns.

**17.14** Does your company provide various services and training programs for the Institutional Participants?

**17.15** If yes, please describe and provide brief details.

Note: Please include any pricing associated with these services and programs on the **Other Service Offerings** tab within the **18 QUALITY MANAGEMENT-METRICS AND SRM**

**18.1** In addition to the Key Performance Indicators (KPIs) set forth in the RFP, please identify the key metrics your company proposes to use to measure the performance in delivering services to UT System.

NOTE: The response should indicate the frequency of the measurement, how it will be used to continually improve performance, and how this information will be shared with UT System.

**18.2** Does your company measure and monitor customer satisfaction?

**18.3** If yes, describe the method used, frequency, and how results are reported. Include sample survey.

## **19 TECHNOLOGY AND TOOLS**

Each Institutional Participant utilizes a variety of ERP Systems, software, ordering methods, tools, technologies and formats (e.g. PeopleSoft, SciQuest, EDI, XML, cXML). The following questions are to further understand your company's ability to

**19.1** Please explain your experience and capabilities to deploy an e-commerce solution to each of these environments:

**19.2** Does your company have the ability to create a custom website portal containing a tailored catalog for the Alliance?

**19.3** Please describe the web based ordering site that your company will provide to UT System Institutional Participants. Please specifically address the site's capabilities as it relates to the following functionality:

Allowing Institutional Participants to search Supplier's catalog based on key word, brand name, description, etc.;

Providing List Price, Discount information and Contract Pricing;

Providing a secure means for storing procurement card information;

Providing tracking/status information after an order is submitted;

Maintaining a database for each Institutional Participant, identifying the Institutional Participant by a unique number, and containing an up-to-date listing of products which have been ordered during the life of the contract; the date and status of each order (including the date of delivery); the quantity and pricing; as well as the contact information for the individual at the Participating Entity that placed the order.

19.4 Does your system provide customers with real time inventory status (available/backorder/out of stock)?

19.5 If yes, please describe at what time(s) during the process inventory can be checked (i.e., product inquiry, placement

19.6 Can your company can provide a paper invoice if required?

19.7 Can invoices be sent in XML format via internet?

19.8 Can invoices be sent via EDI?

19.9 Please indicate which EDI transaction sets your company support.

## 20 RETURNS, CREDITS AND SHORTAGES

20.1 What is the maximum period of time for unconditional (no questions asked) return of new product purchases?

20.2 Provide details of your return policy; what items are not acceptable for return?

20.3

Excluding shipping, what fees are associated with the return of products. (e.g. restocking fee, etc).

20.4 Will you waive any one of the fees listed as part of your offering?

20.5 Does your company provide shipping labels for return products?

20.6 Can paper credit memos be issued if using electronic invoices?

20.7 Provide details of your process for issuance of "credit memos."

20.8 What is your company's mechanism for communicating product shortages? Please explain.

20.9 What system does your company have in place to manage back orders and substitutions?

## 21 SHIPPING AND DELIVERY

21.1 Will your company provide free shipping?

21.2 Describe your distribution model to support the UT System locations and Alliance affiliates across the State of Texas.

21.3 Describe your company's capacity to provide Institutional Participant with desk-top delivery to designated customer locations on their campuses. Identify any limitations, restrictions, or special requirements.

## 22 REPORTING

Describe in this section the capacity of your company to report quarterly sales under the Preferred Supplier Agreement by

22.1 Indicate which standard reports are available? Check all that apply.

22.2 Can your company report quarterly sales for all products sold under each Manufacturer by each Institutional

22.3 How frequently can reports be provided?

22.4 Are reports available real-time via an internet website or portal?

22.5 Please Describe.

22.6 Can the report be downloaded into a usable format, i.e. Excel

22.7 Does your company currently provide custom reporting capabilities?

22.8 Which electronic formats does your company reports support? Check all that apply.

## 23 PRICING AND ADDITIONAL DISCOUNTS

23.1 Will your company allow for quarterly or semi-annual review and revision of the contracted pricing?

23.2 Will your company extend the same discounts on any new products and services that are offered in the

23.3 Will your company offer additional discounts on any large volume purchases?

23.4 Please describe your pricing methodology for large volume discounts.

23.5 If a product is not available or discontinued, will your company offer an equivalent product at the same contracted

## 24 ORDERING PROCESS

24.1 Which order methods does your company support? Check all that apply.

24.2 Does your company require a minimum order value?

24.3 Are there any minimum order quantities per product?

24.4 Does your company provide an electronic order confirmation?

24.5 Does your company order system support a workflow approval hierarchy?

24.6 Can users place orders for multiple pre-approved ship-to addresses?

24.7 Can delivery addresses be specified per order line?

24.8 Can 'Open' orders be saved prior to submission?

24.9 How does your company validate orders for accuracy?

24.10 How does your company validate that invoice prices match the Agreement prices?

24.11 Can your company offer expedited/urgent delivery to UT System locations?

24.12 What is the cut-off time to place an order to ensure next day delivery?

24.13 If yes, please explain the process.

24.14 Is there an additional charge associated with expedited/urgent delivery?

## 25 CONTRACT IMPLEMENTATION

The University of Texas System is comprised of System Administration and 15 institutions of higher education with campuses geographically dispersed across the State of Texas. To develop our service analysis we must understand your

25.1 Can your company provide product and service to all UT System campus locations in Texas?

25.2 If not, please state your specific geographic limitations and include a detailed listing of your city or regional coverage

25.3 Does your company have a dedicated implementation team?

25.4 Does your company have a proven project implementation plan for on-boarding a new contractual

25.5 We are interested in understanding the details surrounding your company's project implementation process.

Specifically, details such as the amount of time required, number of resources required, etc.

Please describe in detail the approach that your company would undertake regarding contract implementation. Please include details of how implementation is handled with minimal disruption to customer business processes

Please attach your plan

25.6 Explain how your company will educate your management team and sales team about the Preferred Supplier

25.7 Explain how your company will market and transition the Preferred Supplier Agreement into the primary offering to

25.8 Define the greatest implementation risks and your company's mitigation strategy.

## 26 INCENTIVES AND REBATES

26.1 Does your company offer incremental sales volume growth rebates?

26.2 Please describe your company's approach to structuring an incremental sales volume growth rebate or incentive.

26.3 Will your company offer an early start-up or transition incentive if awarded a contract?

26.4 Please describe your company's proposed early start-up or transition incentive program.

26.5 Please indicate any incentives offered for e-Commerce utilization by Institutional Participant (e.g., ordering;

26.6 Please indicate any incentives offered for ordering efficiency by Institutional Participants (e.g., number of lines per

26.7 Will your company offer sales promotions in addition to any rebates offered?

26.8 Please describe your company's proposed sales promotions.

26.9 Please list and describe any other incentive your company offers to Institutional Participants.

26.10 Does your company offer prompt payment discounts?

26.11 If Yes, please provide details on the terms of the prompt payment discounts.

## **27 OTHER BUSINESS RELATED**

27.1 Is your company willing to offer an independent employee discount program to employees of the Alliance member

27.2 Please describe the structure of the employee discount program.

27.3 Is your company willing to offer an independent student discount program to students enrolled at Alliance member

27.4 Please describe the structure of the student discount program.

## **28 HISTORICALLY UNDERUTILIZED BUSINESSES (HUB)**

In addition to the completion of the HSP (ref. **Appendix Two**) as part of the RFP requirements, please answer the following

28.1 Is your company a State of Texas certified HUB?

28.2 Does your company have any contractual relationships with any major non-HUB manufacturer?

28.3 Please list each company.

28.4 Does your company have any contractual relationships with State of Texas certified HUB companies?

28.5 Please list each company.

28.6 Please check all value added services below that are currently being subcontracted to a State of Texas certified HUB.

28.7 Please list any additional value add services subcontracted to a State of Texas certified HUB.

## **29 PRODUCT SUSTAINABILITY**

29.1 What Policies are in place to monitor and manage Proposer's supply chain regarding environmental issues? Please

29.2 What type of sustainable packaging/shipping materials do you use? Please check the items that apply.

29.3 Does Proposer have a Green Transportation Plan for your operation? Please check the items that apply.

29.4 What does Proposer do to minimize the environmental costs associated with shipping? Please check the items that

29.5 Does Proposer have an environmental policy statement? Please check the items that apply.

29.6 Has Proposer ever been cited for non-compliance of an environmental or safety issue? Please check the item that

29.7 What programs do you have in place, or planned for promoting resource efficiency? (i.e. an environmental or waste

## **30 COMPETITIVE ADVANTAGE**

30.1 Please identify any challenges and/or difficulties you anticipate in providing services to UT System and how you plan to manage them; what assistance will you require from UT System.

30.2 Briefly describe any special benefits or advantages in selecting your company.

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

30.4 Briefly describe your company's advantage in the marketplace. Please provide only information not previously asked

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

30.6 Please state how your company will maintain its competitive "best value" price and non-price offering long-term.

30.7 Briefly indicate any additional "value added" services or programs not otherwise asked or disclosed herein that

## **31 ADDITIONAL ATTACHMENTS**

If there is additional information that needs to be submitted as an attachment, please use this section.

31.1 Additional attachments and information related to the requirements of the RFP and the survey questions above.



RFP Submittal Deadline: Jan 15<sup>th</sup>, 2014 at 3:00PM (CST)

Addendum Issue Date: December 19<sup>th</sup>, 2013

**ADDENDUM 1**  
REQUEST FOR PROPOSAL  
UTS/A42  
Computer Peripherals

DIRECT QUESTIONS TO: Miguel F. Machado, Telephone (713) 792-0210 or via the Ariba System

ACKNOWLEDGEMENT OF THIS ADDENDUM 1 IS REQUIRED IN ACCORDANCE WITH **SECTION 3 OF APPENDIX ONE**, TO THE RFP. THIS RFP ADDENDUM IS A FURTHERANCE OF RFP **UTS/A42** AND IS NOT A CONTRACT OR OFFER TO CONTRACT.

**Item One:**

The Pre-proposal PowerPoint slide presentation has been posted in Section 32 of the Survey section to the Ariba tool. This document is available for downloading.

**Item Two:**

The Pre-proposal conference attendee list has been posted in Section 32 of the Survey section to the Ariba tool. This document is available for downloading.

**Item Three:**

The HSP Checklist has been posted in Section 32 of the Survey section to the Ariba tool. This document is available for downloading.

**END OF ADDENDUM 1**



RFP Submittal Deadline: January 23<sup>rd</sup> 2014 at 3:30PM

Addendum Issue Date: January 9<sup>th</sup>, 2014

**ADDENDUM 2**  
REQUEST FOR PROPOSAL  
UTS/A42  
COMPUTER PERIPHERALS

DIRECT QUESTIONS TO: Miguel F. Machado, Telephone (713) 792-0210 or via the Ariba System

ACKNOWLEDGEMENT OF THIS ADDENDUM 2 IS REQUIRED IN ACCORDANCE WITH **SECTION 3 OF APPENDIX ONE**, TO THE RFP. THIS RFP ADDENDUM IS A FURTHERANCE OF RFP **UTS/A42** AND IS NOT A CONTRACT OR OFFER TO CONTRACT.

**Item 1**

The RFP has been extended for one additional week. New submission deadline is now **Thursday January 23, 2014 at 3:30PM CST.**

**Item 2**

***Supplier Questions & Answers***

1. Is UT System intending on making a single or multiple awards?  
A: We cannot say at this point. We will need to review the proposals that we receive in response to the RFP to determine what offers best value to UT System.
2. Would UT System consider extending the due date of January 15<sup>th</sup>?  
A: Yes. See Item 1 above.
3. Section 2.4, Key Events Schedule of the RFP reads that the response is due January 15<sup>th</sup> by 3pm CST; however, the website reads that the response is due by 4:30 pm. Could you please confirm the correct response time deadline?  
A: Please refer to Item 1 above.
4. *In reference to Attachment A, Market Basket:*
  - a.) In the event an item is discontinued, would UT System like the respondent to suggest a replacement item?  
A: This will be acceptable in the event that an item is discontinued and no longer available in the market
  - b.) If a respondent is unable to supply an item in the market basket, is it acceptable to leave that blank?  
A: Please put N/A for items that your company is unable to supply.
  - c.) Can we provide the top 50 items in Appendix A, Market Basket as opposed to completing the entire form?

## Supplier Questions & Answers - continued

A: No. The items listed represent approximately 80% of the total spend over the last two years therefore we are requesting that each respondent complete the form for all items which they can provide.

5. *Question 26.3: Will your company offer an early start-up or transition incentive if awarded a contract?*

Could you please clarify what your expectations are for early start-up and transition incentives?

A: We do not have any specific expectation as it relates to transition incentives. This question is asking if your company is willing to offer an early start-up or transition incentive that would incentivize UT System institutions to begin utilizing a contract soon after award.

6. *Appendix Five-Electronic and Information Resources Environment Specs:*

Could you please clarify the EIR requirements? Is Appendix Five also referencing e-procurement and web portal requirements?

A: This is a standard Appendix which is commonly included in all UT System RFPs. However, this Appendix is geared more to information systems and applications than to computer peripheral products. Our expectation is that each proposer responds to the questions in Appendix Six, where applicable, to the best of their ability. If questions in this Appendix are not applicable to the product or service being proposed, please simply respond not applicable to this RFP.

7. *Appendix Six-Security Characteristics and Functionality of Proposer's Info Resources:* Since this is a peripherals catalog offering, the vendor would not have access to the University's records. We comply with all HIPAA regulations and would be happy to provide standard security information showcasing our HIPAA compliance and standard security measures taken to protect customer data. However, most of Appendix Six is not applicable to this project. Could you please confirm expectations for the completion of Appendix Six?

A: This is a standard Appendix which is commonly included in all UT System RFPs. However, this Appendix is geared more to information systems and applications than to computer peripheral products. Our expectation is that each proposer responds to the questions in Appendix Six, where applicable, to the best of their ability. If questions in this Appendix are not applicable to the product or service being proposed, please simply respond not applicable to this RFP.

8. Can you please provide the Ship-to-email address and who the contact person would be?

A: This RFP and resulting contract is to support multiple institutions across the state of Texas. It will be difficult to provide ship-to locations and contact information or even specific purchase quantities for products. Those will all vary greatly.

9. Would you please provide some context on the EIR requirements and their applicability to this opportunity? What specific system or data would this be in reference to?

A: See Response to Question 6.

10. Some of the products listed on the spreadsheet are EOL (end of life) and no longer available. Would it be okay to list a replacement item that may have the same functionality?

A: See Response to Question 4a.



***Supplier Questions & Answers - continued***

11. Can [our company] provide only the price that UT institutions will pay for the item, instead of also providing our cost and mark-up percentage?

A: No. Proposers must provide all the pricing information requested in the market basket spreadsheet.

12. How should Proposers complete the HUB Subcontracting Plan (HSP)?

A: Proposers are strongly advised to contact UT System HUB Coordinator Cynthia Booker at 409-772-1353 or [cbooker@utsystem.edu](mailto:cbooker@utsystem.edu) to obtain the necessary guidance to complete the HSP.

**END OF ADDENDUM 2**