

REQUEST FOR PROPOSAL

by

**The University of Texas System
on behalf of The University of Texas Supply Chain Alliance**

For

**Selection of a Preferred Supplier(s)
To provide
Research Animal Models**

RFP No. UTS/A11

Submittal Deadline: January 15, 2010

Issued: December 4, 2009

REQUEST FOR PROPOSAL

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SECTION 1

INTRODUCTION

1.1 Description of University of Texas System

The University of Texas System is comprised of 15 institutions of higher education with institutions 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 largest education systems in the United States. With an operating budget of over 10 billion dollars, UT System has a current student enrollment exceeding 190,000. UT System employs approximately 80,000 faculty and staff, making UT System one of the largest employers in the State of Texas.

The UT System is comprised of the following institutions:

- **The University of Texas Health Center at Tyler (UTHCT)**
- **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 M.D. Anderson Cancer Center (UTMDACC)**
- **The University of Texas Medical Branch at Galveston (UTMB)**
- **The University of Texas Southwestern Medical Center at Dallas (UTSWMC)**
- The University of Texas at Arlington (UT Arlington)
- The University of Texas at Austin (UT Austin)
- The University of Texas at Brownsville (UTB)
- The University of Texas at Dallas (UTD)
- The University of Texas at El Paso (UTEP)
- The University of Texas at San Antonio (UTSA)
- The University of Texas at Tyler (UTTY)
- The University of Texas of the Permian Basin (UTPB)
- The University of Texas Pan American (UTPA)

The University of Texas System has established The University of Texas System Supply Chain Alliance (the “**Alliance**”) to conduct and coordinate strategic purchasing initiatives across UT System health institutions. **UTHSCT**, **UTHSCH**, **UTHSCSA**, **UTMDACC**, **UTMB**, and **UTSWMC** are members of the Alliance. Through a collaborative relationship among the six health institutions, the University of Texas at Austin, and Baylor College of Medicine the Alliance seeks to combine the supply chain and contracting activities and efforts to obtain best value goods, services, and equipment, 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 these purchasing initiatives across UT System. By participating in this Request for Proposal (“**RFP**”), the Proposer(s) agree to extend all goods, services and pricing to any University of Texas institution or affiliate (“**Institutional Participant**”) that wishes to participate in any final contract formed with Proposer(s).

1.2 Background and Special Circumstances

The estimated value for this RFP is approximately **\$7.5** million dollars annually.

THE ESTIMATED VALUE OF THIS RFP IS AN ESTIMATE ONLY. THE ESTIMATES OF PURCHASE AND USAGE OF RESEARCH ANIMAL MODELS INCLUDED IN THIS RFP ARE ESTIMATES ONLY. ANIMALS PURCHASED UNDER ANY AGREEMENT RESULTING FROM THIS RFP MAY BE MORE OR LESS THAN THE ESTIMATES PROVIDED IN THIS RFP. UT SYSTEM DOES NOT REPRESENT, WARRANT, OR GUARANTEE THAT UT SYSTEM WILL PROCURE ANY PARTICULAR DOLLAR VALUE OR ANY PARTICULAR QUANTITY OF RESEARCH ANIMAL MODELS UNDER ANY AGREEMENT RESULTING FROM THIS RFP. UT SYSTEM SPECIFICALLY DISCLAIMS ANY SUCH REPRESENTATIONS, WARRANTIES, AND GUARANTIES.

UT System, through the Alliance, is seeking to reduce the total cost of ownership of research animal models while creating synergies between UT System, the Alliance and the Preferred Supplier.

1.3 Objective of this Request for Proposal

UT System, on behalf of the Alliance, seeks to identify a supplier or suppliers that will provide the most practical and cost effective business model to service the needs for research animal models and related services (collectively, "**Animals**"). The Animals are more specifically described in **Section 5.4** (Scope of Work) of this RFP.

The successful Proposer or Proposers will be referred to and designated as "**Preferred Supplier.**" The goal of UT System and the Alliance is to team with one or more Preferred Suppliers and develop a relationship that will produce a beneficial long term relationship for all parties. UT System and the Alliance seek to work with the Preferred Supplier(s) to establish practical business processes and procedures that will foster a strong working relationship.

SECTION 2

NOTICE TO PROPOSER

2.1 Submittal Deadline

UT System will accept proposals submitted in response to this RFP until 3:00 p.m., Central Prevailing Time on January 15, 2010 (the “**Submittal Deadline**”).

2.2 University Contact Person

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

Christopher Gross
Contract Manger
The University of Texas System Supply Chain Alliance
Strategic Sourcing Team
Phone: 713-745-8339
Email: cgross@mdanderson.org

UT System specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications forwarded to the Contact. The Contact must receive all questions or concerns no later than Friday, January 7, 2009 at 5:00 P.M. UT System will have a reasonable amount of time to respond to questions or concerns. UT System’s intent is 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

The successful Proposer(s), if any, selected by UT System and the Alliance in accordance with the requirements and specifications set forth in this RFP will be the Proposer(s) that submits a proposal in response to this RFP on or before the Submittal Deadline that is the most advantageous to UT System and the Alliance. Proposer(s) is encouraged to propose terms and conditions offering the best value to UT System.

A team of Veterinary Medicine professionals from the Alliance will assist in evaluating proposals. The evaluation of proposals and the selection of a Preferred Supplier(s) will be based on the information provided by Proposer in its proposal. UT System and the Alliance may give consideration to additional information if UT System and the Alliance deem such information relevant.

The criteria to be considered by UT System for the Alliance in evaluating proposals and selecting Preferred Supplier(s) will be those factors listed below:

2.3.1 Threshold Criteria Not Scored

2.3.1.1 Ability of Proposer(s) to comply with laws regarding Historically Underutilized Businesses; and

2.3.1.2 Ability of Proposer(s) to comply with laws regarding Persons with Disabilities.

2.3.2 Scored Criteria

- 2.3.2.1 the cost of goods and services;
- 2.3.2.2 the reputation of the Proposer and of the Proposer's goods or services;
- 2.3.2.3 the quality of the Proposer's goods or services;
- 2.3.2.4 the extent to which the goods or services meet UT System needs;
- 2.3.2.5 the Proposer's past relationship with UT System and the Alliance and affiliates;
- 2.3.2.6 the total long-term cost to the Alliance of acquiring the Proposer's goods or services; including the Proposer's ability to provide or arrange service for their goods;
- 2.3.2.7 the content of Proposer's proposal; and Proposer's exceptions, if any, to the terms and conditions identified in this RFP (ref. Sections 4 and 5.3.1 of this RFP)

2.4 Key Events Schedule

Issuance of RFP	December 4, 2009
Pre-Proposal Conference (ref. Section 2.6 of this RFP)	December 14, 2009
Deadline for Questions/Concerns (ref. Section 2.2 of this RFP)	January 7, 2010
Submittal Deadline (ref. Section 2.1 of this RFP)	3:00 p.m. Central Prevailing Time on January 15, 2010

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, the Proposer subcontracts any of the Services, then Proposer must make a good faith effort to utilize HUBs certified by the Texas Procurement and Support Services ("TPSS") or any successor agency. Proposals that fail to comply with the requirements contained in this Section 2.4 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 on behalf of the Alliance, its obligation to make a good faith effort to utilize HUBs when subcontracting any of the Services will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of Animals by the 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 20.14, and has determined that subcontracting opportunities are not 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 THREE** and incorporated for all purposes.

*Each Proposer must complete and return the HSP in accordance with the terms and conditions of this RFP, including **APPENDIX THREE**. Proposers that fail to do so will be considered non-responsive to this RFP in accordance with Section 2161.252, 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 THREE** that sets forth all changes requested by Preferred Supplier; (2) Preferred Supplier provides UT System with such a 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 the 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 Proposer submits its proposal to UT System (ref. Section **3.1** of this RFP). The signed copy of the HSP must be submitted electronically utilizing the Ariba® E-sourcing tool (the “**HSP Packet**”). 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 will 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 the Proposer, in order to ensure that the 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 required by this RFP will result in the rejection of the proposal submitted by that Proposer as non-responsive due to material failure to comply with advertised specifications; such a proposal 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 copy of the HSP Packet under this Section **2.4.4** 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

The Alliance, on behalf of UT System, will hold a pre-proposal conference at 11:00 A.M., Central Standard Time on December 14, 2009, in the Bank of America Building at 1020 Holcombe Blvd. Suite 1450, Houston, TX, 77030. The pre proposal conference will allow all Proposers an opportunity to ask Alliance, the Strategic Sourcing Team, and UT System HUB representatives relevant questions and clarify provisions of this RFP. Proposer should notify the Contact

whether they will attend the Pre-Proposal Conference no later than December 10, 2009, by emailing the Contact at cgross@mdanderson.org

Questions related to this RFP must be sent via email exclusively to the Contact via the Ariba e-sourcing tool. All questions must be received no later than January 7, 2010 at 5:00 P.M. Questions received after this time will not be accepted. All questions and UT System response will be provided as an addendum to this RFP.

SECTION 3

SUBMISSION OF PROPOSAL

3.1 Electronic Submission Notice

Submittal of proposals in response to this RFP will be conducted entirely electronically utilizing UTMDACC's Ariba® E-sourcing tool. To register for participation in this RFP, please email or call the 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.

3.4 Terms and Conditions

3.4.1 Proposer must comply with the requirements and specifications contained in this RFP, including the Agreement (ref. **APPENDIX TWO**), the Notice to Proposer (ref. **Section 2** 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 lower price for Animals will prevail, or if such conflict does not involve quality or price, then interpretation will be in the following order of precedence:

- 3.4.1.1. Specifications, Additional Questions and Scope of Work (ref. **Section 5** of this RFP);
- 3.4.1.2. Agreement (ref. **APPENDIX TWO**);
- 3.4.1.3. Proposal Requirements (ref. **APPENDIX ONE**);
- 3.4.1.4. Notice to Proposers (ref. **Section 2** of this RFP).

3.5 Submittal Checklist

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

- 3.5.1 Signed and Completed Execution of Offer (ref. **Section 2** of **APPENDIX ONE**)
- 3.5.2 Signed and Completed Pricing and Delivery Schedule (ref. **Section 6** of this RFP)
- 3.5.3 Responses to Proposer's Survey

- 3.5.4 Signed and Completed Addenda Checklist (ref. Section 4 of **APPENDIX ONE**)
- 3.5.5 Responses to Animal models Price Schedule (ref. **ATTACHMENT A** of this RFP)
- 3.5.6 Signed and completed originals of the HUB Subcontracting Plan or other applicable documents (ref. **Section 2.5** of this RFP and **APPENDIX THREE**).

SECTION 4**GENERAL TERMS AND CONDITIONS**

The terms and conditions contained in the attached Agreement (ref. **APPENDIX TWO**) or, in the sole discretion of UT System, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any agreement that results from this RFP. If Proposer takes exception to any terms or conditions set forth in the Agreement, Proposer will submit a list of the exceptions as part of its proposal in accordance with **Section 5.3.1** 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, then 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 minimum requirements and the specifications for the products and service, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below. As indicated in **Section 1.3** of this RFP, the successful Proposer is referred to as the “**Preferred Supplier.**”

The Strategic Sourcing Team has assembled a team of Subject Matter Experts (“**SME’s**”) from UT System institutions to assist in the development of the sourcing event and the evaluation of suppliers during this process. The SME’s have been involved in the process from the sourcing events initial inception and will work to select the best value supplier(s) to contract with UT System. These SME’s are made up of Veterinary Medicine professionals at Alliance Institutions and UT Austin. Proposers should ensure UT System has visibility into an offering that differentiates itself based upon the ability to minimize risks, add value, demonstrate financial and technical benefits, and show a high level of quality.

The Alliance’s goal is to partner with a Preferred Supplier(s) to develop a beneficial relationship long term. This growth in the relationship will require work from both the Preferred Supplier(s) and Institutional Participant. The Institutional Participants responsibilities will be outlined in a formal Institutional Participation Agreement (IPA) which is executed by the Institutional Participant before the Preferred Supplier(s) extend any new pricing.

5.2 Minimum Requirements

Each Proposal must include information that clearly indicates that the Proposer meets each of the following minimum qualification requirements:

- 5.2.1 Proposer must be able to provide an administrative fee of 1.0% of total combined sales with each Institutional Participant.
- 5.2.2 Ship all Animals F.O.B destination.
- 5.2.3 Proposer should have verifiable successful experience in the last ten (10) years in providing the range of products and services specified in this RFP.

5.3 Additional Questions Specific to this RFP

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

- 5.3.1 If Proposer takes exception to any terms or conditions set forth in the Agreement (ref. **APPENDIX TWO**), Proposer must submit a list of the exceptions.
- 5.3.2 Proposers should provide answers to the questions listed in the Proposer Survey to the best of Proposer’s knowledge because the responses may be incorporated into the Agreement. The questions in Proposer Survey will provide UT System with additional information about Proposer and various efficiencies and economies of scale that Proposer may provide to UT System.

5.4 Scope of Work

UT System is soliciting pricing and service offerings from all providers of Animals. The Animals listed in this RFP include, but are not limited to, mice, rats, guinea pigs, and related services. UT System will evaluate all proposals and select the “best value” Proposer(s). UT System is requiring that each Proposer provide the best overall pricing structure that can be offered.

The successful Proposer(s) will provide Animals to UT System institutions. As such, the focus is on identifying all cost associated with the sale of Animals. UT System is seeking to quantify all fees and work towards solutions that will minimize total cost of ownership. Please see the Price Schedule (ref. **Section 5.5**) and the Proposer Survey to this RFP. Proposers should provide, as part of this survey, detailed information about the quality control (QC) processes, technical capabilities, customer service offerings, and other value added services for Animals.

This RFP seeks to create synergies between UT System and the awarded Proposer(s). As such, the awarded Proposer(s) will be enrolled in the Alliance’s Supplier Relationship Management Program (**SRM**) to monitor Proposer’s performance and pricing. UT System expects Proposer to work closely with the Alliance and each Institutional Participant that will produce benefits for all parties involved in the relationship.

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

UT System may ask Proposer(s) to provide a formal presentation, prior to contract award, with additional information to SME’s or the Strategic Sourcing Team. This presentation will allow the Alliance to clarify any technical, quality, or price based questions that may arise as part of the Proposer’s response.

5.5 Attachment A – Price Schedule

As an attachment to this RFP, UT System has provided a Pricing Schedule that will allow Proposers to submit pricing for Animals sold. This Pricing Schedule allows suppliers to see some commonly purchased Animals and gives the Proposer the opportunity to quote on currently purchased Animals.

- 5.5.1 Proposers understand that UT System has only provided a sampling of Animals currently being purchased.
- 5.5.2 Proposers understand that the Animals provided are that of existing suppliers and that there may be some “cross-referencing” work involved in the submission of a response.
- 5.5.3 Proposers understand that Animals proposed must be Animals with identical type, origin, color and research application typically used for the model.

SECTION 6

PRICING AND SERVICE AFFIRMATION

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System

Ref.: Selection of a Preferred Supplier(s) to provide Research Animal Models

RFP No.: UTS/A11

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the services required pursuant to the above-referenced Request for Proposal upon the terms quoted below.

6.1 Price and Service Quotation

The prices quoted in **Attachment A - Price Schedule**, shall be UT System price for Animals, and there shall be no separate or additional charges, fees, handling or other incidental costs associated in the acquisition of the Animals.

Proposer certifies and agrees that all prices, rebates, and incentives proposed in Proposer Survey and **Price Schedule** have been reviewed and are the final proposed price and service offerings for this initial RFP response.

6.2 Administrative Fees

Proposer agrees that if Proposer is awarded a contract, it will provide a quarterly administrative fee of 1.0% of the total combined sales with each Institutional Participant. This administrative fee will be used by UT System to provide support in the contract implementation, administration, monitoring, and management of the Preferred Supplier.

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

**APPENDIX ONE
PROPOSAL REQUIREMENTS**

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SECTION 1

GENERAL INFORMATION**1.1 Purpose**

UT System is soliciting competitive sealed proposals from Proposers having suitable qualifications and experience providing 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 services to be performed, the detailed requirements of the services to be provided, and the conditions under which such 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 the 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 mail its response as an Addendum to all parties recorded by UT System as having received a copy of this RFP. Only UT System 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 as specified in this Section. The Proposer must acknowledge all Addenda by completing, signing and returning the Addenda Checklist (ref. **Section 3 of APPENDIX ONE**). The Addenda Checklist must be received by UT System prior to the Submittal Deadline and should accompany the Proposer's proposal.

Any interested party that receives this RFP by means other than directly from UT System is responsible for notifying UT System that it has received an RFP package, and should provide its name, address, telephone number and FAX number to UT System, so that if UT System issues Addenda to this RFP or provides written answers to questions, that information can be provided to such party.

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 a contract with UT System in a form substantially similar to the Agreement between UT System and Preferred Supplier (the "**Agreement**") attached to this RFP as **APPENDIX TWO** and incorporated for all purposes.

1.5 Proposal Evaluation Process

UT System will select the 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 the Proposer's proposal in order to ensure that the Proposer has submitted the number of completed and signed originals of the Proposer's HUB Subcontracting Plan (also called the HSP) that are required by this RFP (ref. **Section 2.5** of the RFP.) All proposals submitted by the Submittal Deadline accompanied by the number of completed and signed originals of the HSP that are required by this RFP will be opened publicly to identify the name of each Proposer submitting a proposal. Any proposals that are not submitted by the Submittal Date or that are not accompanied by the number of completed and signed originals of the HSP that are 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 the Preferred Supplier.

UT System may make the selection of the 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 the Preferred Supplier on the basis of negotiation with any of the Proposers. In conducting such negotiations, UT System will avoid disclosing the contents of competing proposals.

At UT System 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 the 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 the Preferred Supplier is made, UT System may permit a Proposer to revise its proposal in order to obtain the 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 the 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 and Additional Questions (ref. **Section 5** of this RFP), [d] the terms and conditions set forth in **APPENDIX TWO** 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 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 the 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 in Specifications and Additional Questions (ref. **Section 5** of this RFP). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer should explain the reason when responding N/A or N/R.

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 the 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 and Delivery Schedule

Proposer must complete and return the Pricing and Service Affirmation (ref. **Section 6** of this RFP), as part of its proposal. In the Pricing and Service Affirmation, the Proposer should describe in detail (a) the total fees for the entire scope of the services; and (b) the method by which the fees are calculated. The fees must inclusive of all associated costs for delivery, labor, insurance, taxes, overhead, and profit.

UT System will not recognize or accept any charges or fees to perform the services that are not specifically stated in the Pricing and Service Affirmation.

In the Pricing and Service Affirmation, Proposer should describe each significant phase in the process of providing the services to UT System, and the time period within which Proposer proposes to be able to complete each such phase.

1.9.4 Proposer's General Questionnaire

Proposals must include responses to the questions in Proposer's Survey (ref. **Section 5**). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer should explain the reason when responding N/A or N/R.

1.9.5 Addenda Checklist

Proposer should acknowledge all Addenda to this RFP (if any) by completing, signing and returning the Addenda Checklist (ref. **Section 3** of **APPENDIX ONE**) as part of its proposal. Any proposal received without a completed and signed Addenda Checklist may be rejected by UT System, in its sole discretion.

1.9.6 Submission

Proposer should submit all proposal materials via UT MD Anderson Cancer Center's Ariba® e-sourcing tool. Proposer should ensure that all documents are submitted electronically in accordance with the instructions of this RFP.

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

Upon Proposer's request and at Proposer's expense, UT System will return to a Proposer its proposal received after the Submittal Deadline if the proposal is properly identified. UT System will not under any circumstances consider a proposal that is received after the Submittal Deadline or which is not accompanied by the number of completed and signed originals of the HSP that are 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 an 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 THE 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 services.
 - 2.1.3 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the services.
 - 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 APPENDIX FOUR 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 subcontractor, 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 the 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 furnish the goods and services to UT System and 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 the 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 the 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 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 and (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. 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 the University 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.: _____

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.

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)

SECTION 3
ADDENDA CHECKLIST

Proposal of: _____
(Proposer Company Name)

To: The University of Texas _____

Ref.: _____ Services related to the _____

RFP No.: _____

Ladies and Gentlemen:

The undersigned Proposer hereby acknowledges receipt of the following Addenda to the captioned RFP (initial if applicable).

No. 1 _____ No. 2 _____ No. 3 _____ No. 4 _____ No. 5 _____

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

APPENDIX TWO

AGREEMENT

LAST REVISED 1/20/09

AGREEMENT BETWEEN UT SYSTEM AND PREFERRED SUPPLIER

This Agreement between UT System and Preferred Supplier ("**Agreement**") is made and entered into effective as of _____, 20____ (the "**Effective Date**"), by and between **The University of Texas System**, an agency and institution of higher education established under the laws of the State of Texas ("**UT System**"), and _____, a _____ ("**Preferred Supplier**"), Federal Tax Identification Number _____.

UT System and Preferred Supplier hereby agree as follows:

1. **Scope of Work.**

- 1.1 Preferred Supplier will perform the scope of the work ("**Work**") set forth in **Exhibit A**, Scope of Work, attached and incorporated for all purposes, to the satisfaction of UT System and in accordance with the schedule ("**Schedule**") for the Work set forth in **Exhibit B**, Schedule, attached and incorporated for all purposes. Time is of the essence in connection with this Agreement. UT System will have no obligation to accept late performance or waive timely performance by Preferred Supplier.
- 1.2 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 the performance of the Work.

2. **The Project.**

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

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

The term of this Agreement will begin on the Effective Date and expire on _____, 20____. UT System will have the option to renew this Agreement for _____ (____) additional _____ (____) year terms.

4. **Preferred Supplier's Obligations.**

- 4.1 Preferred Supplier will perform the Work in compliance with all applicable federal, state and local, laws, regulations, and ordinances. Preferred Supplier represents and warrants that neither Preferred Supplier nor any firm, corporation or institution represented by Preferred Supplier, or anyone acting for the firm, corporation or institution, (1) has violated the antitrust laws of the State of Texas, Chapter 15, *Texas Business and Commerce Code*, or federal antitrust laws, or (2) has communicated directly or indirectly the content of 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 for this Agreement.

- 4.2 Preferred Supplier represents, warrants and agrees that (a) it will use commercially reasonable efforts to perform the Work in a good and workmanlike manner and in accordance with commercially reasonable standards of Preferred Supplier's profession or business, and (b) all of the Work to be performed will be of the quality that prevails among similar businesses engaged in providing similar services in major United States urban areas under the same or similar circumstances.
- 4.3 Preferred Supplier will call to UT System's attention in writing all information in any materials supplied to Preferred Supplier (by UT System or any other party) that Preferred Supplier regards as unsuitable, improper or inaccurate in connection with the purposes for which the material is furnished.
- 4.4 Preferred Supplier warrants and agrees that the Work will be accurate and free from any material defects. Preferred Supplier's duties and obligations under this Agreement will at no time be in any way diminished by reason of any approval by UT System nor will Preferred Supplier be released from any liability by reason of any approval by UT System, it being agreed that UT System at all times is relying upon Preferred Supplier's skill and knowledge in performing the Work.
- 4.5 Preferred Supplier will, at its own cost, correct all material defects in the Work as soon as practical after Preferred Supplier becomes aware of the defects. If Preferred Supplier fails to correct material defects in the Work within a reasonable time, then UT System may correct the defective Work at Preferred Supplier's expense. This remedy is in addition to, and not in substitution for, any other remedy for defective Work that UT System may have at law or in equity.
- 4.6 Preferred Supplier will maintain a staff of properly trained and experienced personnel to ensure satisfactory performance under this Agreement. Preferred Supplier will cause all persons connected with Preferred Supplier directly in charge of the Work to be duly registered and/or licensed under all applicable federal, state and local, laws, regulations, and ordinances. Preferred Supplier will assign to the Project a designated representative who will be responsible for the administration and coordination of the Work.
- 4.7 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.
- 4.8 Preferred Supplier represents and warrants that neither the execution and delivery of this Agreement by Preferred Supplier nor the performance of its duties and obligations under this Agreement 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.

- 4.9 Preferred Supplier represents and warrants that: (i) the Work will be performed solely by Preferred Supplier, its full-time or part-time employees during the course of their employment, or independent contractors who have assigned in writing all right, title and interest in their work to Preferred Supplier for the benefit of UT System; (ii) UT System will receive free, good and clear title to all Work Material developed under this Agreement; (iii) the Work Material and the intellectual property rights protecting the Work Material are free and clear of all encumbrances, including security interests, licenses, liens, charges or other restrictions; (iv) the Work Material will not infringe upon or violate any patent, copyright, trade secret, trademark, service mark or other property right of any former employer, independent contractor, client or other third party; and (v) the use, reproduction, distribution, or modification of the Work Material will not violate the rights of any third parties in the Work Material, including trade secret, publicity, privacy, copyright, trademark, service mark and patent rights.
- 4.10 If this Agreement requires Preferred Supplier's presence on UT System's premises or in UT System's facilities, Preferred Supplier agrees to cause its employees, representatives, agents, or subcontractors to become aware of, fully informed about, and in full compliance with all applicable UT System rules and policies, including those relative to personal health, security, environmental quality, safety, fire prevention, noise, smoking, and access restrictions.

5. The Contract Amount.

- 5.1 So long as Preferred Supplier has provided UT System with its current and accurate Federal Tax Identification Number in writing, UT System will pay Preferred Supplier for the performance of the Work as more particularly set forth in **Exhibit C**, Payment for Services, attached and incorporated for all purposes.
- 5.2 The Contract Amount includes all applicable federal, state or local sales or use taxes payable as a result of the execution or performance of this Agreement.
- 5.3 UT System, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on the Work in accordance with Section 151.309, *Texas Tax Code*, and Title 34 *Texas Administrative Code* ("**TAC**") Section 3.322.

6. Payment Terms.

- 6.1 At least ten (10) days before the end of each calendar month during the term of this Agreement, Preferred Supplier will submit to UT System an invoice covering the services performed for UT System to that date, in compliance with **Exhibit C**, Payment for Services. Each invoice will be accompanied by documentation that UT System may reasonably request to support the invoice amount. UT System will, within twenty-one (21) days from the date it receives an invoice and supporting documentation, approve or disapprove the amount reflected in the invoice. If UT System approves the amount or any portion of the amount, UT System will promptly pay (each a "**Progress Payment**") to Preferred Supplier the amount approved so

long as Preferred Supplier is not in default under this Agreement. If UT System disapproves any invoice amount, UT System will give Preferred Supplier specific reasons for its disapproval in writing.

- 6.2 Within ten (10) days after final completion of the Work and acceptance of the Work by UT System or as soon thereafter as possible, Preferred Supplier will submit a final invoice ("**Final Invoice**") setting forth all amounts due and remaining unpaid to Preferred Supplier. Upon approval of the Final Invoice by UT System, UT System will pay ("**Final Payment**") to Preferred Supplier the amount due under the Final Invoice.
- 6.3 Notwithstanding any provision of this Agreement to the contrary, UT System will not be obligated to make any payment (whether a Progress Payment or Final Payment) to Preferred Supplier if Preferred Supplier is in default under this Agreement.
- 6.4 The cumulative amount of all Progress Payments and the Final Payment (defined below) will not exceed the Contract Amount as more particularly set forth in **Exhibit C**, Payment for Services.
- 6.5 No payment made by UT System will (a) be construed to be final acceptance or approval of that part of the Work to which the payment relates, or (b) relieve Preferred Supplier of any of its duties or obligations under this Agreement.
- 6.6 The acceptance of Final Payment by Preferred Supplier will constitute a waiver of all claims by Preferred Supplier except those previously made in writing and identified by Preferred Supplier as unsettled at the time of the Final Invoice for payment.
- 6.7 UT System 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 Project; and (c) other reasonable action.
- 6.8 Notwithstanding any other provision of this Agreement, UT System is entitled to a "**Prompt Payment Discount**" of ____% off of each payment that UT System submits within ____days after UT System's receipt of Preferred Supplier's invoice for that payment.

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

- 7.1 All drawings, specifications, plans, computations, sketches, data, photographs, tapes, renderings, models, publications, statements, accounts, reports, studies, and other materials prepared by Preferred Supplier or any subcontractors in connection with the Work (collectively, "**Work Material**"), whether or not accepted or rejected by UT System, are the sole property of UT System and for its exclusive use and re-use at any time without further compensation and without any restrictions.
- 7.2 Preferred Supplier grants and assigns to UT System all rights and claims of whatever nature and whether now or hereafter arising in and to the Work Material and will cooperate fully with UT System in any steps UT System may take to obtain or enforce patent, copyright, trademark or like protections with respect to the Work Material.

- 7.3 Preferred Supplier will deliver all Work Material to UT System upon expiration or termination of this Agreement. UT System will have the right to use the Work Material for the completion of the Work or otherwise. UT System may, at all times, retain the originals of the Work Material. The Work Material will not to be used by any person other than UT System on other projects unless expressly authorized by UT System in writing.
- 7.4 The Work Material will not be used or published by Preferred Supplier or any other party unless expressly authorized by UT System in writing. Preferred Supplier will treat all Work Material as confidential.

8. Default and Termination.

- 8.1 In the event of a material failure by a party to this Agreement to perform in accordance with the terms of this Agreement (“**default**”), the other party may terminate this Agreement upon fifteen (15) days’ written notice of termination setting forth the nature of the material failure; provided, that, the material failure is through no fault of the terminating party. The termination will not be effective if the material failure is fully cured prior to the end of the fifteen-day period.
- 8.2 UT System may, without cause, terminate this Agreement at any time upon giving seven (7) days’ advance written notice to Preferred Supplier. Upon termination pursuant to this Section, Preferred Supplier will be entitled to payment of an amount that will compensate Preferred Supplier for the Work satisfactorily performed from the time of the last payment date to the termination date in accordance with this Agreement; provided, that, Preferred Supplier has delivered all Work Material to UT System. Notwithstanding any provision in this Agreement to the contrary, UT System will not be required to pay or reimburse Preferred Supplier for any services performed or for expenses incurred by Preferred Supplier after the date of the termination notice that could have been avoided or mitigated by Preferred Supplier.
- 8.3 Termination under **Sections 8.1** or **8.2** will not relieve Preferred Supplier from liability for any default or breach under this Agreement or any other act or omission of Preferred Supplier.
- 8.4 If Preferred Supplier fails to cure any default within fifteen (15) days after receiving written notice of the default, UT System will be entitled (but will not be obligated) to cure the default and will have the right to offset against all amounts due to Preferred Supplier under this Agreement, any and all reasonable expenses incurred in connection with UT System’s curative actions.

9. Indemnification

- 9.1 TO THE FULLEST EXTENT PERMITTED BY LAW, PREFERRED SUPPLIER WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UT SYSTEM, AND HOLD HARMLESS UT SYSTEM AND THE UT SYSTEM OF TEXAS SYSTEM, AND THEIR RESPECTIVE AFFILIATED ENTERPRISES, REGENTS, OFFICERS, DIRECTORS, ATTORNEYS, EMPLOYEES, REPRESENTATIVES AND AGENTS (COLLECTIVELY "INDEMNITEES") FROM AND AGAINST ALL DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, EXPENSES, AND OTHER CLAIMS OF ANY NATURE, KIND, OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING (COLLECTIVELY "CLAIMS") BY ANY PERSON OR ENTITY, ARISING OUT OF, CAUSED BY, OR RESULTING FROM 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.
- 9.2 IN ADDITION, PREFERRED SUPPLIER WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UT SYSTEM, 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 SYSTEM WILL PROMPTLY NOTIFY PREFERRED SUPPLIER AND PREFERRED SUPPLIER WILL BE GIVEN THE OPPORTUNITY TO NEGOTIATE A SETTLEMENT. IN THE EVENT OF LITIGATION, UT SYSTEM AGREES TO REASONABLY COOPERATE WITH PREFERRED SUPPLIER. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

10. Relationship of the Parties.

For all purposes of this Agreement and notwithstanding any provision of this Agreement to the contrary, Preferred Supplier is an independent contractor and is not a state employee, partner, joint venturer, or agent of UT System. Preferred Supplier will not bind nor attempt to bind UT System 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.

11. Insurance.

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

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

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

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

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

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

11.1.3 Commercial Automobile Liability Insurance covering all owned, non-owned or hired automobiles, with coverage for at least \$1,000,000 Combined Single Limit Bodily Injury and Property Damage;

11.1.4 Professional Liability Insurance with limits of not less than \$1,000,000 per claim.

11.1.5 Umbrella/Excess Liability Insurance with limits of not less than \$2,000,000 per occurrence and aggregate with a deductible of no more than \$10,000, and (i) providing coverage in excess of the coverages of, and (ii) "following form" subject to the same provisions as, the underlying policies required in **Section 11.1.1** Employers Liability Insurance, **Section 11.1.2** Commercial General Liability Insurance, and **Section 11.1.3** Commercial Auto Liability Insurance.

11.2 Preferred Supplier will deliver to UT System:

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

11.2.2 Additional evidence, satisfactory to UT System in its sole discretion, of the continued existence of all insurance not less than thirty (30) days prior to the expiration of any insurance. Insurance policies, with the exception of Workers' Compensation, will name and the evidence will reflect UT System as an Additional Insured and will provide that the policies will not

be canceled until after thirty (30) days' unconditional written notice to UT System.

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

11.3.1 Commercial General Liability Insurance, Commercial Automobile Liability Insurance, Professional Liability Insurance and Umbrella/Excess Liability Insurance, will be kept in force until receipt of Final Payment by Preferred Supplier to UT System; and

11.3.2 Workers' Compensation Insurance and Employer's Liability Insurance will be kept in force until the Work has been fully performed and accepted by UT System in writing.

12. Miscellaneous.

12.1 **Assignment and Subcontracting.** Except as specifically provided in **Exhibit E**, Historically Underutilized Business Subcontracting Plan, attached and incorporated for all purposes, Preferred Supplier's interest in this Agreement (including Preferred Supplier's duties and obligations under this Agreement, and the fees due to Preferred Supplier under this Agreement) may not be subcontracted, assigned, delegated, or otherwise transferred to a third party, in whole or in part, and any attempt to do so will (a) not be binding on UT System; and (b) be a breach of this Agreement for which Preferred Supplier will be subject to all remedial actions provided by Texas law, including Chapter 2161, *Texas Government Code*, and 34 TAC Chapter 20, §§20.101 – 20.108. The benefits and burdens of this Agreement are assignable by UT System.

12.2 **Texas Family Code Child Support Certification.** Pursuant to Section 231.006, *Texas 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.

12.3 **Eligibility Certifications.** Pursuant to Sections 2155.004 and 2155.006, *Texas Government Code*, Preferred Supplier certifies that the individual or business entity named in this Agreement 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.

12.4 **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.

12.5 **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 the debt or delinquency is paid in full.

- 12.6 **Products and Materials Produced in Texas.** Preferred Supplier covenants and agrees that as required by Section 2155.4441, *Texas Government Code*, in performing the Work and its other duties and obligations under this Agreement, Preferred Supplier will purchase products and materials produced in Texas when the products and materials are available at a price and delivery time comparable to products and materials produced outside of Texas.
- 12.7 **Loss of Funding.** UT System performance of its duties and obligations 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 UT System 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 System will issue written notice to Preferred Supplier and UT System may terminate this Agreement without further duty or obligation hereunder. Preferred Supplier acknowledges that appropriation, allotment, and allocation of funds are beyond the control of UT System.
- 12.8 **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 both UT System and Preferred Supplier.
- 12.9 **Force Majeure.** Neither party hereto will be liable or responsible to the other for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character (“**force majeure occurrence**”). Provided, however, in the event of a force majeure occurrence, Preferred Supplier agrees to use its best efforts to mitigate the impact of the occurrence so that UT System may continue to provide healthcare services during the occurrence.
- 12.10 **Captions.** The captions of sections and subsections in this Agreement are for convenience only and will not be considered or referred to in resolving questions of interpretation or construction.
- 12.11 **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 to this Agreement and all of the terms and conditions of this Agreement will be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas.
- 12.12 **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.
- 12.13 **Confidentiality and Safeguarding of UT System Records; Press Releases; Public Information.** Under this Agreement, Preferred Supplier may (1) create, (2) receive from or on behalf of UT System, or (3) have access to, records or record systems (collectively, “**UT System Records**”). Among other things, UT System Records may contain social security numbers and be subject to federal,

state and local, laws, regulations, and ordinances, including the Family Educational Rights and Privacy Act (“**FERPA**”), 10 U.S.C. Section 1232g. If UT System Records are subject to FERPA, (1) UT System designates Preferred Supplier as a UT System official with a legitimate educational interest in UT System Records, and (2) Preferred Supplier acknowledges that its improper disclosure or redisclosure of personally identifiable information from UT System Records will result in Preferred Supplier’s exclusion from eligibility to contract with UT System for at least five (5) years. Preferred Supplier represents, warrants, and agrees that it will: (1) hold UT System Records in strict confidence and will not use or disclose UT System Records except as (a) permitted or required by this Agreement, (b) required by law, or (c) otherwise authorized by UT System in writing; (2) safeguard UT System Records according to reasonable administrative, physical and technical standards that are no less rigorous than the standards by which Preferred Supplier protects its own confidential information; and (3) continually monitor its operations and take any action necessary to assure that UT System Records are safeguarded and the confidentiality of UT System Records is maintained in accordance with all applicable federal, state and local, laws, regulations, and ordinances, including FERPA, and the terms of this Agreement. At the request of UT System, Preferred Supplier agrees to provide UT System with a written summary of the procedures Preferred Supplier uses to safeguard and maintain the confidentiality of UT System Records.

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

12.13.2 **Return of UT System Records.** Preferred Supplier agrees that within thirty (30) days after the expiration or termination of this Agreement, for any reason, all UT System Records created or received from or on behalf of UT System will be (1) returned to UT System, with no copies retained by Preferred Supplier; or (2) if return is not feasible, destroyed. Twenty (20) days before destruction of any UT System Records, Preferred Supplier will provide UT System with written notice of Preferred Supplier’s intent to destroy UT System Records. Within five (5) days after destruction, Preferred Supplier will confirm to UT System in writing the destruction of UT System Records.

12.13.3 **Disclosure.** If Preferred Supplier discloses any UT System 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.

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

12.13.5 **Public Information.** UT System 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*.

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

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

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

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

12.16 **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: _____

Attention: _____

with copy to: _____

Attention: _____

If to Preferred Supplier: _____

Attention: _____

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

Notwithstanding any other requirements for notices given by a party under this Agreement, if Preferred Supplier intends to deliver written notice to UT System pursuant to Section 2251.054, *Texas Government Code*, then Preferred Supplier will send that notice to UT System as follows:

Fax: _____
Email: _____
Attention: _____

with copy to: _____

Fax: _____
Email: _____
Attention: _____

or other person or address as may be given in writing by UT System to Preferred Supplier in accordance with this Section.

- 12.17 **Severability.** In case any provision of this Agreement will, for any reason, be held invalid or unenforceable in any respect, the invalidity or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if the invalid or unenforceable provision had not been included.
- 12.18 **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), *Texas Education Code*. Preferred Supplier agrees to cooperate with the Auditor in the conduct of the audit or investigation, including providing all records requested. Preferred Supplier will include this provision in all contracts with subcontractors.
- 12.19 **Limitation of Liability.** Except for UT System's obligation (if any) to pay Preferred Supplier certain fees and expenses UT System 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 System 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 System, or The UT System of Texas System, or anyone claiming under UT System 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.
- 12.20 **Survival of Provisions.** No expiration or termination of this Agreement will relieve either party of any obligations under this Agreement that by their nature survive expiration or termination, including **Sections 6.7, 9, 12.7, 12.11, 12.12, 12.13, 12.15, 12.18, 12.19, 12.21 and 12.23.**

12.21 Breach of Contract Claims.

12.21.1 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 System and Preferred Supplier to attempt to resolve any claim for breach of contract made by Preferred Supplier:

12.21.1.1 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 System 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 System 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 chief business officer of UT System, or another officer of UT System as may be designated from time to time by UT System by written notice 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.

12.21.1.2 If the parties are unable to resolve their disputes under **Section 12.21.1.1**, 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 System.

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

12.21.2 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.

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

12.22 **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 System may terminate this Agreement in accordance with **Section 8**. 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.

12.23 **Limitations.** THE PARTIES ARE AWARE THAT THERE ARE CONSTITUTIONAL AND STATUTORY LIMITATIONS ON THE AUTHORITY OF UT SYSTEM (A STATE AGENCY) TO ENTER INTO CERTAIN TERMS AND CONDITIONS THAT MAY BE A PART OF THIS AGREEMENT, INCLUDING THOSE TERMS AND CONDITIONS RELATING TO LIENS ON UT SYSTEM'S PROPERTY; DISCLAIMERS AND LIMITATIONS OF WARRANTIES; DISCLAIMERS AND LIMITATIONS OF LIABILITY FOR DAMAGES; WAIVERS, DISCLAIMERS AND LIMITATIONS OF LEGAL RIGHTS, REMEDIES, REQUIREMENTS AND PROCESSES; LIMITATIONS OF PERIODS TO BRING LEGAL ACTION; GRANTING CONTROL OF LITIGATION OR SETTLEMENT TO ANOTHER PARTY; LIABILITY FOR ACTS OR OMISSIONS OF THIRD PARTIES; PAYMENT OF ATTORNEYS' FEES; DISPUTE RESOLUTION; INDEMNITIES; AND CONFIDENTIALITY (COLLECTIVELY, THE "**LIMITATIONS**"), AND TERMS AND CONDITIONS RELATED TO THE LIMITATIONS WILL NOT BE BINDING ON UT SYSTEM EXCEPT TO THE EXTENT AUTHORIZED BY THE LAWS AND CONSTITUTION OF THE STATE OF TEXAS.

12.24 **Ethics Matters; No Financial Interest.** Preferred Supplier and its employees, agents, representatives and subcontractors have read and understand UT System's Conflicts of Interest Policy available at <http://www.utsystem.edu/policy/policies/int160.html>, UT System's Standards of Conduct Guide available at <http://www.utsystem.edu/systemcompliance/>, and applicable state ethics laws and rules available at www.utsystem.edu/ogc/ethics. Neither Preferred Supplier nor its employees, agents, representatives or subcontractors will assist or cause UT System 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.

- 12.25 **State of Texas Computer Equipment Recycling Program Certification.** Pursuant to Section 361.965, *Texas Health and Safety Code*, Preferred Supplier certifies that it is 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.
- 12.26 **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 System under this Agreement (collectively, the “**EIRs**”) comply with the applicable requirements set forth in Title 1 TAC Chapter 213 and Title 1 TAC Section 206.70 (as authorized by Chapter 2054, Subchapter M, *Texas Government Code*). To the extent Preferred Supplier becomes aware that the EIRs, or any portion of the EIRs, do not comply with the EIR Accessibility Warranty, then Preferred Supplier represents and warrants that it will, at no cost to UT System, 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.
- 12.28 **HIPAA Compliance.** Preferred Supplier agrees that it will execute a HIPAA Business Associate Agreement (“**BAA**”) with UT System and the BAA will be in the form set forth in **Exhibit D**, HIPAA Business Associate Agreement, attached and incorporated for all purposes.
- 12.29 **Historically Underutilized Business Subcontracting Plan.** Preferred Supplier agrees to use good faith efforts to subcontract the Work in accordance with the Historically Underutilized Business Subcontracting Plan (“**HSP**”) (ref. **Exhibit E**). Preferred Supplier agrees to maintain business records documenting its compliance with the HSP and to submit a monthly compliance report to UT System in the format required by Texas Procurement and Support Services Division of the Texas Comptroller of Public Accounts or any successor agency (collectively, “**TPSS**”). Submission of compliance reports will be required as a condition for payment under this Agreement. If UT System determines that Preferred Supplier has failed to subcontract as set out in the HSP, UT System 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 System determines that Preferred Supplier failed to implement the HSP in good faith, UT System, in addition to any other remedies, may report nonperformance to the TPSS in accordance with 34 TAC Sections 20.101 through 20.108. UT System may also revoke this Agreement for breach and make a claim against Preferred Supplier.

12.29.1 **Changes to the HSP.** If at any time during the term of this Agreement, Preferred Supplier desires to change the HSP, before the proposed changes become effective (a) Preferred Supplier must comply with 34 TAC Section 20.14; (b) the changes must be reviewed and approved by UT System; and (c) if UT System approves changes to the HSP, this Agreement must be amended in accordance with **Section 12.8** to replace the HSP with the revised subcontracting plan.

12.29.2 **Expansion of the Work.** If UT System expands the scope of the Work through a change order or any other amendment, UT System will determine if the additional Work contains probable subcontracting opportunities *not* identified in the initial solicitation for the Work. If UT System 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 (a) this Agreement may be amended to include the additional Work; or (b) Preferred Supplier may perform the additional Work. If Preferred Supplier subcontracts any of the additional subcontracting opportunities identified by UT System 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 8** 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 System may report nonperformance under this Agreement to the TPSS in accordance with 34 TAC Sections 20.101 through 20.108.]

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

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

12.31 **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. A breach of this certification is a violation of the Equal Opportunity clause. The term "**segregated facilities**" means any waiting rooms, work areas, rest rooms and wash rooms, entertainment areas, and transportation or housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin, because of habit, local custom, or otherwise. 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 the 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.

12.32 **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 (<http://www.epls.gov/>) issued by the U.S. General Services Administration. "**Principals**" means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g. general manager, plant manager, head of a subsidiary, division or business segment, and similar positions). Preferred Supplier will provide immediate written notification to UT System 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 System 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 System, UT System may terminate this Agreement for default by Preferred Supplier.

12.33 **Office of Inspector General Certification.** Preferred Supplier acknowledges that UT System is prohibited by federal regulations from allowing any employee, representative, agent or subcontractor of Preferred Supplier to work on site at UT System's premises or facilities if that individual is not eligible to work on federal

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

12.34 **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 will allow, during and for a period of not less than four (4) years after the expiration or termination of this Agreement, access to this Agreement and its books, documents, and records; and contracts between 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.

UT System and Preferred Supplier have executed and delivered this Agreement to be effective as of the Effective Date.

PREFERRED SUPPLIER:

THE UNIVERSITY OF TEXAS SYSTEM

By: _____
 Name: _____
 Title: _____

By: _____
 Name: _____
 Title: _____

Attest: _____
 Corporate Secretary

Attach:

- EXHIBIT A** – Scope of Work
- EXHIBIT B** – Schedule
- EXHIBIT C** – Payment for Services
- EXHIBIT D** – HUB Subcontracting Plan

EXHIBIT A

SCOPE OF WORK

EXHIBIT B
SCHEDULE

EXHIBIT C

PAYMENT FOR SERVICES

SERVICE FEES:

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

If UT System submits, in advance, a written request for additional services not contemplated or reasonably inferred by this Agreement, Preferred Supplier will be paid for actual hours incurred by Preferred Supplier’s personnel directly and solely in support of the additional services at the Rates set forth above.

EXPENSES AND DISBURSEMENTS: Preferred Supplier will be reimbursed without mark-up for reasonable expenses (including meals, lodging, mileage and coach class airfare) validly incurred directly and solely in support of the Project and approved by UT System in advance. Provided, however, Preferred Supplier agrees and acknowledges that Preferred Supplier will be subject to the Travel Allowance Guide promulgated by the Comptroller of Public Accounts for the State of Texas with regard to meals, lodging, mileage, airfare and all other expenses related to travel. Further, Preferred Supplier agrees and acknowledges that Preferred Supplier will not be reimbursed by UT System for expenses that are prohibited or that exceed the allowable amounts set forth in the Travel Allowance Guide. As a condition precedent to receiving reimbursement for expenses and disbursements, Preferred Supplier will submit to UT System receipts, invoices, and other documentation as required by UT System. Notwithstanding the foregoing, reimbursement for expenses and disbursements will not exceed a maximum of \$ _____ (“**Expense Cap**”) without the prior written approval of UT System.

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

EXHIBIT D

HUB SUBCONTRACTING PLAN

APPENDIX THREE
HUB SUBCONTRACTING PLAN

APPENDIX FOUR
CAMPUS MAP

APPENDIX FIVE

ACCESS BY INDIVIDUALS WITH DISABILITIES

[INCLUDE THIS APPENDIX IF CONTRACTOR WILL PROVIDE ELECTRONIC AND INFORMATION RESOURCES AS DEFINED BY SECTION 2054.451, GOVERNMENT CODE:

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

Price Schedule Instructions

Please read the following instructions before completing the attached pricing tabs.

The attached Price Schedule allows Proposers to see some commonly purchased Animals and gives Proposers the opportunity to bid Animals on a competitive basis across UT System. It is expected that each Proposer responding to this RFP will complete the Price Schedule in the following manner:

A. Proposers understand that the Animal models provided are that of existing suppliers and may have been slightly modified based on purchasing data received. Therefore, there may be some "cross referencing" work involved in the submission of a response.

B. Proposers understand that they are asked to identify their corresponding Animal models if one exists. If a corresponding Animal model does not exist within your company, please indicate this by submitting N/A as your response.

C. Proposers must complete Services and Freight information tab. These tabs will provide visibility into the Proposers proposed discounts for freight and other services. If applicable, Proposers should use comment field to provide additional information.

D. Proposer shall read all footnotes and ensure understanding of each column heading before completing each tab.

Mice

Strain	Catalog Number	Pricing at 3-4 weeks			Pricing at 5-6 weeks		
		Male	Female	Discount % from List ¹	Male	Female	Discount % from List ¹
ICR							
C57BL/6							
Swiss Webster							
Nude nu/nu							
BALB/c							
CB17SCID							
FVB							
C3H							

Rats

Strain	Catalog Number	Pricing					
		50 or less	Discount % from List ¹	51-75	76-100	101-125	126-150
SD	Male						
	Female						
Wistar	Male						
	Female						
Long Evans	Male						
	Female						
Lewis	Male						
	Female						

Guinea Pigs

Strain	Catalog Number	Pricing by W					
		200 or less	Discount % from List ¹	201-250	251-300	301-350	351-400
Hartley	Specified Sex						
	Either Sex						

1. Please note: Percentage discount pricing presented shall be extended across all standard catalog mod

2. Please list other age ranges available and pricing associated with those ranges. Each cell should conta

Final Model Pricing

Pricing at 7-9 weeks			Pricing at 10-12 weeks			Pricing at Other weeks ²	Pricing at Other weeks ²	Pricing at Other weeks ²
Male	Female	Discount % from List ¹	Male	Female	Discount % from List ¹			

Pricing by Weight (gms)

151-175	201-225	226-250	251-275	276-300	301-325	>350

Pricing by Weight (gms)

401-450	451-500	501-550	551-600	601-650	>650

Models available by Proposer.

Enter in the model's number of week, sex, and pricing proposed to UT System.

Animal Type	Container Charges ¹	Container Charges ¹	Container Charges ¹	Container Charges ¹
Mice				
Rats				
Guinea Pig				
Other				
Other				
Other				

1. Please list animals per standard container (box size) and cost of container for shipment.
2. Please list any special containers (i.e. filtered, irradiated, etc.) used during shipment and associated fee of container for sh
3. Please list any other standard fees associated with shipping. Please provide description of any other fees and associated f

Shipping and Freight Fees

Special Containers ²	Special Containers ²	Special Containers ²	Special Containers ²

ipment.

ee charged for service.

Other Fees ³	Comments

Animal Services¹	
Standard Surgical Services	
Proposed Discount % off List Price	
Comments:	
Standard Diagnostic Services	
Proposed Discount % off List Price	
Comments:	
Standard Genetic Testing Services	
Proposed Discount % off List Price	
Comments:	
Standard Cryopreservation Services	
Proposed Discount % off List Price	
Comments:	
Animal Care Products	
Proposed Discount % off List Price	
Comments:	
<p>1. UT System is asking for standard services to be proposed. Standard services are those services published in Proposers catalog and routinely provided to research institutions. Please list N/A for those services not available.</p>	

Animal RFP Survey Questions

Background Information - 0%

1. Company Name
2. Company Address
3. Company FEIN
4. DUNS#
5. Telephone number
6. Facsimile number
7. Contact name
8. Legal Structure
 - Corporation
 - Partnership
 - Proprietorship
 - Limited Liability Corporation
9. Number of Employees
10. Please provide the following information for each corporate officer, partner, or owner
 - Name
 - Title
11. List all individuals, groups, corporations, etc. that hold 25% or greater equity in the company. Please list their respective percentage of ownership.
12. Please identify below any Animals contracts your company has had under contract, which were terminated prior to completion within the last 3 years, if any, including the circumstances surrounding such early termination.
13. Provide any details of all past or pending litigation arising from your Company furnishing an item or service similar to that described in this RFP.
14. Has your Company, or any of its parents or subsidiaries, ever had a Bankruptcy Petition filed in its name, voluntarily or involuntarily? (If yes, specify date, circumstances, and resolution).
15. Is your Company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? (If yes, specify details, circumstances, and prospects for resolution).
16. How long has your company been in this market?

References - 2%

1. "Please provide three existing customers (please list any healthcare or academic customers if applicable) who can be contacted for a reference related to the services subject of this Proposal process. Details should include: - a brief outline of the goods and services provided - the length of time that the goods and services have been provided - a named contact who can be approached for a reference and their contact details. Reference sites should be comparable to the Goods and Services required by Alliance and should be contacted by the Proposer in advance of the Proposal response to ensure that they are available to provide a reference."

Judged

2. Provide two financial references (1 trade reference and 1 financial institution/bank reference). List should include Company Name, Mailing Address, Telephone Number, FAX Number, Contact Person and Length of Financial Relationship.

Judged

Account Management & Services - 5%

1. Would your company assign a designated account manager(s) to the Alliance contract?
Yes = 100% No = 1

2. What percent of an account manager(s) time will be spent managing an Alliance contract?

100%	100
75%-99%	100
50%-74%	50
<50%	25

3. What is the average response time for an account manager(s) to respond to initial requests?

< 1hr.	100
< 4hrs.	100
< 8hrs.	75
< 24hrs	50

4. Can your company provide Quarterly Business Reviews (QBR) to the Alliance?

Animal RFP Survey Questions

Yes = 100% No = 1

5. Does your company operate a 'toll free' customer service support line?

Yes = 100% No = 1

6. What is the average call waiting time for telephone customer support?

- Less than 1 minute 100
- 1-2 minutes 75
- More than 2 minutes 25

7. What are the hours of operations for your company's customer support line?

- 8 A.M. - 5 P.M. - Central Time 50
- 7 A.M. - 7 P.M. - Central Time 75
- 24 - 7 100

8. Will your company allocate funds to market this Animal contract?

Yes = 100% No = 1

9. What percentage of the annual revenue is dedicated to the development and distribution of marketing materials for an account of similar size and scope?

- <.25% 25
- 0.25% - 0.49% 50
- 0.50%-0.75% 100
- 0.76%-1.0% 100
- > 1% 100

10. How will your company support marketing efforts for the Alliance? Check all that apply

- Electronic marketing material 100
- Distribution of marketing materials on campus 100
- Kick-off Events 100
- Vendor Shows 100
- On-line tutorials 100
- Customer training 100
- Seasonal Promotions and Specials 100

11. Are there any other marketing efforts not listed above that your company is willing to offer?

Judged

12. Please detail your company's problem resolution process for customer complaints and concerns.

Judged

Reporting - 2%

1. The Alliance requires the following reporting hierarchy. Please state your company's ability to report on each level listed below. Check all that apply.

- User Level 100
- Cost Center 100
- Campus/Institution 100
- Contract (Alliance) 100

2. Indicate which standard reports are available. Check all that apply.

- Order fulfillment 100
- Average Order Value 100
- Performance against Agreed Service Levels 100
- History of Sales Reports 100
- Delivery Performance 100

3. A requirement for this contract is to provide detailed quarterly reporting on contract spend for Animals. Can your company support this requirement? If yes, please check all applicable parameters below whereby spend reports can be generated.

- End User 100
- Department 100
- Delivery Location 100
- Item# 100
- Description 100
- Purchase Price 100
- List Price 100
- Unit of Measure 100
- Total Purchase 100

Delivery & Returns - 5%

1. Below is a current list of main locations to be serviced as part of this RFP. Please indicate which of these locations your company is able to deliver to on an overnight basis. Check all that can be serviced next day.

- U.T. Medical Branch – Galveston (UTMB) 100
- U.T. Southwestern Medical Center (UTSW) 100
- U.T. Health Center Tyler (UTHSCT) 100
- U.T. Health Science Center – Houston (UTHSCH) 100
- U.T. Health Science Center – San Antonio (UTHSCSA) 100
- U.T. Austin (UT Austin) 100

Animal RFP Survey Questions

U.T. M.D. Anderson Cancer Center – (UTMDACC) 100

2. Will your company ship animals to the above locations at no additional charge?
Yes = 100% No = 1

3. Does your company have a process to monitor delivery times against service levels?
Yes = 100% No = 1

4. Will your company allow an Alliance institution to ship Animals via a pre-paid delivery solution?
Yes = 100% No = 1

5. How are returns for Animals handled?
Judged

6. Will your company provide a refund policy for Animals that arrive which do not meet customer expectations?
Yes = 100% No = 1

7. If yes, please provide detail of refund policy and process.
Judged

8. What process does your company practice for notification of backorders and changes in shipping? Please explain.
Judged

9. Does your company transport all Animals in temperature controlled vehicles per national standards and FAA regulations?
Yes = 100% No = 1

10. If yes, please explain the measurements used to ensure compliance.
Judged

11. Please provide a description of your delivery process from the production facility to the University destination which ensures Animals arrive in optimal condition.
Judged

Pricing - 15%

1. What is the initial period of time that your company will provide fixed pricing for Animals? Select one.
6 months 25
12 months 50
18 months 100
24 months 100
No Fixed Pricing 0

2. Is your company willing to provide fixed pricing for the equal increment periods selected above upon price adjustments?
Yes = 100% No = 1

3. Will your company extend pricing to any University of Texas institution or affiliate that may wish to participate in this contract?
Yes = 100% No = 1

4. Upon expiration of the initial fixed price period for Animals, will your company agree to capped price escalations? Select one.
0% - 3% 100
4% - 7% 75
7% - 10% 50
> 10% 0
No Capped Pricing Offered 0

5. Will your company waive all freight and shipping charges if awarded an Alliance contract?
Yes/No

6. If no, is there another alternative program or fee waiver your company would like to propose in order to reduce current price paid on shipping and delivery of Animals?
Judged

Incentive Rebates - 5%

1. Does your company offer an electronic order rebate?
Yes = 100% No = 1

2. Does your company offer incremental sales volume growth rebates?
Yes = 100% No = 1

3. If yes, please describe your company's approach to structuring a sales volume growth rebate.
Judged

Ordering - 5%

1. Which order methods does your company support? Check all that apply
Phone
Fax

Animal RFP Survey Questions

Internet
Email

2. Does your company offer online Ordering?

Yes = 100% No = 1

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

Yes = 100% No = 1

4. If yes, can the catalog be downloaded?

Yes = 100% No = 1

5. Can your company create a hardcopy version of a UT System tailored catalog?

Yes = 100% No = 1

6. Is there a charge for printing a hardcopy version of a UT System tailored catalog?

Yes = 100% No = 1

7. Do you require a minimum order value? Select value that best represent this requirement.

No Minimum Required	100
\$25	75
\$50	75
\$75	50
\$100	25
Greater than \$100	0

8. Does your company have experience in integrating with the following software for e-procurement? Check all that apply

Peoplesoft	100
Lawson	100
Scquest	100
SAP	100
Oracle	100

9. Does your company provide a notification of acceptance upon purchase order receipt from the purchasing institution?

Yes = 100% No = 1

Payment Terms - 2%

1. Do you offer early payment discounts?

Yes = 100% No = 1

2. If yes, please provide your company's offering for early payment discounts.

Judged

Invoicing Processes - 2%

1. Can your company provide a paper invoice if required?

Yes = 100% No = 1

2. Can invoices be sent in XML format via internet?

Yes = 100% No = 1

3. Can invoices be sent EDI?

Yes = 100% No = 1

4. Can your company receive electronic payments via ACH or other method?

Yes = 100% No = 1

Competitive advantage - 15%

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

Judged

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

Judged

3. Please state how your company will proactively benchmark the marketplace and pass along any decreases in price.

Judged

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

Judged

Implementation - 2%

Animal RFP Survey Questions

1. Does your company have a generic project plan for implementing a project of this size and scope?
Yes = 100% No = 1

2. If yes, please attach your company's generic project implementation plan.
Judged

Technical Capabilities - 10%

1. Does your company offer technical support during specific hours of operation?
Yes = 100% No = 1

2. If yes, please list the hours that most closely resembles your technical support hours of operation.

8 A.M. - 5 P.M. - Central Time	50
7 A.M. - 7 P.M. - Central Time	75
24 - 7	100

3. Please upload how your company handles technical questions about Animals that come through technical support?
Judged

4. What level of education do the individuals in your technical call center have? Please list and identify what percentage of your call center employees hold the degrees listed.
Judged

5. What percentage of individuals in your technical call center have research experience?

80%-100%	100
60%-80%	75
40%-60%	75
20%-40%	50
1%-20%	25
0%	0

Quality Control - 15%

1. Is your company ISO 9000 certified?
Yes = 100% No = 1

2. If yes, please list all ISO 9000 certifications your company currently holds and when they were first acquired.
Judged

3. What Good Manufacturing Practices (GMP) are performed at your company's Animal production facilities? Please provide an overview of these practices below.
Judged

4. What Good Laboratory Practices (GLP) are performed at your company's Animal production facilities? Please provide an overview of these practices below.
Judged

5. Does your company validate or QC each lot of Animals produced?
Yes = 100% No = 1

6. Does your company have the ability to report the number of agents screened and the frequency of screening?
Yes = 100% No = 1

7. Does your company publish monthly or quarterly reports disclosing animal health monitoring at each barrier facility?
Yes = 100% No = 1

8. Are the health monitoring reports available online?
Judged

9. How many pathogens are typically (standard) tested for during this health monitoring period?
Judged

10. Please attach health record report(s) for facilities that currently receive shipments from your company for Animals listed in the price schedule. Please ensure these reports have most recent ar
Judged

11. What is the most common bacterial species occurrences at your facility? Please list the top three.
Judged

12. Of those listed above, would you suspend shipments from your standard level barriers where the occurrence was detected.
Yes = 100% No = 1

13. What are your notification practices if a change in health status of animals (disease outbreak) occurs? Please explain.
Judged

14. How are any significant health issues traced and customers notified?
Judged

15. Does your company have a Health Policy/Program in place for your company's Animals? Please provide an overview of the policy/program below.
Yes = 100% No = 1

16. Does your company have the ability to provide health monitoring reports for Animals?
Yes = 100% No = 1

17. Does your company currently have a valid AAALAC accreditation?
Yes = 100% No = 1

18. Does your company have a genetic monitoring program to ensure genetic integrity of animal lines?

Animal RFP Survey Questions

Yes = 100% No = 1

19. If yes, please provide an overview of how genetic integrity is maintained for the animal lines your company sells.
Judged

Product Overview - 15%

1. How many types of Animals does your company currently have available in your catalog?

0-100	25
100-500	50
500-1000	75
>1000	100

2. Does your company offer custom Animal production?

Yes = 100% No = 1

3. Does your company offer cryopreservation services to complement the Animals available?

Yes = 100% No = 1

4. If yes, please provide an overview of the cryopreservation program offered.

Judged

5. Does your company offer services to complement the Animals available?

Yes = 100% No = 1

6. If yes, please provide an overview of these services.

Judged

7. Will your company offer the Alliance any type of quality guarantees for Animals purchased?

Yes = 100% No = 1

8. If yes, please describe all quality guarantees your company is willing to extend on Animals purchased.

Judged

9. Does your company offer Specific Pathogen Free animals?

Yes = 100% No = 1

10. If yes, which strains are Specific Pathogen Free? Which pathogens are on the exclusion list?

Judged

11. Does your company offer opportunistic pathogen free animals? If yes, which strains are available at this health level and which opportunistic pathogens are excluded

Yes = 100% No = 1

12. If yes, which strains are available at this health level? Which opportunistic pathogens are excluded?

Judged

13. Does your company have a "ready supply" of certain strains? and if so, which strains, ages, and how many could be shipped at one time

Yes = 100% No = 1

14. If yes, which strains, ages, and how many could be shipped at one time? Please explain.

Judged

15. Will your company upgrade all animals shipped to UT to the next health standard level offered by your company free of charge?

Yes = 100% No = 1

nd cumulative 2009 results.

