

# **REQUEST FOR PROPOSAL**

by

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

for

selection of a

## **PREFERRED SUPPLIER**

of a

## **SPEND ANALYTICS SOLUTION**

**RFP No. UTS/A50**

**Submittal Deadline: June 9, 2015  
@ 3:00 PM, CDT**

Issued: May 8, 2015

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## **SECTION 1**

### **INTRODUCTION**

#### **1.1 Description of The University of Texas System**

The University of Texas System is comprised of System Administration and 15 institutions of higher education with campuses across the State of Texas whose missions are devoted to world class healthcare, teaching, research, and public service (collectively, “**UT System**”). UT System currently has six health institutions and nine academic facilities, making it one of the larger education systems in the United States. With an operating budget of \$15.9 billion, UT System has a current student enrollment exceeding 217,000. UT System employs about 91,000 faculty and staff, making UT System one of the largest employers in the State of Texas.

UT System is comprised of the following institutions:

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

*\*\* to be included in the initial phase of the spend analytics solution*

UT System has established the University of Texas System Supply Chain Alliance (the “**Alliance**”) to conduct and coordinate strategic purchasing initiatives across UT System. The Alliance is also affiliated with various Texas institutions of higher education. Through collaborative relationships, the Alliance seeks to combine supply chain and contracting activities and obtain best value goods and services while reducing total acquisition costs. The Alliance has created a team of supply chain professionals (the “**Strategic Services Group**”) that has been tasked with executing Alliance purchasing initiatives. The Strategic Services Group assembles a team of subject matter experts (“**SMEs**”) from participating institutions to assist in the development of each sourcing event and the evaluation of suppliers during the procurement process. SMEs are involved from the sourcing event’s inception and work with the Alliance and UT System to select the best value supplier(s). Any agreement resulting from this Request for Proposal, UTS/A50 (this “**RFP**”) will be extended and marketed to all UT System institutions. Various non-UT System institutions that are affiliated with the Alliance may participate, too, in any agreement resulting from this RFP. As of the issuance of this RFP, the Alliance is affiliated with 26 non-UT System educational institutions.

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

## 1.2 Objective of this Request for Proposal

UT System, acting through the Alliance, is soliciting proposals in response to this RFP from qualified suppliers, for the supply of a spend analytics solution (including software tools and related services) more specifically described below and in **Section 5.4 (“Scope of Work”)** of this RFP (collectively, the “**Services**”). The successful Proposer(s) to whom business may be awarded is referred to in this RFP as the “**Preferred Supplier**.” The spend analytics solution initially would focus on the more than \$3.0 billion in annual, impactable spend by UT System’s six health institutions, though in time, the solution may be extended to impactable spend by UT System’s nine academic institutions as well. UT Austin, while not a health institution, will help evaluate proposed spend analytics solutions, to help ensure that any chosen solution will be expandable to UT System’s academic campuses. The Alliance has not yet validated annual, impactable spend data for UT Austin and the other academic campuses, so the \$3.0 billion figure referenced above is for UT System’s health campuses only.

UT System is seeking to identify a Preferred Supplier that will provide the most practical and cost-effective business model to serve the needs of Institutional Participants. The goal of this RFP is to work toward solutions that will minimize cost, while maintaining or improving current service levels for all participating UT System institutions. Proposer should provide solutions involving HUB suppliers, where possible (ref. **Section 2.5** of this RFP).

Proposer is invited to submit a proposal to establish a strategic business alliance with UT System that will maximize the resources of both organizations to most effectively meet the requirements specified in this RFP. Specifically this RFP process should:

- Provide a Spend Analytics Solution comprised of software and services that implements Data Validation, Analysis Software, and Business Intelligence tools (see definitions of these terms below).
- Establish standards for cleansing and classifying disparate purchasing data sets provided by the Institutional Participants.
- Introduce Institutional Participants to the visualization, discovery, and analysis capabilities of software tools that have been implemented at other healthcare and higher education institutions.
- Leverage the value and volume of the Institutional Participant’s purchasing data for reliable market rate comparisons, spend analysis, and strategic sourcing activities.
- Give Proposer the opportunity to submit challenging and innovative solutions for the Services.
- Enhance relationships between Preferred Supplier and Institutional Participants.

As used in this RFP, the following definitions apply:

**Spend Analytics Solution**: the use of Data Validation, Analysis Software, and Business Intelligence to establish baselines, patterns, trends, and market data, in order to enable Institutional Participants to reduce their spend for products and services (but excluding operations expenses such as employee salaries). From UT System’s perspective, a Spend Analytics Solution is comprised of the following key components:

- **Data Validation**: acquiring, cleansing, categorizing, and processing unrelated data sets for common use. Data validation services may be performed manually or through the use of software, pending verification by SMEs.
- **Analysis Software**: studying large data sets to identify patterns, trends, and outliers.
- **Business Intelligence**: using tools and services to conduct benchmarking, clinical value analyses, strategic sourcing, contract management, supplier negotiations, cost savings, and other spend activities.

UT System seeks to identify Proposer(s) that are responsive, experienced, and financially sound organizations to serve the needs of Institutional Participants for a Spend Analytics Solution. UT System hopes to conclude an agreement that will provide Institutional Participants with access to Services to enhance UT System's cost savings goals and business process improvement initiatives. Proposer should take into account that Institutional Participants – not Proposer – will be responsible for using the spend analytics derived from Proposer's Spend Analytics Solution to conduct procurements designed to reduce the cost of products and services.

Proposer may wish to propose providing any or all of the key components of Data Validation, Analysis Software, and Business Intelligence. Proposers should focus on those activities in which the Proposer has significant expertise and can bring the greatest value to UT System. Responses may be submitted through use of direct sales, reseller partnerships, distributors, channel partners and/or other indirect relationships. Proposers are permitted to include their products and services in multiple bid responses.

UT System has a preference for partnering with a Proposer that can serve as a single point of contact to provide or manage all of the key activities comprising a Spend Analytics Solution. Proposals for only a portion of the key activities will be considered on their own merit, with the expectation that each activity will be compatible with those conducted by other successful Proposers. The Alliance intends to help coordinate the supply of Services to develop business processes that will foster a strong working relationship and produce a win-win for all parties.

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

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

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

### **1.3 Background and Scope of Opportunity**

The chief business officers ("**CBOs**") of UT System's health institutions have identified a Spend Analytics Solution as a strategic priority. UT System's health institutions do not share common tools or processes or sources for gathering spend analytics data, with the result that data quality

is often inconsistent and unreliable. The Spend Analytics Solution that is the subject of this RFP is expected to provide answers to the following questions:

- What are the Institutional Participants spending?
- Who are their suppliers?
- Are the Institutional Participants getting what has been promised for their spend?
- What don't the Institutional Participants know about their spend?
- How do their prices compare to prices paid by other Institutional Participants and by those outside of UT System?

As indicated above, the Spend Analytics Solution initially would focus on the more than \$3 billion in annual, impactable spend by UT System's six health institutions (and the roughly three million related data records that are generated annually), though in time, the Solution may be extended to impactable spend by UT System's nine academic institutions in a future implementation phase.

While individual UT System campuses may have purchased spend analytics services in the past, UT System has never before initiated a System-wide collaboration opportunity for a Spend Analytics Solution. The Spend Analytics Solution described in this RFP would be new, unique, and entirely separate from any and all activities and infrastructure that have occurred or are in process with UT System campuses locally. The winning Proposer(s) under this RFP will have the opportunity to provide a Spend Analytics Solution for the entire UT System.

It should be noted that UT System issued an RFP in May 2013, seeking to outsource, under the ongoing management by UT System's health institutions, highly transactional activities within the institutions' Procure-to-Pay ("**P2P**") business process. Spend analytics services were identified as included within the P2P business process. Following an extensive procurement process and resulting contract negotiations, UT System ultimately decided not to outsource any P2P activities. Instead, UT System intends to utilize internally the Spend Analytics Solution resulting from the procurement that is the subject of the current RFP.

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

## **SECTION 2**

### **NOTICE TO PROPOSER**

#### **2.1 Submittal Deadline**

UT System will accept proposals submitted in response to this RFP until **3:00 PM**, Central Daylight Time, on **June 9, 2015** (the "**Submittal Deadline**").

## 2.2 UT System Contact Person

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

Jess Simpson  
Sourcing Specialist  
UT System Supply Chain Alliance

UT System specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications forwarded to the UT System Contact at [UTSSCAquestions@mdanderson.org](mailto:UTSSCAquestions@mdanderson.org). The UT System Contact must receive all questions or concerns no later than **5:00 PM**, Central Daylight Time, on **May 26, 2015**. UT System will use a reasonable amount of time to respond to questions or concerns. It is UT System’s intent to respond to all appropriate questions and concerns; however, UT System reserves the right to decline to respond to any question or concern.

UT System uses a competitive sealed proposal process whereby proposals are not viewed by UT System prior to the submittal deadline. Therefore, proposals must not be sent to [UTSSCAquestions@mdanderson.org](mailto:UTSSCAquestions@mdanderson.org). Proposals must be submitted in their entirety to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org) no later than **3:00 PM**, Central Daylight Time, on **June 9, 2015**.

## 2.3 Criteria for Selection

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

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

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

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

### 2.3.1 Threshold Criteria Not Scored

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

### 2.3.2 Scored Criteria

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

## 2.4 Key Events Schedule

Issuance of RFP	May 8, 2015
Deadline for Indicating Interest in Attending Pre-Proposal Conference (ref. <b>Section 2.6</b> of this RFP)	May 12, 2015 10:00 AM, Central Daylight Time
Pre-Proposal Conference (ref. <b>Section 2.6</b> of this RFP)	May 19, 2015 (in Houston, TX) 11:00 AM, Central Daylight Time
Deadline for Questions/Concerns (ref. <b>Section 2.2</b> of this RFP)	May 26, 2015 5:00 PM, Central Daylight Time
Submittal Deadline (ref. <b>Section 2.1</b> of this RFP)	June 9, 2015 3:00 PM, Central Daylight Time
Selection of Finalists	July 2015
Finalists Interviews and Negotiations	August 2015
Anticipated Contract Award(s)	September 2015

Note: between the Submittal Deadline and Selection of Finalists, UT System plans to identify semi-finalists and to request from each of them the submission of a case study. The case study will ask each semi-finalist to complete sample tasks related to relevant Spend Analytics Solution activities (e.g., potential Data Validation proposers will do a data cleansing exercise). The case study submissions will be scored and will help determine the finalists.

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

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

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

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

## **2.5 Historically Underutilized Businesses**

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

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

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

- 2.5.4 Proposer must submit one (1) signed copy of the HSP to UT System at the same time as it submits its proposal to UT System (ref. **Section 3.1** of this RFP). The signed copy of the HSP (the “**HSP Packet**”) must be scanned and submitted electronically to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org). Proposer must ensure that the HSP Packet is submitted according to the electronic instructions provided in this RFP.

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

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

## 2.6 Pre-Proposal Conference

UT System will hold a pre-proposal conference at **11:00 AM**, Central Daylight Time, on **May 19, 2015**. Proposers may attend the conference in one of the following two formats:

in person attendance at an MD Anderson location TBD in the Texas Medical Center in Houston, TX (specific address and meeting room TBD); or

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

The Pre-Proposal Conference will allow all Proposers an opportunity to ask the Alliance, the Strategic Services Group, and UT System HUB representatives relevant questions and clarify provisions of this RFP. Proposer should notify the UT System Contact **by no later than 10:00 AM**, Central Daylight Time, **on May 12, 2015**, whether it will attend the Pre-Proposal Conference, by emailing the UT System Contact at [UTSSCAquestions@mdanderson.org](mailto:UTSSCAquestions@mdanderson.org). Proposer must clearly state in which format it will attend. If the Proposer elects to attend the Pre-Proposal Conference in the webinar format, UT System will provide complete details and instructions (including personal computer requirements). If Proposer elects to attend the Pre-Proposal Conference in person, there will be a strict limit of two (2) individuals per Proposer.

## **SECTION 3**

### **SUBMISSION OF PROPOSAL**

#### **3.1 Electronic Submission Notice**

Proposals in response to this RFP must be scanned and emailed to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org). An original signature by an authorized officer of Proposer must appear on the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**). Proposals must be completed and received by UT System on or before the Submittal Deadline (ref. **Section 2.1** of this RFP).

#### **3.2 Proposal Validity Period**

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

#### **3.3 Terms and Conditions**

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

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

#### **3.4 Submittal Checklist**

Proposer is instructed to complete, sign, scan and email to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org) the following documents as a part of its proposal. If Proposer fails to return each of the following items with its proposal, UT System may reject the proposal:

- 3.4.1 Signed and Completed Execution of Offer (ref. **Section 2** of **APPENDIX ONE**).
- 3.4.2 Responses to questions and requests for information in the Specifications, Additional Questions and Scope of Work Section (ref. **Section 5** of this RFP).

- 3.4.3 Signed and Completed Pricing Affirmation (ref. **Section 6** of this RFP).
- 3.4.4 Signed and completed copy of the HUB Subcontracting Plan or other applicable documents (ref. **Section 2.5** of this RFP and **APPENDIX TWO**).
- 3.4.5 Responses to Proposer's Survey (ref. **Section 5.5** of this RFP). Proposer Survey should be submitted with a signature page and in Excel (.xls) format.
- 3.4.6 Proposer's Price Schedule (ref. **Section 6** of this RFP). Proposer Price Schedule should be submitted in Excel (.xls) format and included with the Excel (.xls) format of the Proposer Survey (ref. **Section 3.4.5** of this RFP).

## **SECTION 4**

### **GENERAL TERMS AND CONDITIONS**

#### **4.1 General Information regarding Structure of Transaction and Terms and Conditions**

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

It is anticipated that the term of the Agreement will be five years, consisting of an initial term of three years, with UT System having the option to renew for an additional two-year period.

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

## **SECTION 5**

### **SPECIFICATIONS, ADDITIONAL QUESTIONS AND SCOPE OF WORK**

#### **5.1 General**

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

#### **5.2 Minimum Requirements**

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

- 5.2.1 Proposer must pay to the Alliance a quarterly administrative fee of 2% of the Total Net Sales made under the Agreement (ref. **Section 6.2** of this RFP), regardless of whether such Sales are made to UT System Administration or Institutional Participants.
- 5.2.2 Proposer must properly complete and submit with its proposal a HUB Subcontracting Plan (also called the HSP) (ref. **Section 2.5** of this RFP and **APPENDIX TWO**). *Proposals that fail to include an HSP will be considered non-responsive to this RFP.*
- 5.2.3 Proposer's Spend Analytics Solution must have been commercially available for sale or licensing to customers before May 2014.
- 5.2.4 Data Validation Proposer must have experience cleansing institutional healthcare purchasing data, and its experience must be related to purchases made by hospitals, clinics, medical schools, or medical research facilities (*for Data Validation respondents only*).
- 5.2.5 Analysis Software Proposer must be capable of supporting at least three million related data records annually and must have experience modeling purchasing data (*for Analysis Software respondents only*).
- 5.2.6 Business Intelligence Proposer must have customers that are willing to serve as references for Proposer's services and that have purchasing patterns similar to those of UT System health institutions (*for Business Intelligence respondents only*).

### **5.3 Additional Questions Specific to this RFP and Scope of Work**

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

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

- 5.3.4 In its proposal, Proposer must respond to each item listed in **APPENDIX FIVE, Electronic and Information Resources (“EIR”) Environment Specifications**. **APPENDIX FIVE** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide. Responses to **APPENDIX FIVE** will be incorporated into the Agreement and will be binding on Proposer.
- 5.3.5 In its proposal, Proposer must respond to each item listed in **APPENDIX SIX, Security Characteristics and Functionality of Contractor’s Information Resources**. **APPENDIX SIX** will establish specifications, representations, warranties and agreements related to the EIR that Proposer is offering to provide. Responses to **APPENDIX SIX** will be incorporated into the Agreement and will be binding on Proposer.

## 5.4 Scope of Work

UT System intends to identify one or more Preferred Supplier(s) to provide all or part of the Spend Analytics Solution. The details noted below will form the basis for the Scope of Work to be included in the Agreement concluded between UT System and a Preferred Supplier. The following outlines the essential requirements for the provision of Services. The Proposer acknowledges and understands that this RFP provides a general description of the work to be performed and is not intended to be all inclusive. Proposer must be familiar with the requirements and general conditions that are essential to provide the Services consistent with industry best practices and in accordance with all licensing, regulations, and professional standards.

Services within the scope of this RFP include, but are not limited to, the following:

Each of the Preferred Supplier(s) will provide a Project Manager to be the primary point of contact for each key Spend Analytics Solution activity for which a Preferred Supplier chooses to submit a response. The Project Manager will be the direct communication channel to UT System’s central point of contact for the initial setup and installation phases for the related activity, as well as ongoing, periodic data updates. The Project Manager may be asked to work directly with local campus representatives for direct questions related to data and technology.

The data that will be sent to the Data Validation Preferred Supplier for cleansing, categorization, and normalization will include line items from purchase orders (POs) that were matched with an invoice and transmitted electronically. Procurement card (P-card) summary data will be included but will not require the same detail of data validation. The Data Validation Preferred Supplier will work closely with Institutional Participant SMEs to define a taxonomy or classification system for the data. The taxonomy will be further defined to act as a “crosswalk” for each Institutional Participant’s local data set. The Data Validation Services may be performed through a combination of software and services. All consulting or professional services costs must have a semi-annual cap to allow for accurate budgeting. The Data Validation Preferred Supplier must have prior experience and a positive reputation for cleansing healthcare purchasing data. Experience with higher education purchasing data would be a plus. The Data Validation Preferred Supplier should define, in the Proposer’s Survey section of this RFP (ref. **Section 5.5**), a recommended frequency for cleansing, categorizing and normalizing the data sets.

The Analysis Software Preferred Supplier will work closely with the Data Validation Preferred Supplier and UT System’s central point of contact to define the data fields and functionality requirements that will be represented in the software. The Analysis Software Preferred Supplier will have service and software performance requirements that will be measured through the SRM

program. Institutional Participants will send updated data to the Data Validation Preferred Supplier on an ongoing basis. Once the data has been processed by the Data Validation Preferred Supplier, it should be loaded by the Analysis Software Preferred Supplier into the Analysis Software tool in a timely manner. The Analysis Software Preferred Supplier should recommend how long to rely on the processed data for analysis and should expect to process and store at least three million records annually.

The Business Intelligence Preferred Supplier will use its market expertise to establish (and possibly operate) benchmarking and validation tools for Institutional Participants. Benchmarking may include price and non-price factors for any of the spend data represented in the Analysis Software. The Business Intelligence Preferred Supplier will work closely with the Analysis Software Preferred Supplier so that benchmarking information can be included with other spend analytics reports and tools. The Business Intelligence Preferred Supplier will also support clinical value analyses, strategic sourcing, contract management, supplier negotiations, and other spend activities, all of which will help provide answers to the questions referenced at the beginning of **Section 1.3** of this RFP.

UT System is providing a Suggested Implementation Timeline (ref. **APPENDIX SEVEN** of this RFP) for Proposers to use as reference of milestones and project management expectations of the Proposer. The timelines for Data Validation, Analysis Software, and Business Intelligence are shown in parallel to demonstrate the importance of synchronizing the deliverables across each activity. Deliverables that should be coordinated across activities, such as loading the processed data into the analysis software, are highlighted in the suggested timeline. All time periods are for estimation purposes. Proposers selected as finalists will present good faith estimates of their projected implementation timeline during the finalist interview and negotiation phase of this RFP.

After completion of the implementation phase, Proposers are expected to manage ongoing operational activities for further data processing and use of the data in the software and business intelligence tools. A diagram of the ongoing operational activities is included with the Suggested Implementation Timeline in **APPENDIX SEVEN** of this RFP. The frequency of these activities should be defined within the Proposer's Survey (ref. **Section 5.5** of this RFP).

While UT System institutions typically decide separately and independently whether and when to order services under Preferred Supplier Agreements procured by the Alliance, in this case the chief business officers for all the UT System health institutions already have expressed interest in having their institutions participate in the spend analytics solution, provided it is likely to deliver a strong return on investment. Assuming a spend analytics solution is procured under this RFP, UT System anticipates putting in place an appropriate governance structure (probably an operating committee) to coordinate active participation by the UT System health institutions, and subsequently by academic institutions in a possible later phase of implementation. UT System also anticipates using project management resources within the UT Shared Services program – which involves cross-campus collaboration projects that save money and improve quality – to assist in implementing the spend analytics solution across participating campuses.

## 5.5 Proposer's Survey

Proposer must complete the Proposer's Survey.

The Proposer's Survey contains a list of additional questions the Proposer will answer when responding to this RFP. If Proposer needs to submit additional supporting information, refer to the supporting information in responses to the Proposer's Survey and attach supporting materials in a logical and clear manner. Any supporting information must be included in electronic form and emailed to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org) and must follow the following naming convention: (<Proposer Name> - <Question Number> - Response - <File Name>). The Proposer Survey should be submitted as an electronic Excel (.xls) file as well as with a signature (ref. **Section 3.4** of this RFP).

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

## **SECTION 6 PRICING SCHEDULE AND AFFIRMATION**

### 6.1 Pricing Schedule

Proposer must submit its rate structure in the Pricing Schedule tab in **Sect. 5.5.7 of the Proposer's Survey**, as part of its proposal, for the Services described in **Section 5.4** (Scope of Work) of this RFP. The prices must include all charges associated with providing the full scope of work. The Pricing Schedule should be submitted as an electronic Excel (.xls) file with the Proposer Survey (ref. **Section 5.5** of this RFP). A separate signature is required for Pricing Affirmation (ref. **Section 6.2** of this RFP).

### 6.2 Pricing Affirmation

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

Proposal of: \_\_\_\_\_  
(Proposer Company Name)

To: The University of Texas System  
Ref.: Spend Analytics Solution  
RFP No.: UTS/A50

Ladies and Gentlemen:

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

The prices included in this response to the RFP will be Proposer's guaranteed pricing.

Proposer agrees that if Proposer is awarded an agreement under this RFP, it will provide to UT System a quarterly administrative fee of 2% of the Total Net Sales made by Preferred Supplier under the Agreement. *[Note to Proposer: this will be addressed in the Agreement's Scope of Work.]* "**Total Net Sales**" means the total dollar amount of all sales of the subject Services that are made by Preferred Supplier to UT System and Institutional Participants, less credits, returns, taxes, and unpaid invoices. The administrative fee will be used by UT System to provide support for implementation, administration, monitoring, and management of the Agreement.

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

Prompt Payment Discount: \_\_\_\_\_% \_\_\_\_\_ days/net 30 days.

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

Respectfully submitted,

**Proposer:** \_\_\_\_\_

**By:** \_\_\_\_\_  
(Authorized Signature for Proposer)

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# APPENDIX ONE

## PROPOSAL REQUIREMENTS

### SECTION 1 GENERAL INFORMATION

#### 1.1 Purpose

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

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

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

#### 1.2 Inquiries and Interpretations

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

Proposers are required to acknowledge receipt of each Addendum by sending an acknowledgment email to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org). Each Addendum must be acknowledged by Proposer prior to the Submittal Deadline and should accompany Proposer's proposal.

#### 1.3 Public Information

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

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

Upon execution of a final agreement, UT System will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public*

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

#### **1.4 Type of Agreement**

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

#### **1.5 Proposal Evaluation Process**

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

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

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

After submission of a proposal but before final selection of Preferred Supplier is made, UT System may permit a Proposer to revise its proposal in order to obtain Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. UT System will provide each Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. UT System is not obligated to select Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to UT System overall, as determined by UT System.

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

## **1.6 Proposer's Acceptance of Evaluation Methodology**

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

## **1.7 Solicitation for Proposal and Proposal Preparation Costs**

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

## **1.8 Proposal Requirements and General Instructions**

- 1.8.1 Proposer should carefully read the information contained herein and submit a complete proposal in response to all requirements and questions as directed.
- 1.8.2 Proposals and any other information submitted by Proposer in response to this RFP will become the property of UT System.
- 1.8.3 UT System will not provide compensation to Proposer for any expenses incurred by Proposer for proposal preparation or for demonstrations or oral presentations that may be made by Proposer, unless otherwise expressly agreed in writing. Proposer submits its proposal at its own risk and expense.
- 1.8.4 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by UT System, at UT System's sole discretion.
- 1.8.5 Proposals should be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, and responsiveness to the requirements and specifications of this RFP.
- 1.8.6 UT System makes no warranty or guarantee that an award will be made as a result of this RFP. UT System reserves the right to accept or reject any or all proposals, waive any

formalities, procedural requirements, or minor technical inconsistencies, and delete any requirement or specification from this RFP when deemed to be in UT System's best interest. UT System reserves the right to seek clarification from any Proposer concerning any item contained in its proposal prior to final selection. Such clarification may be provided by telephone conference or personal meeting with or writing to UT System, at UT System's sole discretion. Representations made by Proposer within its proposal will be binding on Proposer.

- 1.8.7 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by UT System, in UT System's sole discretion.

## **1.9 Preparation and Submittal Instructions**

### **1.9.1 Specifications and Additional Questions**

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

### **1.9.2 Execution of Offer**

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

### **1.9.3 Pricing Affirmation**

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

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

### **1.9.4 Submission**

Proposer should submit all proposal materials to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org). Proposer should ensure that all documents are submitted electronically in accordance with the instructions in **Section 3.1** of this RFP.

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

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

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

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

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

## **SECTION 2** **EXECUTION OF OFFER**

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

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

- 2.1.6 If selected by UT System, Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any sub-contractor, except as expressly provided in the Agreement.
- 2.1.7 If selected by UT System, Proposer will maintain any insurance coverage as required by the Agreement during the term thereof.
- 2.1.8 All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. Proposer acknowledges that UT System will rely on such statements, information and representations in selecting Preferred Supplier. If selected by UT System, Proposer will notify UT System immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information.
- 2.1.9 PROPOSER WILL DEFEND WITH COUNSEL APPROVED BY UT SYSTEM, INDEMNIFY, AND HOLD HARMLESS UT SYSTEM, THE STATE OF TEXAS, AND ALL OF THEIR REGENTS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL ACTIONS, SUITS, DEMANDS, COSTS, DAMAGES, LIABILITIES AND OTHER CLAIMS OF ANY NATURE, KIND OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF PROPOSER OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROPOSER IN THE EXECUTION OR PERFORMANCE OF ANY CONTRACT OR AGREEMENT RESULTING FROM THIS RFP.
- 2.1.10 Pursuant to Sections 2107.008 and 2252.903, *Government Code*, any payments owing to Proposer under any contract or agreement resulting from this RFP may be applied directly to any debt or delinquency that Proposer owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.
- 2.2** By signature hereon, Proposer offers and agrees to comply with all terms, conditions, requirements and specifications set forth in this RFP.
- 2.3** By signature hereon, Proposer affirms that it has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its submitted proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting contracts, and Proposer may be removed from all proposal lists at UT System.
- 2.4** By signature hereon, Proposer certifies that it is not currently delinquent in the payment of any taxes due under Chapter 171, *Tax Code*, or that Proposer is exempt from the payment of those taxes, or that Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable. A false certification will be deemed a material breach of any resulting contract or agreement and, at UT System's option, may result in termination of any resulting contract or agreement.
- 2.5** By signature hereon, Proposer hereby certifies that neither Proposer nor any firm, corporation, partnership or institution represented by Proposer, or anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in Section 15.01, et seq., *Business and Commerce Code*, or the Federal antitrust laws, nor communicated directly or

indirectly the proposal made to any competitor or any other person engaged in such line of business.

**2.6** By signature hereon, Proposer certifies that the individual signing this document and the documents made a part of this RFP, is authorized to sign such documents on behalf of Proposer and to bind Proposer under any agreements and other contractual arrangements that may result from the submission of Proposer's proposal.

**2.7** By signature hereon, Proposer certifies as follows:

"Under Section 231.006, *Family Code*, relating to child support, Proposer certifies that the individual or business entity named in Proposer's proposal is not ineligible to receive the specified contract award and acknowledges that any agreements or other contractual arrangements resulting from this RFP may be terminated if this certification is inaccurate."

**2.8** By signature hereon, Proposer certifies that (i) no relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint venturers of any Proposer that is a joint venture or the members or managers of any Proposer that is a limited liability company, on one hand, and any member of the Board of Regents of the University of Texas System or an employee of any component of The University of Texas System, on the other hand, other than the relationships which have been previously disclosed to UT System in writing; (ii) Proposer has not been an employee of any component institution of The University of Texas System within the immediate twelve (12) months prior to the Submittal Deadline; and (iii) no person who, in the past four (4) years served as an executive of a state agency was involved with or has any interest in Proposer's proposal or any contract resulting from this RFP (ref. Section 669.003, *Government Code*). All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before UT System enters into a contract or agreement with Proposer.

**2.9** By signature hereon, Proposer certifies that in accordance with Section 2155.004, *Government Code*, no compensation has been received for its participation in the preparation of the requirements or specifications for this RFP. In addition, Proposer certifies that an award of a contract to Proposer will not violate Section 2155.006, *Government Code*, prohibiting UT System from entering into a contract that involves financial participation by a person who, during the previous five years, has been convicted of violating federal law or assessed a penalty in a federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, Hurricane Katrina, or any other disaster occurring after September 24, 2005. Pursuant to Sections 2155.004 and 2155.006, *Government Code*, Proposer certifies that Proposer is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment withheld if these certifications are inaccurate.

**2.10** By signature hereon, Proposer certifies its compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.

**2.11** By signature hereon, Proposer represents and warrants that all products and services offered to UT System in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-596) and the

*Texas Hazard Communication Act, Chapter 502, Health and Safety Code, and all related regulations in effect or proposed as of the date of this RFP.*

**2.12** Proposer will and has disclosed, as part of its proposal, any exceptions to the certifications stated in this Execution of Offer. All such disclosures will be subject to administrative review and approval prior to the time UT System makes an award or enters into any contract or agreement with Proposer.

**2.13** If Proposer will sell or lease computer equipment to UT System under any agreements or other contractual arrangements that may result from the submission of Proposer's proposal then, pursuant to Section 361.965(c), *Health & Safety Code*, Proposer certifies that it is in compliance with the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in Chapter 361, Subchapter Y, *Health & Safety Code* and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in Title 30, Chapter 328, Subchapter I, *Texas Administrative Code*. Section 361.952(2), *Health & Safety Code* states that, for purposes of the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act, the term "computer equipment" means a desktop or notebook computer and includes a computer monitor or other display device that does not contain a tuner.

**2.14 Proposer should complete the following information:**

If Proposer is a Corporation, then State of Incorporation: \_\_\_\_\_

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

RFP No.: UTS/A-\_\_\_\_\_

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

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

**Submitted and Certified By:**

\_\_\_\_\_  
(Proposer Institution's Name)

\_\_\_\_\_  
(Signature of Duly Authorized Representative)

\_\_\_\_\_  
(Printed Name/Title)

---

(Date Signed)

---

(Proposer's Street Address)

---

(City, State, Zip Code)

---

(Telephone Number)

---

(FAX Number)

**APPENDIX TWO**  
**UT SYSTEM POLICY ON UTILIZATION OF**  
**HISTORICALLY UNDERUTILIZED BUSINESSES**

*This document is attached separately.*

## APPENDIX THREE

### SAMPLE PREFERRED SUPPLIER AGREEMENT

for

### SPEND ANALYTICS SOLUTION SERVICES

between

THE UNIVERSITY OF TEXAS SYSTEM

and

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

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

This Agreement specifies the terms and conditions applicable to the supply by Preferred Supplier of certain spend analytics solution services to institutional participants, all as further described below.

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

#### **SECTION 1 – Definitions**

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

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

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

**“Services”** means the supply by Preferred Supplier of certain spend analytics solution services, as described in **Rider 100**, Scope of Work.

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

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

## **SECTION 2 – Term:**

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

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

- Preferred Supplier will make the Services available for purchase by Institutional Participants after \_\_\_\_\_, 2018 (or the anticipated expiration date under any extended term of this Agreement), for a transitional period of six months (the **“Transition Period”**), on the same terms and conditions set forth in this Agreement.
- The Administrative Fee provided for in **Rider 100** (Scope of Work) will apply to all Services purchased hereunder during the Transition Period, and all related obligations of Preferred Supplier under this Agreement (such as to report sales volumes to UT System) will continue during such period.
- The Administrative Fee will apply to all future payments made for purchases of Services initiated during this Agreement, including the Transition Period, even if such payments are made following expiration of this Agreement.
- All incentive / rebate trigger amounts that may be established in this Agreement for any calendar year will be pro-rated automatically on a straight-line basis, to account for partial calendar years during which this Agreement exists, including the Transition Period.

**SECTION 3 – Amendment:**

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

**SECTION 4 – Performance by Preferred Supplier:**

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

**SECTION 5 – Family Code Child Support Certification:**

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

**SECTION 6 – Eligibility Certifications:**

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

Pursuant to Section 361.965, Texas Health and Safety Code, Preferred Supplier also certifies that it is in full compliance with the State of Texas Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in Chapter 361, Subchapter Y, Texas Health and Safety Code, and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in Title 30, Chapter 328, Subchapter I, Texas Administrative Code. Preferred Supplier acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

**SECTION 7 – Tax Certification:**

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

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

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

**SECTION 9 – Loss of Funding:**

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

**SECTION 10 – Force Majeure:**

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

**SECTION 11 – Notices:**

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

**If to UT System:**

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

*with copy to:*

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

**If to Preferred Supplier:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

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

*with copy to:*

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

*and*

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

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

## **SECTION 12 – Preferred Supplier's Obligations.**

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

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

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

**12.4** Preferred Supplier warrants and agrees that all Services supplied under this Agreement will be accurate and free from any material defects. Preferred Supplier's performance hereunder will at no time be in any way diminished by reason of any approval by UT Party nor will Preferred Supplier be released from any liability by reason of any approval by UT Party, it being agreed that UT Party at all times is relying upon Preferred Supplier's skill and knowledge in performing hereunder. Preferred Supplier will, at

its own cost, correct all material defects in Services supplied under this Agreement, as soon as practical after Preferred Supplier becomes aware of the defects. If Preferred Supplier fails to correct such material defects within a reasonable time, then UT Party may correct the defect at Preferred Supplier's expense. This remedy is in addition to, and not in substitution for, any other remedy for the defect that UT Party may have at law or in equity.

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

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

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

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

**SECTION 13 – State Auditor's Office:**

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

**SECTION 14 –Governing Law:**

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

## **SECTION 15 – Breach of Contract Claims:**

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

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

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

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

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

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

## **SECTION 16 – Compliance with Law:**

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

federal antitrust laws, or (2) has communicated directly or indirectly the content of Preferred Supplier's response to UT System's procurement solicitation to any competitor or any other person engaged in a similar line of business during the procurement process.

**SECTION 17 – UT Party's Right to Audit:**

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

**SECTION 18 – Access to Documents:**

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

**SECTION 19 – Insurance:**

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

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

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

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

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

Each Occurrence Limit	\$1,000,000
Damage to Rented Premises	\$ 300,000

Personal & Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products - Completed Operations Aggregate	\$2,000,000

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

**19.1.3** Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 single limit of liability per accident for Bodily Injury and Property Damage. Contractors transporting hazardous materials must provide the MCS-90 endorsement and CA9948 Broadened Pollution Liability endorsement on the Business Auto Liability policy. Policy limits must be in line with Federal requirements.

**19.1.4** Umbrella/Excess Liability Insurance with limits of not less than \$2,000,000 per occurrence and aggregate with a deductible of no more than \$10,000, and will be excess over and at least as broad as the underlying coverage as required under **Sections 19.1.1** Employer's Liability; **19.1.2** Commercial General Liability; and **19.1.3** Business Auto Liability. Inception and expiration dates will be the same as the underlying policies. Drop-down coverage will be provided for reduction or exhaustion of underlying aggregate limits and will provide a duty to defend for any insured.

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

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

**19.2.1** Evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all required insurance policies after the execution and delivery of this Agreement and prior to the performance by Preferred Supplier under this Agreement. Additional evidence of insurance will be provided verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.

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

**19.2.3** Preferred Supplier hereby waives all rights of subrogation against The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant. **All insurance policies** will be endorsed to provide a waiver of subrogation

in favor of The Board of Regents of The University of Texas System, The University of Texas System and Institutional Participant. No policy will be canceled until after thirty (30) days' unconditional written notice to Institutional Participant. ***All insurance policies*** will be endorsed to require the insurance carrier providing coverage to send notice to Institutional Participant thirty (30) days prior to any cancellation, material change, or non-renewal relating to any insurance policy required in this **Section 19**.

**19.2.4** Preferred Supplier will pay any deductible or self-insured retention for any loss. Any self-insured retention must be declared to and approved by Institutional Participant prior to the performance by Preferred Supplier under this Agreement. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

**19.2.5** Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be mailed, faxed, or emailed to the Institutional Participant contact identified in the Institutional Participation Agreement.

**19.3** Preferred Supplier's or subcontractor's insurance will be primary to any insurance carried or self-insurance program established by Institutional Participant or The University of Texas System. Preferred Supplier's or subcontractor's insurance will be kept in force until all obligations under this Agreement have been fully performed and accepted by Institutional Participant in writing, except as provided in this **Section 19.3**.

**19.3.1** Directors and Officers Liability insurance coverage written on a claims-made basis requires Preferred Supplier to purchase an Extended Reporting Period Endorsement, effective for 24 months after the expiration or cancellation of this policy.

## **SECTION 20 – Indemnification:**

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

**20.2** IN ADDITION, PREFERRED SUPPLIER WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY UT PARTY, AND HOLD HARMLESS INDEMNITEES FROM AND AGAINST ALL CLAIMS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER PROPRIETARY INTEREST ARISING BY OR OUT OF THE PERFORMANCE OF SERVICES OR THE PROVISION OF

GOODS BY PREFERRED SUPPLIER, OR THE USE BY INDEMNITEES, AT THE DIRECTION OF PREFERRED SUPPLIER, OF ANY ARTICLE OR MATERIAL; PROVIDED, THAT, UPON BECOMING AWARE OF A SUIT OR THREAT OF SUIT FOR INFRINGEMENT, UT PARTIES WILL PROMPTLY NOTIFY PREFERRED SUPPLIER AND PREFERRED SUPPLIER WILL BE GIVEN THE OPPORTUNITY TO NEGOTIATE A SETTLEMENT. IN THE EVENT OF LITIGATION, UT PARTIES AGREE TO REASONABLY COOPERATE WITH PREFERRED SUPPLIER. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

**SECTION 21 – Ethics Matters; No Financial Interest:**

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

**SECTION 22 – Assignment of Overcharge Claims:**

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

**SECTION 23 – Assignment and Subcontracting:**

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

**SECTION 24 – Historically Underutilized Business Subcontracting Plan:**

**24.1** If an HSP is attached to this Agreement, Preferred Supplier agrees to use good faith efforts to subcontract the scope of work in accordance with the HSP. Preferred Supplier agrees to maintain business records documenting its compliance with the HSP and to submit a monthly compliance report to UT Party in the format required by the TPSS. Submission of compliance reports will be required as a condition for payment under this Agreement. If UT Party determines that Preferred Supplier has failed to subcontract as set out in the HSP, UT Party will notify Preferred Supplier of any deficiencies and give Preferred Supplier an opportunity to submit documentation and explain why the failure to comply with the HSP should not be attributed to a lack of good faith effort by Preferred Supplier. If UT Party determines

that Preferred Supplier failed to implement the HSP in good faith, UT Party, in addition to any other remedies, may report nonperformance to the TPSS in accordance with 34 TAC Chapter 20, Subchapter F, Vendor Performance and Debarment Program. UT Party may also revoke this Agreement for breach and make a claim against the Preferred Supplier.

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

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

#### **SECTION 25 – Payment and Invoicing:**

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

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

#### **SECTION 26 – Limitations:**

The parties to this Agreement are aware that there are constitutional and statutory limitations on the authority of UT Party (a state agency) to enter into certain terms and conditions of this Agreement,

including, but not limited to, those terms and conditions relating to disclaimers and limitations of warranties; disclaimers and limitations of liability for damages; waivers, disclaimers and limitations of legal rights, remedies, requirements and processes; limitations of periods to bring legal action; granting control of litigation or settlement to another party; liability for acts or omissions of third parties; payment of attorneys' fees; dispute resolution; indemnities; and confidentiality (collectively, the "**Limitations**"), and terms and conditions related to the Limitations will not be binding on UT Party except to the extent authorized by the laws and Constitution of the State of Texas.

#### **SECTION 27 – Affirmative Action:**

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

#### **SECTION 28 – OSHA Compliance:**

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

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

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

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

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

### **SECTION 30 – Premises Rules:**

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

### **SECTION 31 – Debarment:**

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

### **SECTION 32 – Office of Inspector General Certification:**

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

### **SECTION 33 – Termination:**

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

will relieve the defaulting party from liability for the underlying default or breach of this Agreement or any other act or omission.

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

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

#### **SECTION 34 – Authority:**

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

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

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

#### **SECTION 36 – Confidentiality; Press Releases; Public Information:**

**36.1 Confidentiality and Safeguarding of UT Party Records.** Under this Agreement, Preferred Supplier may (1) create, (2) receive from or on behalf of UT Party, or (3) have access to, UT Party's records or record systems (collectively, "**UT Party Records**"). However, it is expressly agreed that UT Party will not provide to Preferred Supplier, and Preferred Supplier will never seek to access, any UT Party Records that contain personally identifiable information regarding any individual that is not available to any requestor under the *Texas Public Information Act*, Chapter 552, Texas Government Code, including "directory information" of any student who has opted to prohibit the release of their "directory information" as that term is defined under the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g ("**FERPA**") and its implementing regulations. Preferred Supplier represents, warrants, and agrees that it will: (1) hold UT Party Records in strict confidence and will not use or disclose UT Party Records except as (a) permitted or required by this Agreement, (b) required by Applicable Laws, or (c) otherwise authorized by UT Party in writing; (2) safeguard UT Party Records according to reasonable administrative, physical and technical standards (such as standards established by the National Institute

of Standards and Technology and the Center for Internet Security, as well as Payment Card Industry Data Security Standards) that are no less rigorous than the standards by which Preferred Supplier protects its own confidential information; (3) continually monitor its operations and take any action necessary to assure that UT Party Records are safeguarded and the confidentiality of UT Party Records is maintained in accordance with all Applicable Laws and the terms of this Agreement; and (4) comply with UT Party Rules regarding access to and use of UT Party's computer systems, including UTS 165 at <http://www.utsystem.edu/bor/procedures/policy/policies/uts165.html>. At the request of UT Party, Preferred Supplier agrees to provide UT Party with a written summary of the procedures Preferred Supplier uses to safeguard and maintain the confidentiality of UT Party Records.

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

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

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

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

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

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

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

### **SECTION 37 – Tax Exemption**

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

### **SECTION 38 – Undocumented Workers:**

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

### **SECTION 39 – Non-Exclusivity; No Required Quantities or Minimum Amounts:**

Preferred Supplier understands that this Agreement is non-exclusive and does not obligate UT Party to purchase from Preferred Supplier any or all of its requirements for services that are the same as or similar to the Services provided hereunder. This Agreement does not establish any minimum quantity or minimum dollar amount of goods or services that UT Party must purchase from Preferred Supplier during the term of this Agreement.

### **SECTION 40 – Access by Individuals with Disabilities:**

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

refund to UT Party all amounts UT Party has paid under this Agreement within thirty (30) days after the termination date.

**SECTION 41 – Background Checks:**

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

**SECTION 42 – Entire Agreement; Modifications:**

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

**SECTION 43 – Captions:**

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

**SECTION 44 – Waivers:**

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

**SECTION 45 – Binding Effect:**

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

**SECTION 46 – Limitations of Liability:**

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

**SECTION 47 – Relationship of the Parties:**

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

contract. As an independent contractor, Preferred Supplier is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort, including workers' compensation insurance.

**SECTION 48 – Severability:**

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

**SECTION 49 – External Terms:**

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

**SECTION 50 – Conflicts:**

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

**SECTION 51 – Attachments:**

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

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

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

**THE UNIVERSITY OF TEXAS SYSTEM**

**[PREFERRED SUPPLIER]**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

William H. McRaven, Chancellor

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

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX THREE- 300**  
**INSTITUTIONAL PARTICIPATION AGREEMENT**

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

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

Benefits from Preferred Supplier Agreement:

To obtain spend analytics solution services at discounted prices.

Institutional Participant’s Responsibilities

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

- Identify Preferred Supplier as the "preferred supplier" of certain spend analytics solution services.
- [tbd]

Institutional Participant’s notice address and contact information is:

The University of Texas at \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_  
Attention: \_\_\_\_\_

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

**INSTITUTIONAL PARTICIPANT: Primary Contact:**

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

**INSTITUTIONAL PARTICIPANT: HUB Contact:**

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

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

**PREFERRED SUPPLIER Primary Contact:**

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

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

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

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

The University of Texas \_\_\_\_\_

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

**Upon activation of this Institutional Participation Agreement, Institutional Participant’s Primary Contact will receive notification of activation via email. Please return signed completed form to the UT System Supply Chain Alliance Strategic Services Group at [UTSSCAinfo@mdanderson.org](mailto:UTSSCAinfo@mdanderson.org).**

**SAMPLE**

**APPENDIX THREE - 400**

**SUPPLIER RELATIONSHIP MANAGEMENT**

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

Quarterly Business Reviews (“QBRs”) of Preferred Supplier’s performance under this Agreement will be conducted by the UT System Contract Administrator on behalf of UT System. QBRs will be held four times annually and generally scheduled within sixty (60) days after the end of a calendar year quarter. Institutional Participants may elect to establish a local level SRM program by separate agreement with Preferred Supplier.

**2.0 Quarterly Business Reviews**

2.1 QBRs will consist of two major components:

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

**Table 1: Key Performance Indicators**

<b>Performance Measure</b>	<b>Service Level</b>	<b>Variance from Service Level</b>	<b>Maximum Score (TBD)</b>	<b>Definition and Measurement</b>
Completeness of data categorization	98%	$\leq 1\%$ $>1\%-\leq 3\%$ $>3\%-\leq 5\%$ $>5\%$	15 8 5 0	Total number of data rows correctly categorized compared to those not categorized. <i>**Will define this more granularly by category (i.e. Pharma will have a higher service level requirement than office supplies).</i>
Accuracy of data categorization	99%	$\leq 1\%$ $>1\%-\leq 3\%$ $>3\%-\leq 5\%$ $>5\%$	15 8 5 0	Manual spot check of data rows correctly categorized to the defined taxonomy compared to those incorrectly categorized. <i>**Will define this more granularly by category (i.e. Pharma will have a higher service level requirement than office supplies).</i>

Project Manager responsiveness	Within 1 business day	100% of time 95% 90%	20 5 0	To support dedication and accountability to UT System inquiries.
Analysis Software SLA Uptime	SLA Met	Yes  No	20  0	SLA software uptime as defined in contract.
Accuracy of Benchmark Rates	95%	$\leq 1\%$ $>1\%-\leq 5\%$ $>5\%$	10 5 0	Manual spot check of publically available rates, known UT System pricing, or other benchmarking services to ensure accuracy of benchmark rates quoted.
Administrative Fees & Incentive Payments	Not more than 5 days late	Y  N	10  0	Paid accurately and on time within contract schedules
Reports	Not more than 5 days late	Y  N	10  0	Submitted within contract schedule each month to the Alliance
Customer Satisfaction	90% of metric	$\leq 3\%$ $>3\%-\leq 8\%$ $>8\%-\leq 15\%$ $>15\%$	35 25 15 0	Preferred Supplier will attain customer satisfaction score of 90% or greater. Survey content and distribution to be agreed with Preferred Supplier to ensure appropriate measures recorded.

**Table 2: Business Relationship Indicators**

Performance Measure	Goal	Definition
Campus Outreach	Number and type of communications and events as defined in the Strategic Action Plan	Implement targeted communications and educational programs for end-users and purchasing personnel at each Institutional Participant to: a) foster cooperation and collaboration, b) increase understanding of the value of this Agreement, and c) create greater awareness of savings and savings opportunities.
Value Proposition	TBD	Report on savings, process changes, Improvements, and or innovations that have

		created increased value for the Institutional Participants
--	--	--

2.2 Business Relationship Indicators

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

2.3 QBR Meeting Reports and Metrics

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

An advance copy of the Key Performance Indicator Report will be sent to the UT System Contract Administrator no less than five (5) days prior to the scheduled QBR meeting date.

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

**3.0 Preferred Supplier Evaluation and Rating**

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

Beginning the second full calendar quarter after the Effective Date, Preferred Supplier must obtain a minimum composite score of 65, from UT System for each quarter during the remaining term of this Agreement.

**4.0 Corrective Action Plan**

The UT System Contract Administrator will notify Preferred Supplier during a QBR if Preferred Supplier receives a composite score of less than xx, during the previous quarter or a score of Zero (0) for any KPI.

Within fifteen (15) calendar days after receipt of such notice, Preferred Supplier will provide the UT System Contract Administrator with a written corrective action plan (“**CAP**”) acceptable to the UT System Contract Administrator to address such unacceptable scores. At a minimum, the CAP will address Preferred Supplier’s performance issues resulting in unacceptable score(s) and contain a root cause analysis of the problems causing such performance issue, proposed solutions to those problems, proposed process modifications to prevent recurrence of such problems, a time frame for Preferred Supplier’s implementation of the proposed solutions and process modifications, and the person(s) who

will be responsible for Preferred Supplier's implementation of the CAP. The CAP will be presented to the UT System Contract Administrator for concurrence prior to implementation. Concurrence with the CAP by the UT System Contract Administrator will not be unreasonably withheld or delayed. Concurrence with the CAP will not constitute a waiver by UT System of any rights regarding remedies.

### **5.0 Corrective Action and Remedies**

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

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

## APPENDIX FOUR

### ACCESS BY INDIVIDUALS WITH DISABILITIES

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

## APPENDIX FIVE

### **ELECTRONIC AND INFORMATION RESOURCES ENVIRONMENT SPECIFICATIONS**

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

#### **Basic Specifications**

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

5. Manpower Requirements: Who will operate and maintain the EIR? Will additional Institutional Participant full time employees (FTEs) be required? Will special training on the EIR be required by Proposer's technical staff? What is the estimated cost of required training?
6. Upgrades and Patches: Describe Proposer's strategy regarding EIR upgrades and patches for both the server and, if applicable, the client software. Included Proposer's typical release schedule, recommended processes, estimated outage and plans for next version/major upgrade.

### **Security**

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

### **Integration**

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

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

### **Accessibility Information**

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

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

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

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

## APPENDIX SIX

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

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

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

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

#### **General Protection of Institutional Participant Records**

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

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

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

6. What procedures and best practices does Proposer follow to harden all systems that would interact with Information Resources, including any systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed?

7. What technical security measures does the Proposer take to detect and prevent unintentional, accidental and intentional corruption or loss of Institutional Participant Records?

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

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

10. Does Proposer have a data backup and recovery plan supported by policies and procedures, in place for Information Resources? If yes, briefly describe the plan, including scope and frequency of backups, and how often the plan is updated. If no, describe what alternative methodology Proposer uses to ensure the restoration and availability of Institutional Participant Records.

11. Does Proposer encrypt backups of Institutional Participant Records? If yes, describe the methods used by Proposer to encrypt backup data. If no, what alternative safeguards does Proposer use to protect backups against unauthorized access?

12. Describe the security features incorporated into Information Resources to safeguard Institutional Participant Records containing confidential information.

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

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

### **Access Control**

1. How will users gain access (i.e., log in) to Information Resources?

2. Do Information Resources provide the capability to use local credentials (i.e., federated authentication) for user authentication and login? If yes, describe how Information Resources provide that capability.

3. Do Information Resources allow for multiple security levels of access based on affiliation (e.g., staff, faculty, and student) and roles (e.g., system administrators, analysts, and information consumers), and organizational unit (e.g., college, school, or department)? If yes, describe how Information Resources provide for multiple security levels of access.

4. Do Information Resources provide the capability to limit user activity based on user affiliation, role, and/or organizational unit (i.e., who can create records, delete records, create and save reports, run

reports only, etc.)? If yes, describe how Information Resources provide that capability. If no, describe what alternative functionality is provided to ensure that users have need-to-know based access to Information Resources.

5. Do Information Resources manage administrator access permissions at the virtual system level? If yes, describe how this is done.

6. Describe Proposer's password policy including password strength, password generation procedures, password storage specifications, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

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

7. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that would have access to the environment hosting Institutional Participant Records to ensure need-to-know-based access?

8. What procedures and best practices does Proposer have in place to ensure that user credentials are updated and terminated as required by changes in role and employment status?

9. Describe Proposer's password policy including password strength, password generation procedures, and frequency of password changes. If passwords are not used for authentication or if multi-factor authentication is used to Information Resources, describe what alternative or additional controls are used to manage user access.

### **Use of Data**

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

1. What administrative safeguards and best practices does Proposer have in place to vet Proposer's and third-parties' staff members that have access to the environment hosting all systems that would hold or process Institutional Participant Records, or from which Institutional Participant Records may be accessed, to ensure that Institutional Participant Records will not be accessed or used in an unauthorized manner?

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

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

4. What procedures and safeguards does Proposer have in place for sanitizing and disposing of Institutional Participant Records according to prescribed retention schedules or following the conclusion of a project or termination of a contract to render Institutional Participant Records unrecoverable and prevent accidental and unauthorized access to Institutional Participant Records? Describe the degree to

which sanitizing and disposal processes addresses Institutional Participant data that may be contained within backup systems. If Institutional Participant data contained in backup systems is not fully sanitized, describe processes in place that would prevent subsequent restoration of backed-up Institutional Participant data.

### **Data Transmission**

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

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

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

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

### **Notification of Security Incidents**

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

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

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

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

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

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

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

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



University of Texas System Spend Analytics RFP

Sect. 5.5 Proposer's Survey

**Proposer Survey Instructions**

Thank you for your participation in the University of Texas System Spend Analytics RFP. This Proposer Survey contains the following Sect.s:

- Sect. 5.5.1 - Response Type **(required for all respondents)**
- Sect. 5.5.2 - Minimum Requirements **(required for all respondents)**
- Sect. 5.5.3 - Company Information **(required for all respondents)**
- Sect. 5.5.4 - Data Validation **(only required for Data Validation respondents)**
- Sect. 5.5.5 - Analysis Software **(only required for Analysis Software respondents)**
- Sect. 5.5.6 - Business Intelligence **(only required for Business Intelligence respondents)**
- Sect. 5.5.7 - Price Schedule **(required for all respondents)**

As stated in Section 1.2 ("Objective of this Request for Proposal") of this RFP, Proposer may wish to propose providing any or all of the key components of Data Validation, Analysis Software, and Business Intelligence. Proposers should focus on those activities in which the Proposer has significant expertise and can bring the greatest value to UT System. Responses may be submitted through use of direct sales, reseller partnerships, distributors, channel partners and/or other indirect relationships. Proposers are permitted to include their products and services in multiple bid responses.

To complete the Proposer Survey, Proposer should begin with Sect. 5.5.1 - Response Type and select the components in which Proposer is offering products and services. Proposer must also complete Sect. 5.5.2 - Minimum Requirements, Sect. 5.5.3 - Company Information, and Sect. 5.5.7 - Price Schedule, regardless of which components are being offered. Proposer must also complete the appropriate Sect.(s) in which components are being offered. Proposer Surveys that do not provide a complete response for all required Sect.s cannot be considered for evaluation by UT System.

Once Proposer Survey response is complete, the Proposal Survey should be emailed to [UTSSCABids@mdanderson.org](mailto:UTSSCABids@mdanderson.org) with all other proposal items listed in Sect. 3.4 ("Submittal Checklist") of this RFP. The Proposal Survey should be submitted as an electronic Excel (.xls) file and with a scanned signature page (see signature line below).

Proposer Survey Checklist	
<i>Use only to validate completeness of Proposer's Survey.</i>	
Sect. 5.5.1 - Response Type	Incomplete
Sect. 5.5.2 - Min Requirements	Incomplete
Sect. 5.5.3 - Company Info	Incomplete
Sect. 5.5.4 - Data Validation	Not Required
Sect. 5.5.5 - Analysis Software	Not Required
Sect. 5.5.6 - Biz Intelligence	Not Required
Sect. 5.5.7 - Price Schedule	Incomplete
<b>Overall Proposer Survey Status</b>	<b>Incomplete</b>
<i>Please note that a complete Proposer Survey does not guarantee a complete proposal for submission, as defined in Sect. 3.4 ("Submittal Checklist").</i>	

By placing my signature below, I hereby certify that I am an authorized respondent for this RFP on behalf of Proposer Company name.

[Type Proposer Company name here]	[Type Responsible Division or Business Unit here]
Proposer Company Name	Responsible Division or Business Unit
[Type Printed Name here]	[Type Title here]
Responses Approved By: Printed Name	Title
	[Type Date here]
Signature	Date

## University of Texas System Spend Analytics RFP

Proposer Company name Proposer Survey

Sect. 5.5.1 - Response Type

### Instructions:

Please select the key activities in which you are providing a response for this proposal. All respondents must answer all questions.

### Data Validation

Does this proposal include Data Validation products and services provided by your company?

<No Response>

### Messages

Select a response

### Analysis Software

Does this proposal include Analysis Software products and services provided by your company?

<No Response>

### Messages

Select a response

### Business Intelligence

Does this proposal include Business Intelligence products and services provided by your company?

<No Response>

### Messages

Select a response

## University of Texas System Spend Analytics RFP

Proposer Company name Proposer Survey

Sect. 5.5.2 - Minimum Requirements

**Instructions:**

Please provide a response to the Minimum Requirements of this RFP. All respondents must answer questions 5.2.1, 5.2.2, and 5.2.3. Responses to 5.2.4, 5.2.5, and 5.2.6 depend on your responses to Sect. 5.5.1.

<b>Minimum Requirement</b> 5.2.1	<No Response>	<b>Messages</b>
Proposer must pay to the Alliance a quarterly administrative fee of 2% of the Total Net Sales made under the Agreement (ref. <b>Section 6.2</b> of this RFP), regardless of whether such Sales are made to UT System Administration or Institutional Participants. Confirm?		Select a response
<b>Minimum Requirement</b> 5.2.2	<No Response>	<b>Messages</b>
Proposer must properly complete and submit with its proposal a HUB Subcontracting Plan (also called the HSP) (ref. <b>Section 2.5</b> of this RFP and <b>APPENDIX TWO</b> ). <i>Proposals that fail to include an HSP will be considered non-responsive to this RFP</i> . Confirm?		Select a response
<b>Minimum Requirement</b> 5.2.3	<No Response>	<b>Messages</b>
Proposer's Spend Analytics Solution must have been commercially available for sale or licensing to customers before May 2014. Confirm? Enter first date (month, year) commercially available for sale or licensing to customers.		Select a response  Enter a response
<b>Minimum Requirement</b> 5.2.4 (only required for Data Validation respondents)	<No Response>	<b>Messages</b>
Data Validation Proposer must have experience cleansing institutional healthcare purchasing data, and its experience must be related to purchases made by hospitals, clinics, medical schools, or medical research facilities ( <i>for Data Validation respondents only</i> ) . Confirm?		
<b>Minimum Requirement</b> 5.2.5 (only required for Analysis Software respondents)	<No Response>	<b>Messages</b>
Analysis Software Proposer must be capable of supporting at least three million related data records annually and must have experience modeling purchasing data ( <i>for Analysis Software respondents only</i> ) . Confirm?		
<b>Minimum Requirement</b> 5.2.6 (only required for Business Intelligence respondents)	<No Response>	<b>Messages</b>
Business Intelligence Proposer must have customers that are willing to serve as references for Proposer's services and that have purchasing patterns similar to those of UT System health institutions ( <i>for Business Intelligence respondents only</i> ) . Confirm?		

**University of Texas System Spend Analytics RFP**

Proposer Company name Proposer Survey

Sect. 5.5.3 - Company Information

**Instructions:**  
Please provide a response to the Company Information questions. All respondents must answer all questions. If a question does not apply to your business, enter N/A.

Question	Supplier Response	Messages
As part of UT System’s decision process, we may use your company’s background information for award consideration or next steps. Please provide a brief biography of your company, including such things as when the company was first established, ownership (public or private), where the corporate headquarters is located, any branch locations that exist, information about the company’s short and long term goals and objectives, and your mission statement should you have one. We would also be interested in knowing who your target market is, your top five largest customers, number of employees, and what percentage of your overall business is dedicated to products and services contemplated in this RFP.		
Please provide your company’s main address, and telephone		Enter a response
Please provide your company’s FEIN.		Enter a response
Please provide your company’s DUNS number.		Enter a response
Please provide the contact information for the individual responsible for the negotiating business terms. (include telephone number and email address)		Enter a response
Please provide the contact information for the individual responsible for negotiating legal terms. (include telephone number and email address)		Enter a response
Provide any details of all past or pending litigation or claims filed against your company that would affect your company's performance under an Agreement with UT System.		Enter a response
Has your company, or any of its parents or subsidiaries, ever had a Bankruptcy Petition filed in its name, voluntarily or involuntarily?		Enter a response
If yes, specify the date, circumstances, and resolution.		Enter a response
Is your company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity.		Enter a response
If yes, specify date(s), details, circumstances, and prospects for resolution.		Enter a response
Is your company currently for sale or involved in any transaction to expand or to become acquired by another business entity?		Enter a response
If yes, please explain the impact both in organizational and directional terms.		Enter a response
If requested, please indicate your company’s agreement to provide the company’s audited financial statement for the last two (2) years.		Enter a response
Reference provided may be contacted by UT System at any time during the RFP process.		Enter a response
Please provide three existing "non UT System" customers (preferably healthcare or academic) who can be contacted for a reference related to the product and services described in the RFP.  Your customer reference list shall include the company name; contact person including telephone #; scope of services, annual sales volume (\$), and the period of time for which work was performed.  Reference sites should be comparable to the service required by UT System and should be contacted by the Proposer in advance of the Proposal response to ensure that they are available to provide a reference.		Enter a response
If you did not provide your DUNS number as requested above, please provide two financial references (1 trade reference and 1 financial institution/bank reference). List should include company name, mailing address, telephone number, contact person and length of financial relationship.		Enter a response
Please identify any challenges and/or difficulties you anticipate in providing services to UT System and how you plan to manage them; what assistance will you require from UT System?		Enter a response

**University of Texas System Spend Analytics RFP**

Proposer Company name Proposer Survey

Sect. 5.5.3 - Company Information

**Instructions:**  
Please provide a response to the Company Information questions. All respondents must answer all questions. If a question does not apply to your business, enter N/A.

Question	Supplier Response
Please provide any suggested improvements and alternative for doing business with your company that will make this arrangement more cost effective for your company and Institutional Participants.	
Briefly describe your company's advantage in the marketplace. Please provide only information not previously asked or disclosed herein.	
Please state how your company will maintain its competitive "best value" price and non-price offering long-term.	
Briefly indicate any additional "value added" services or programs not otherwise asked or disclosed herein that should be considered during the evaluation process.	

Messages
Enter a response





**University of Texas System Spend Analytics RFP**

Proposer Company name Proposer Survey

Sect. 5.5.4 - Data Validation

**Instructions:**

If you are proposing a Data Valation solution please provide a response to the Data Validaton questions. All questions are required. If a question does not apply to your business, enter N/A.

Question	Supplier Response & Comments	
What requirements does your solution have for transmission to you of sensitive information such as social security numbers?		
With what frequency do you recommend that the data is refreshed? Please explain.		
Do you have additional charges for refreshing the data? Please describe.	<No Response>	
Do you have a limit on which data or how much data can be refreshed? If so, please describe.	<No Response>	
How long do you estimate a typical refresh process to take? For an estimate of number of records in a refresh cycle, please use your recommendation for frequency to refresh the data and assume there are 3 million records annually. For example, if you recommend monthly data refreshes, estimate 250,000 records per refresh.		
Please describe the process of transmitting the cleansed and categorized data to the Analysis Software provider. If you are responding for only the Data Validation activity, please describe the requirements you would have of the Analysis Software provider in order to transmit the information.		
If you are responding for only the Data Validation activity, will you rely on UT System to manage the relationship between your company and that Analysis Software provider? Please explain.	<No Response>	
Will UT System be permitted to extract or export all data from your solution at any time?	<No Response>	
Please describe the user community for your Data Validation solution.		
What unique features differentiate your Data Validation solution from competitive offerings?		
Please describe your value-added services that have not previously been described.		

Messages
Enter a response





## University of Texas System Spend Analytics RFP

Proposer Company name Proposer Survey

Sect. 5.5.5 - Analysis Software

**Instructions:**

If you are proposing an Analysis Software solution please provide a response to the Analysis Software questions. All questions are required and should be answered for the features that are available as of May 2015. If the feature will be available in the future, indicate the release date in the Comments. If a question does not apply to your business, enter N/A.

Question	Supplier Response & Comments	
How will you manage incoming data sources? Will data sources be required to follow the Data Validation procedures? Can users upload data at any time?		
If a user finds a data classification error while using the Analysis Software, do you have a method or process in place for transmitting this information back to the Data Validation provider? Please explain.		
With what frequency do you recommend that recent purchasing data is added to the software? Please explain.		
Do you have additional charges for adding new data? If so, please explain.	<No Response>	
Do you have a limit on which data or how much data can be refreshed? If so, please describe.	<No Response>	
How long do you estimate a typical refresh process to take? For an estimate of number of records in a refresh cycle, please use your recommendation for frequency to refresh the data and assume there are 3 million records annually. For example, if you recommend monthly data refreshes, estimate 250,000 records per refresh.		
What type of data was your solution designed for?	<No Response>	
Do you have a method for comparing spend data from multiple sources? For example, can the invoice data from the Data Validation provider be compared with supplier-reported spend data from an outside source?	<No Response>	
How do you report discrepancies in the spend data?		
How will you manage the incoming supplier-reported spend data? Must the data pass through the Data Validation provider first?		
Do you support other sources of spend data for comparison such as GPO or distributor reported data?		
Do you have any special considerations or practices for P-card data? Please describe the type of analysis users have performed on P-card data in your solution.		
Do you have a method for capturing rebates, incentives earned, and other revenue that an Institutional Participant may receive from a supplier or GPO?	<No Response>	
How do you report the value of rebates or revenue from fees in relation to spend data?		
Does your solution offer guidance into issues with the data? For example, does your solution have a method for identifying duplicate suppliers?	<No Response>	
How does your solution define and calculate "savings"?		
Do you have multiple methods for capturing savings? Please describe.	<No Response>	
Can users create and save their own versions of savings calculations?	<No Response>	
What is your standard customer support availability? Are there an additional costs for standard support and what are the costs?	<No Response>	
Do you offer premium support? If so, please describe premium support and the cost.	<No Response>	
What is your standard SLA for:		

Messages
Enter a response



## University of Texas System Spend Analytics RFP

Proposer Company name Proposer Survey

Sect. 5.5.6 - Business Intelligence

**Instructions:**

Please provide a response to the Business Intelligence questions.

Question	Supplier Response & Comments		Messages
Describe your proposed solution for Business Intelligence. This should include descriptions of the implementation timeline and milestones, resources your solution will dedicate to UT System (including project management and account management), requirements you will have of the data submitted for benchmarking or analysis, value-added services and features, and limitations of your solution. This response should complement all other responses in this workbook regarding Business Intelligence. You may describe this response in supporting attachments. If so, please enter the name of the attached file in the Comments field.			Enter a response
Please describe the implementation phase for gathering user input and Business Intelligence requirements. How will you interact with the Analysis Software provider to feed Business Intelligence information into the software tool? You may include this information with your response from Question 1.			Enter a response
Please describe your interpretation of "purchasing patterns similar to those of UT System health institutions" from your referenceable customers. What makes these customers similar to UT System?			Enter a response
Is your solution software-based, services-based, or a combination? Please explain.	<No Response>		Enter a response
If your solution includes software, please describe UT System's access to the software.			Enter a response
If your solution includes software, is the software hosted at the client site, cloud-based, or something else? Please describe.	<No Response>		Enter a response
If you are proposing a cloud-based solution, have you had an SSAE16 audit?	<No Response>		Enter a response
If so, when was the last SSAE16 audit?			Enter a response
Will you provide the SSAE16 audit report to UT System if you are selected as a Finalist for the Spend Analytics RFP?	<No Response>		Enter a response
Please specify the hosting geographic location (City, State, Country).			Enter a response
What information will you require from the Analysis Software to perform Business Intelligence tasks such as benchmarking?			Enter a response
On what frequency will you require the information from the Analysis Software?			Enter a response
What system or sources do you use to support your benchmarking database?			Enter a response
How do you maintain the benchmark information? On what frequency is it updated?			Enter a response
Please provide at least 2 examples of other benchmarked companies in your database.			Enter a response
Please provide at least 2 examples of other benchmarked industries in your database.			Enter a response
Do you have benchmark information for price and non-price factors?	<No Response>		Enter a response
Please describe the scale (size) of your benchmarking database. You may respond in number of rows, customers, prices, or products.			Enter a response
Related to scale, how much of that information is from healthcare institutions (in % of total database)?			Enter a response

**University of Texas System Spend Analytics RFP**

Proposer Company name Proposer Survey

Sect. 5.5.6 - Business Intelligence

**Instructions:**  
Please provide a response to the Business Intelligence questions.

Question	Supplier Response & Comments	
How do you ensure accuracy of your benchmark information?		
Please list your company's years of customer experience with the following business intelligence activities. Please list one reference for each activity where you have experience.		
Benchmarking		years
Clinical Value Analysis		years
Strategic Sourcing		years
Contract Management		years
Supplier Negotiations		years
Cost Savings and Avoidance		years
Please describe other Business Intelligence services that you offer.		
Will UT System be permitted to extract or export all data from your solution at any time?	<No Response>	
Please describe the user community for your Business Intelligence solution.		
Do you anticipate additional costs to UT System for accessing or subscribing to a 3rd party benchmarking service? If so, please explain.	<No Response>	
What unique features differentiate your Business Intelligence solution from competitive offerings?		
Please describe your value-added services that have not previously been described.		

Messages
Enter a response

**University of Texas System Spend Analytics RFP**

Proposer Company name Proposer Survey

Sect. 5.5.7 - Price Schedule

**Instructions:**  
Please provide a response to the Price Schedule questions and table below. Prices quoted should be good faith estimates based on the Scope of Work. See assumptions at the bottom of this sheet.

**Suppliers should ask clarifying questions regarding the Scope of Work prior to the Deadline for Questions/Concerns on May 26, 2015 at 5:00 PM CDT (as of May 8, 2015).**

Question	Supplier Response
Please attach a document breaking down the cost details for each component of the pricing table at the bottom of this sheet. You are expected to show the components of the price quoted and how you arrived to the total cost, including assumptions made other than those described in this RFP.	
Please describe the milestones associated with payment during the implementation phase and the estimated amount due at each milestone.	
Do you offer perpetual licenses? If so, how does the cost of perpetual licenses vary from the pricing proposed below?	
Do you have price adjustments based on the number of users? Please describe the tiers and price adjustments.	
What are the annual maintenance and/or support fees? Please include these fees in the Total Ongoing Cost columns below.	
Please describe your discounts available for non-profits, higher ed, healthcare, research, and/or other education.	
Please describe any early payment discounts, rebates, prebates, and all other incentives.	
What are your average Professional Services daily rates? If you would like to describe daily rates by role, please include in an attached supporting document.	
Will hardware be required for the proposed solution? If so, will UT System be expected to source and pay for the hardware directly or is the hardware part of the cost of the solution detailed in the table below? If UT System must purchase the hardware directly, please describe the specifications and estimated cost.	
Are there any other 3rd party products or services that must be purchased by UT System to enable your proposed solution? If so, please list the 3rd party name, product or service, frequency of cost, and estimated 5 year cost.	
Are there any other costs that are not specifically described? Please attach any supporting documents to describe these costs.	

Messages
Enter a response

**PRICING TABLE**

	Total Implementation Cost	Total Year 1 Operating Cost	Total Annual Ongoing Operating Cost (After Year 1)	Total 5 Year Cost
Data Validation				\$0
Analysis Software				\$0
Business Intelligence				\$0
<b>Total Proposed Solution Cost</b>				<b>\$0</b>

Messages
Enter a response
Enter a response
Enter a response

**PRICE SCHEDULE ASSUMPTIONS**

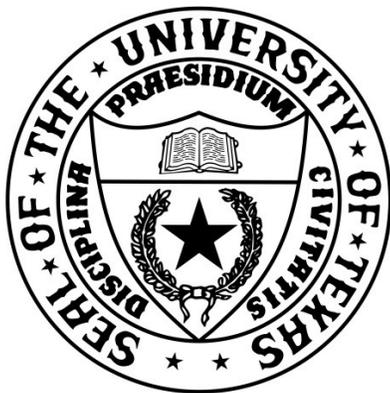
- The Implementation period is defined as all time for setup, requirements gathering, and initial support before full Go-Live.
- 3 million data records annually
- 100 users with annual licenses
- 3 year contract term with two optional 1-year renewal periods.

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THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION  
JANUARY 2015

## **APPENDIX III**

# **POLICY ON UTILIZATION HISTORICALLY UNDERUTILIZED BUSINESSES VENDOR/COMMODITIES**



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

<b>Contents</b>
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- Policy on Utilization of Historically Underutilized Businesses (HUB)s Page 3
- Summary of Requirements/Historically Underutilized Business (HUB) Subcontracting Plan (HSP) Pages 4-6
- Summary of Attachments Required from Respondents Page 7
- Letter of Transmittal Page 8
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- HSP Quick Checklist Page 10
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  - Section 2 – Good Faith Effort Subcontractor Selection Page 12
  - Self-Performance Justification Page 14
  - HSP Good Faith Effort Method A (Attachment A) Page 15
  - HSP Good Faith Effort Method B ( Attachment B) Page 16-17
- HUB Subcontracting Opportunity Notification Form Page 18

Minority and Trade Organizations contact information is available online at:  
<http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>
- HUB Subcontracting Plan Prime Contractor Progress Assessment Report (PAR) Page 19

(Required of successful respondent for payment requests only)

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

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

**Introduction**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(RESPONDENT'S BUSINESS LETTERHEAD)

Date

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

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

Dear Mr. Hay,

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

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

Select one of the following:

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

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

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

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

Sincerely,

(Project Executive)

cc: Contract Administrator

(RESPONDENT'S BUSINESS LETTERHEAD)

Date

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

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

Dear Mr. Hay:

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

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

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

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

Sincerely,

(Project Executive)

cc: Contract Administrator



# HUB Subcontracting Plan (HSP)

## QUICK CHECKLIST

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

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

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

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

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

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

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

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

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

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



# HUB Subcontracting Plan (HSP)

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

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

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

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

- - Agency Special Instructions/Additional Requirements - -

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

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

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

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

**SECTION-1: RESPONDENT AND REQUISITION INFORM**

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

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

c. Requisition #: \_\_\_\_\_ Bid Open Date: \_\_\_\_\_

(mm/dd/yyyy)

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION 2: SUBCONTRACTING INTENTIONS RESPONDENT**

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

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

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

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

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

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

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

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

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

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

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

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION-2: SUBCONTRACTING INTENTIONS RESPONDENT (CONTINUATION SHEET)**

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

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

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

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

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

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

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

**SECTION-4: AFFIRMATION**

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

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

Signature	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>
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**Reminder:**

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



# HSP Good Faith Effort - Method B (Attachment B)

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

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

## SECTION B-1: SUBCONTRACTING OPPORTUNITY

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

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

## SECTION B-2: MENTOR PROTÉGÉ PROGRAM

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

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

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

## SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

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

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

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

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

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

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

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

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

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION B-4: SUBCONTRACTOR SELECTION**

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

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

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

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

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

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

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







RFP Submittal Deadline: **June 9, 2015** at **3:00 PM**(CDT)

Addendum Issue Date: **May 21, 2015**

**ADDENDUM 1**  
REQUEST FOR PROPOSAL  
UTS/A50  
Spend Analytics Solution

DIRECT QUESTIONS TO: [UTSSCAquestions@mdanderson.org](mailto:UTSSCAquestions@mdanderson.org)

ACKNOWLEDGEMENT OF THIS ADDENDUM 1 IS REQUIRED IN ACCORDANCE WITH **SECTION 1.2, OF APPENDIX ONE**, TO THE RFP. Specifically, "Proposers are required to acknowledge receipt of each Addendum by sending an acknowledgment email to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org). Each Addendum must be acknowledged by Proposer prior to the Submittal Deadline and should accompany Proposer's proposal."

This RFP Addendum is a furtherance of RFP **UTS/A50** and is not a contract or offer to contract. RFP UTS/A50 is hereby amended as follows:

**Item One:**

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

- 5.1 Pre-Proposal Conference Presentation & Attendee List - Spend Analytics RFP.pdf
  - The content of this presentation supersedes any previous version.
  - Of note, the HUB section has been updated with several corrections.
  - The lists of attendees from the Pre-Proposal Conference are included at the end of the document.
- 5.2 For Listing Exceptions - SECTION 4 and APPENDIX THREE (incl 300).docx
  - Available for listing exceptions, as described in section 5.3.2.
  - Use the Track Changes functionality in Microsoft Word for listing exceptions.
- 5.3 For Completion - APPENDIX FIVE and APPENDIX SIX.docx
  - Available for direct input of responses to:
    - APPENDIX FIVE (Electronic and Information Resources (EIR) Environment Specifications)
    - APPENDIX SIX (Security Characteristic and Functionality of Contractor's Information Resources)

**Item Two:**

Delete "2 - UT System Spend Analytics RFP Proposer Survey (Sect. 5.5).xls" in its entirety and replace with "2.1 REVISED 2015-05-21- UT System Spend Analytics RFP Proposer Survey (Sect. 5.5).xls" dated 5/21/2015.

**All other terms, conditions and requirements set forth in RFP UTS/A50 remain unchanged and in effect.**

**END OF ADDENDUM**



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

# **Spend Analytics RFP Pre-Proposal Conference**

Teleconference #: 877-226-9790 Participant Code: 727 7429#

**May 19, 2015 12:15 – 1:15 PM CDT**

# Agenda

 Introduction

 UT System Supply Chain Alliance Overview

 Spend Analytics RFP Event Overview

 UT System HUB Program Overview *(note corrections from original Pre-Proposal Conference presentation; updated 5/21/2015)*

 Proposal Submission & RFP Communication Process

 Questions & Answers

 Sourcing Event Contact

 Key Reminders

 **Post-Conference Attachments:** Lists of Pre-Proposal Conference Attendees *(updated 5/21/2015)*

# UT System Supply Chain Alliance (UTSSCA) Overview



# The Power of Collaboration



# Alliance Facts

- Established by UT System in 2007
- Focused on Academic Health and Higher Education Institutions in Texas

- ✓ 15 UT Members – 6 Health, 9 Academic
- ✓ 27 Affiliates – 5 Health, 22 Academic

- Historically Underutilized Businesses

- ✓ \$34M Annualized HUB Spend

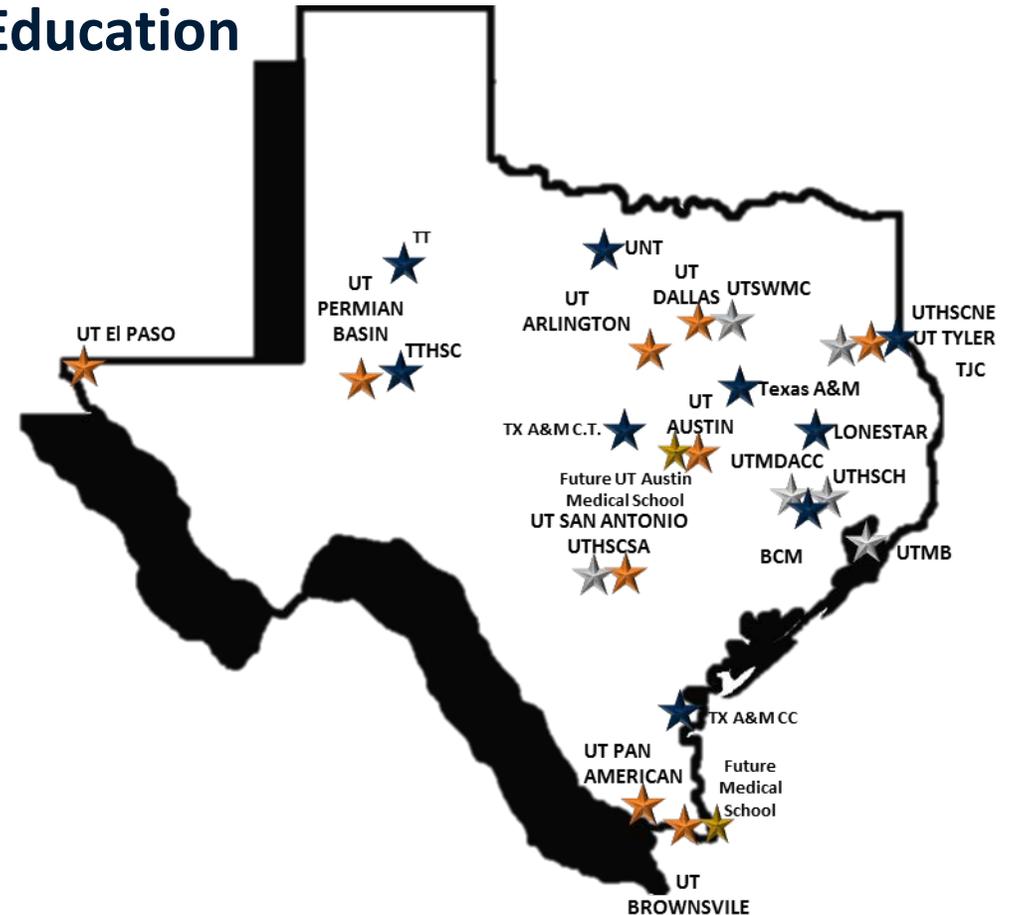
- Estimated Annual Purchasing Spend

*6 UT Health Institutions*

- + *UT Austin Academic*
- + *UT System*

---

*\$3 Billion*



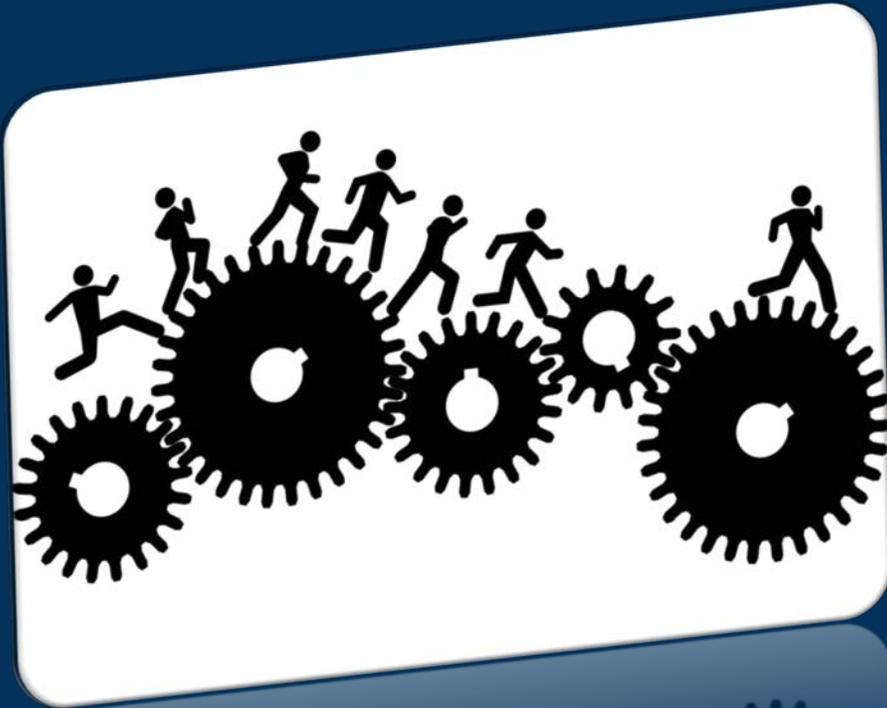
# “Creating Value Through Collaboration”



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



# UTSSCA Key Successes



**FY16 marks the 9<sup>th</sup> year of operations for the Alliance**

**The Alliance has more than 45 strategic supplier agreements and a GPO collaboration**

**Alliance contracts generate over \$250M in annual spend**

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

***UTSSCA RFP***

**Preferred Supplier of a  
Spend Analytics Solution**

**UTS/A50 Overview**



# Scope of Opportunity

- UT System, acting through the Alliance, is soliciting proposals in response to this RFP from qualified suppliers to provide a Spend Analytics solution.
  - Initial implementation for UT Health institutions & scope for UT Austin
- The RFP includes Spend Analytics products and services for:
  - Data Validation
  - Software Analysis
  - Business Intelligence
- The new contract will have a base term of up to 5 years subject to the competitiveness of the proposal we receive.

# Desired Sourcing Event Outcomes

- Provide a Spend Analytics Solution comprised of software and services that implements Data Validation, Analysis Software, and Business Intelligence tools (see definitions of these terms in the RFP Document).
- Establish standards for cleansing and classifying disparate purchasing data sets provided by the Institutional Participants.
- Introduce Institutional Participants to the visualization, discovery, and analysis capabilities of software tools that have been implemented at other healthcare and higher education institutions.
- Leverage the value & volume of the Institutional Participant's purchasing data for reliable market rate comparisons, spend analysis, & strategic sourcing activities.
- Give Proposer the opportunity to submit challenging and innovative solutions for the Services.
- Enhance relationships between Preferred Supplier & Institutional Participants.

# Terms & Definitions

- **Spend Analytics Solution**: the use of Data Validation, Analysis Software, and Business Intelligence to establish baselines, patterns, trends, and market data, in order to enable Institutional Participants to reduce their spend for products and services (but excluding operations expenses such as employee salaries). From UT System's perspective, a Spend Analytics Solution is comprised of the following key components:
  - **Data Validation**: acquiring, cleansing, categorizing, and processing unrelated data sets for common use. Data validation services may be performed manually or through the use of software, pending verification by SMEs.
  - **Analysis Software**: studying large data sets to identify patterns, trends, and outliers.
  - **Business Intelligence**: using tools and services to conduct benchmarking, clinical value analyses, strategic sourcing, contract management, supplier negotiations, cost savings, and other spend activities.

# Sourcing Event Key Dates

Date	Time	Event
May 8, 2015	3:30 PM	Issue RFP Documents
May, 19, 2015	12:15 PM	Pre-Proposal Meeting
May 26, 2015	5:00 PM	<u>Deadline</u> to Submit Questions for clarification to RFP requirements - Section 2.2 of this RFP
June 3, 2015	12:00 noon	<u>Deadline</u> for preliminary review of HUB plan
June 9, 2015	3:00 PM	Proposal Submittal <u>Deadline</u>
July 2015		Selection of Finalists
August 2015		Finalists Interviews and Negotiations
September 2015		Anticipated Contract Awards(s)

# RFP Document Sections and Appendices

## Section I

### Introduction

- Description of UT
- Background & Overview

## Section II

### Notice to Proposer

- Timeline
- Contact Details

## Section III

### Submission of Proposal

- **UTSSC**abids****
- Submittal Checklist

## Section IV

### General Terms & Conditions

## Section V

### Specifications, Add'l Questions, & Scope of Work

- Min. Requirements
- Proposer's Survey

## Section VI

### Pricing Schedule & Affirmation

- Sign & Submit Pricing Affirmation



# RFP Document Overview

Appendix 1	Proposal Requirements
<i>Section 2</i>	Sign and Submit Execution of Offer
Appendix 2	HUB Subcontracting Plan
Appendix 3	100 Sample Preferred Supplier Agreement
	300 Sample Institutional Participation Agreement
	400 Sample Supplier Relationship Management
Appendix 4	Access by Individual with Disabilities
Appendix 5	Electronic and Information Resources (EIR) Environment Specifications
Appendix 6	Security Characteristics and Functionality of Contractor's Proposer Information Resources
Appendix 7	Suggested Implementation Timeline

# Submittal Checklist

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

*Note that this section has corrections from the original Pre-Proposal Conference presentation*

# Historically Underutilized Business (HUB) Overview

*A "Historically Underutilized Business"...*

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

# Completing the HUB Sub-Contracting Plan (HSP)

- UT System Policy #137 requires a “good-faith effort” to include minority and woman-owned businesses in all of our procurement opportunities.
- All firms or individuals, both HUB and non-HUB, in-state or out-of-state, who propose on UT System opportunities, valued over \$100,000 are required to submit a HUB Subcontracting Plan with their RFP.
- Responses that do not include an HSP will be rejected as a material failure to comply with advertised specifications in accordance with the request for proposal.
- HUB Goal for this RFP is 26%

# HSP Option 1: Subcontracting, all HUB vendors

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

SEC 1.

- Respondent and Requisition Information

SEC 2.

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

SEC 3.

- Not applicable

SEC 4.

- Affirmation (*Signature Required*)

Attach  
& Email

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

# HSP Option 2: Subcontracting, HUB & Non-HUB

## *Meets or Exceeds 26% HUB Goal*

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

SEC 1.

- Respondent and Requisition Information

SEC 2.

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

SEC 3.

- Not Applicable

SEC 4.

- Affirmation (*Signature Required*)

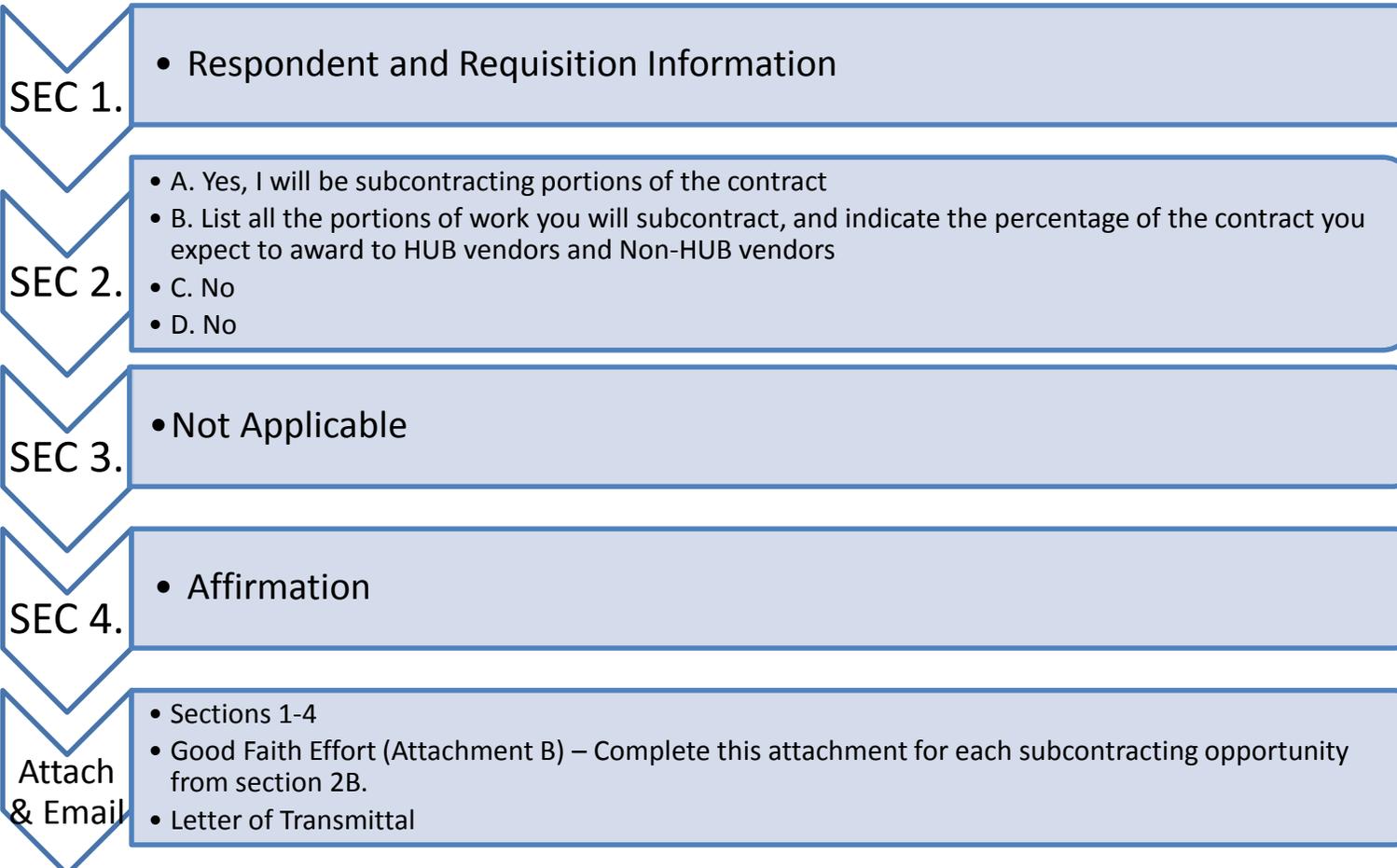
Attach  
& Email

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

# HSP Option 3: Subcontracting, HUB & Non-HUB

*Does not meet 26% HUB Goal*

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



# HSP Option 4: Self-Performing

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

SEC 1.

- Respondent and Requisition Information

SEC 2.

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

SEC 3.

- Self Performance Justification

SEC 4.

- Affirmation

Attach  
& Email

- Sections 1-4
- Letter of HUB Commitment

# Required HUB Documents for Proposal Submission

- Letter of Transmittal or Letter of HUB Commitment
- HSP completed depending on your firms circumstances (i.e. Option 1-4)
- Changes to the plan must be approved by the HUB Coordinator and if approved a revised HSP will be submitted
- Any requests for payment will include the Progress Assessment Report (PAR) form or no payment will be made until the form is complete

# Before Submission Requirement



Send the HSP to the HUB Coordinator for a preliminary review.

**\*At Least 4 Days Prior to RFP Due Date**

**BEFORE June 3, 2015 at 12:00 Noon CDT**

# UT System HUB Program Contact Details

**Cynthia Booker**

UT System Administration  
Office of HUB Development

Office: 409-772-1353

[cbooker@utsystem.edu](mailto:cbooker@utsystem.edu)

- All HUB Plans should be reviewed before June 3, 2015 at 12:00 Noon CDT.
- Responses that do not include an HSP will be rejected as a material failure to comply with advertised specifications in accordance with the request for qualifications

# Proposal Submission & RFP Communication Process



# RFP Materials

- RFP Materials:

<https://www4.mdanderson.org/procurement/bids/index.cfm?pagename=viewBid&id=4879&name=Request%20for%20Proposal>

- All updates and amendments will be posted to the public posting. Do not rely on email notification to check for updates.

- Questions sent to [UTSSCA\*\*questions\*\*@mdanderson.org](mailto:UTSSCAquestions@mdanderson.org)

- Proposals sent to [UTSSCA\*\*bids\*\*@mdanderson.org](mailto:UTSSCAbids@mdanderson.org)

# RFP Q&A



# Key Reminders

- All questions need to be sent to [UTSSCAquestions@mdanderson.org](mailto:UTSSCAquestions@mdanderson.org) by **May 26, 2015 at 5:00 PM CDT**
- Addendums will be published to the [public site](#). Addendums will include:
  - Pre-proposal Conference PowerPoint
  - List of attendees (online & in person) from Pre-Proposal Conference
  - Questions from suppliers & Answers from UT System
  - Additional questions or information communicated about the RFP
- Complete Your HUB Subcontracting Plan (HSP)
- Complete & Sign The Execution Of Offer and all items in the Submittal Checklist
- Deadline for RFP submittal is **June 9, 2015 3:00 PM CDT**



# Sourcing Event Contacts

# HUB Contact and UTSSCA Proposal Support



**Cynthia Booker**

UT System Administration  
Office of HUB Development

Office: (409) 772-1353

[cbooker@utsystem.edu](mailto:cbooker@utsystem.edu)

**Spend Analytics RFP Communications**

[UTSSCAquestions@mdanderson.org](mailto:UTSSCAquestions@mdanderson.org)

**Spend Analytics RFP Proposal Submission ONLY**

[UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org)

**Thank you for your participation!**

# ***Post-Conference Attachments:*** **Lists of Pre-Proposal Conference Attendees**



# Pre-Proposal Conference Webinar & In-person Supplier Attendees

Company Name	Attendance Format	Company Name	Attendance Format	Company Name	Attendance Format
Accenture	Webinar	FTI Consulting	Webinar	PRGX	Webinar & In-person
Alteryx	Webinar	Gartner Inc.	Webinar	PwC	Webinar
Anchor Software	Webinar	GEP	Webinar	Pyramid Analytics	Webinar
Ariba SAP	Webinar	GHX	Webinar & In-person	RevGen Partners	Webinar
Birst	Webinar	Huron Consulting Group	Webinar	Rosslyn Analytics	Webinar
BOARD USA	Webinar	IBM	In-person	Scanmarket/Paladin Associates	Webinar
Bradlink LLC	Webinar	Impendi Analytics	Webinar	SciQuest	Webinar & In-person
BravoSolution	Webinar	Informatica	Webinar	Selectica, Inc.	Webinar
BroadJump LLC	Webinar	Infosys	Webinar & In-person	SHI Government Solutions	Webinar
Capgemini	Webinar	Insight Sourcing & SpendHQ	Webinar	SmartProcure	Webinar
Coupa Software	Webinar	InterWorks	Webinar	SoftElegance Ltd.	Webinar & In-person
CSC	Webinar	Ivalua	Webinar	Sogeti USA	Webinar
Decisive Data	Webinar	Logi Analytics	Webinar	Source One Management	Webinar
Denali Group	Webinar	McKesson	Webinar	Spikes Cavell	Webinar
DiBS	Webinar	McKinsey & Company	Webinar	Tableau	Webinar & In-person
E&I Consulting Group	Webinar	MetaProcure	Webinar	Talend	Webinar
EAB	Webinar	Microstrategy	Webinar	Teknion Data Solutions	Webinar
Ernst & Young	Webinar	MIOsoft	Webinar	The Advisory Board Company	Webinar
Experis Healthcare	Webinar	Opera Solutions	Webinar	Trade Extensions	Webinar
EY	Webinar	Oracle	Webinar	Wipro Technologies	Webinar & In-person
FinVantage Solutions	Webinar	Pathstone Partners	Webinar	Xerox	Webinar
First Genesis	Webinar	Premier, Inc.	Webinar & In-person	Zycus	Webinar

# Pre-Proposal Conference Webinar & In-person Other Attendees

Company Name	Attendance Format
The University of Texas Health Science Center at Tyler	Webinar
The University of Texas System & UTSSCA	Webinar & In-person
TMCx	Webinar & In-person
University of Texas at Austin	Webinar
UT Health Science Center at San Antonio	Webinar
UT Southwestern Medical Center	Webinar
UTHealth Houston	Webinar & In-person
UTMB Health	Webinar



RFP Submittal Deadline: **June 9, 2015** at **3:00 PM**(CDT)

Addendum Issue Date: **June 1, 2015**

**ADDENDUM 2**  
**REQUEST FOR PROPOSAL**  
**UTS/A50**  
**Spend Analytics Solution**

PROPOSAL SUBMISSION TO: [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org)

ACKNOWLEDGEMENT OF THIS ADDENDUM 2 IS REQUIRED IN ACCORDANCE WITH **SECTION 1.2, OF APPENDIX ONE**, TO THE RFP. Specifically, "Proposers are required to acknowledge receipt of each Addendum by sending an acknowledgment email to [UTSSCAbids@mdanderson.org](mailto:UTSSCAbids@mdanderson.org). Each Addendum must be acknowledged by Proposer prior to the Submittal Deadline and should accompany Proposer's proposal."

This RFP Addendum is a furtherance of RFP **UTS/A50** and is not a contract or offer to contract. RFP UTS/A50 is hereby amended as follows:

**Item One:**

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

- 6.1 Supplier Q&A - Spend Analytics RFP.pdf
  - The responses within this document represent the official response of the University of Texas System.
  - This document supersedes all previous responses to supplier questions.
- 6.3 Spend Analytics RFP User Clarifications.pdf
  - Provides further details regarding anticipated University of Texas System users, roles, and anticipated capabilities for the Spend Analytics Solution.
  - All information is for proposal estimation purposes and is subject to change based on Proposer's requirements and UT System preferences.

**Item Two:**

Delete Section 6.2 Pricing Affirmation in its entirety and replace with "6.2 AMENDMENT for Section 6.2 - Pricing Affirmation 2015-06-01.pdf" dated 6/1/2015. The amended Pricing Affirmation should be included, with signature, as part of a complete proposal submission. Refer to the Submittal Checklist in Section 3.4 and use the amended Pricing Affirmation for Section 3.4.3.

**Item Three:**

**If you have already had your HUB Subcontracting Plan (HSP) reviewed and approved by Cynthia Booker, you may ignore this item.**

For all Proposers that **have not had an HSP approved**, delete "3 Appendix Two HSP for UTSA50.pdf" in its entirety and replace with "3.1 REVISED 2015-06-01 Appendix Two HSP for UTSA50.pdf". The content of the HSP has not changed. This revision fixes a technical issue regarding the checkboxes in the electronic version of the form. If you have been working on a previous electronic version of the HSP, you are strongly encouraged to use the revised file to ensure the checkboxes are selected as intended for your HSP.

**All other terms, conditions and requirements set forth in RFP UTS/A50 remain unchanged and in effect.**

**END OF ADDENDUM**

The following Supplier questions and University of Texas System responses for the University of Texas System RFP UTS/A50 represent the official response of UT System for all current and previous questions. This document supersedes all previous responses to supplier questions.

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## Part 1: General (31 Questions)

ID	Supplier Question	UT System Response
1.01	When do you anticipate publishing the answers to the questions?	As soon as possible.
1.02	Are there any visions of the desired Analysis features, Business Intelligence capabilities, particular required reports list, KPIs etc.?	Proposer should define the features of their solution.
1.03	Can we attend the bid opening?	We do not have a public bid opening scheduled for this RFP.
1.04	If affiliates purchase under this agreement, will they be utilizing the UT System instance or will each affiliate expect to have their own instance of the spend analytics solution	All UT Alliance members, including Affiliates, would use the same instance of the Spend Analytics solution.
1.05	Please provide more detail and timeline on the intended roll out plan to other (not health) UT institutions.	Detail cannot be provided until approved by the CBO of each campus.
1.06	In Section 1.3, you describe the objectives of the RFP. Did UT System conduct an assessment or developed a high level strategy for the Spend Analytics Project? If so, please describe the business goals you seek to achieve with the solution developed during this project? If you expect to achieve these at various points in time, please describe the major milestones you anticipate achieving.	Yes. See Section 1.2 for the Objectives of this Request for Proposal.
1.07	Are any hard copies of responses required?	No.
1.08	What challenges and risks do you foresee that may arise?	Proposer should define anticipated challenges and risks.
1.09	We believe in user-centered design. Will we be able to conduct end-user interviews before assisting in dashboard creation?	If the Preferred Supplier requests this, then yes.
1.10	How soon after an award is issued are Participation Agreements expected to be signed?	A contract must be negotiated with Preferred Supplier(s) before IPA's can be signed. UT Health campuses are expected to sign IPA's very soon after contracts are finalized, agreed, and signed.



ID	Supplier Question	UT System Response
1.11	How soon after Participation Agreements are signed are implementation activities expected to begin?	Immediately.
1.12	Will the agreement for this project require Board of Regents approval before signing?	In general, we do not anticipate a need for Board approval. Should this change by the time any contract resulting from this procurement is ready for execution, the agreement likely would be signed, subject to later Board approval, with an appropriate cap on expenditures until such approval is received.
1.13	Is the Case Study required for all submitters regardless of the solution components being proposed?	No. Not all submitters will be invited to participate in the case study. The case study will consider each component of the RFP with separate data sets and timelines.
1.14	If we currently have an active Agreements that both Affiliates of the University Of Texas and the bidding party have agreed to does Appendix III need to be completed per the requirements of the RFP? In these cases, it is our normal business process to reference the current agreement response to RFP/RFI and any services performed for The University of Texas will based on and will be subject the terms of the Agreement and the agreement will be included with the RFP/RFI response. We offer an open and neutral platform to all our customers. As a result, our terms and conditions are standard across all our customers.	Section 5.3.2 of the RFP requires each Proposer to submit a list of any exceptions to the terms and conditions contained in the Sample Preferred Supplier Agreement attached as Appendix Three to the RFP. It would not be sufficient for a Proposer simply to reference one or more of its existing agreements with UT System institutions and state that Proposer's services would be performed under the terms of those existing agreements. For one thing, the structure of the Sample Agreement comprising Appendix Three (a master agreement with UT System, with each participating institution agreeing to abide by the master agreement) is different from that of any existing contract the Proposer may have with an individual UT System institution. More importantly, UT System anticipates that leveraging its size and strength in a multi-institutional procurement should drive better terms and conditions than any individual institution is able to achieve on its own, so UT System expects improvements to terms contained in existing contracts with individual institutions. As a result, each Proposer must indicate which, if any, exceptions it takes to the terms and conditions in Appendix Three, and UT System will evaluate these exceptions. Per Section 4.1 of the RFP, a Proposer's exceptions may result in disqualification of Proposer's proposal as non-responsive, and if they do not, the exceptions may impact UT System's evaluation of the proposal.



ID	Supplier Question	UT System Response
1.15	If proposer does not agree to governing law being the laws of the State of Texas, and all suits being in Travis county, Texas, will this result in automatic disqualification?	Section 5.2 of the RFP lists the only minimum requirements which, if not met, automatically would disqualify a Proposer. The Proposer's acceptance of Texas governing law and venue in Travis County is not such a minimum requirement. Sect. 14 of the Sample Preferred Supplier Agreement attached as Appendix Three to the RFP contains the governing law and venue requirements. The rationale for these requirements, especially in regard to governing law, is that UT System is an agency of the State of Texas and is subject to constitutional and statutory limitations on its ability to override State of Texas laws by contract. Section 5.3.2 of the RFP requires each Proposer to submit a list of any exceptions to the terms and conditions contained in the Sample Agreement. As Section 4.1 of the RFP indicates, a Proposer's exceptions may result in disqualification of Proposer's proposal as non-responsive, and if they do not, the exceptions may impact UT System's evaluation of the proposal.
1.16	What is the Case Study timeframe, specifically? When will data and requirements be issued and when will submissions be due? What format are submissions expected to take?	June and July 2015. Further details to be provided to case study participants.
1.17	A proposer of Analysis Software or Business Intelligence typically requires output from the Data Validation tool in order to complete their work. What data will be provided to these proposers during the case study and will it be cleansed/categorized? How will this affect the case study timeline?	The case study will consider each component of the RFP with separate data sets and timelines. Proposers will not be dependent on responses from other components of the case study.
1.18	Is the primary area of effort for the RFP centered on healthcare supply chain transactional data and services or equally focused on the entire University of Texas System including non-health care entities?	The initial implementation of this RFP is focused on UT health. The UT Austin academic campus has been included for scoping and future consideration of UT academic campuses.



ID	Supplier Question	UT System Response
1.19	It was indicated during the Pre-Proposal Conference (May 19, 2015) that UTSSCA collaborates with a Group Purchasing Organization (GPO), which GPO is this with?	Premier, Inc.
1.20	Has UTSSCA utilized any consultants in the past to service or advice this current scope of work targeted with this RFP?	No.
1.21	Does UT System expect the proposal responders to provide two sets of responses a) for implementation phase and b) for support and operate phase?	No. One response.
1.22	How many sourcing events were executed by the 6 in-scope health institutions in the past 12 months?	Not known for all 6 health campuses at the time this question was answered.
1.23	How many contracts are under currently management by the 6 in-scope health institutions?	Not known for all 6 health campuses at the time this question was answered.
1.24	How many new contracts are negotiated by the 6 in-scope health institutions annually?	Not known for all 6 health campuses at the time this question was answered.
1.25	How many new contracts are executed by 6 in-scope health institutions annually?	Not known for all 6 health campuses at the time this question was answered.
1.26	For the 45+ strategic supplier agreements that the Alliance currently has, has the system negotiated data rights for those suppliers whereby each supplier is providing monthly usage reports with all purchasing data from that month for each item such as unit of measure, SKU, item #, price paid, price contracted, and savings? If yes, for how many contracts does it currently receive this type of supplier data for?	The Spend Analytics solution is not limited to the agreements only under Alliance contracts. Supplier reported data under the Alliance contract is under consideration for as an additional reference for inclusion in the Spend Analytics Solution.
1.27	Is the contracting process, sourcing, etc. consolidated and centralized for all six health institutions? Or are they decentralized?	Decentralized.



ID	Supplier Question	UT System Response
1.28	Part of services would be mutually work through and understand the “addressable” spend for sourcing opportunities and benchmarking, Is UT willing and able to share their contracts and terms with IBM?	No.
1.29	Will any type of the product presentation take place before the final decision?	Yes.
1.30	I was unable to attend the pre-bid meeting, but I have attended many other pre-bid meetings for UT System and their institutions. Am I still able to respond to the RFP?	This is a public procurement opportunity for the University of Texas System, which includes MD Anderson Cancer Center. There are no restrictions on which suppliers may respond to the RFP.
1.31	Are technical questions to be submitted to UTSSCAquestions@mdanderson.org?	Yes.



## Part 2: Documents (5 Questions)

ID	Supplier Question	UT System Response
2.01	Can you publish a word (.doc or.docx) version of the RFP document?	The RFP is available in PDF format on the public website. Addendum 1 includes word document attachments for Sections 4, Appendix Three, Five, and Six.
2.02	Can you publish the Pre-Proposal Conference slides and list of attendees?	The Pre-Proposal Conference slides and list of attendees have been published with Addendum 1 to the RFP materials.
2.03	Would the University accept a red-lined copy of the Addendum 1 Word file (5.2 For Listing Exceptions - SECTION 4 and APPENDIX THREE (incl 300).docx) or would you need a list of exception as part of proposal documents?	Redlines may be submitted using the Track Changes feature of Microsoft Word for the Addendum 1 attachment called "5.2 For Listing Exceptions - SECTION 4 and APPENDIX THREE (incl 300).docx".
2.04	Is Appendix Seven a guideline provided by the University or do you want us to update the timelines as per our implementation process? Is the timeline for a proof of concept or project implementation?	UT System is providing a Suggested Implementation Timeline (ref. APPENDIX SEVEN of this RFP) for Proposers to use as reference of milestones and project management expectations of the Proposer. You are not required to use this format for your implementation process. Appendix Seven refers to the project implementation timeline, not a proof of concept.
2.05	For an implementation plan and project plan, what are the details that need to be included in a response? For example milestones, resources etc...	Your implementation plan response should include details that your company finds relevant for UT System to evaluate your implementation plan and fulfill the requirements defined in the RFP. The response should match with other responses to the Proposer Survey.



### Part 3: Scope of RFP (5 Questions)

ID	Supplier Question	UT System Response
3.01	While not covered under this RFP project, is eSourcing a potential area of expansion for the University of Texas healthcare system?	eSourcing is not in scope for this RFP.
3.02	Page 15 mentions "The Business Intelligence Preferred Supplier will also support clinical value analyses, strategic sourcing, contract management, supplier negotiations....." Are there other support activities in scope apart from spend analysis? Please provide the annual volumes of all such in scope activities.	The activities quoted on page 15 are specific to the Business Intelligence component and are the only items in scope for this RFP.
3.03	Is contract compliance also in scope as a part of business intelligence services?	Contract compliance is not in scope for this RFP.
3.04	Over and above, the Spend Analytics tool, are you interested in IBM to propose the other modules of Sourcing, Contracts, Program Management, and SLM? i.e. the complete Suite	Spend Analytics is the only item in scope for this RFP.
3.05	How many actual acute hospitals are involved in each phase? 3 at first?	UT System includes 4 acute care hospitals (MD Anderson Cancer Center, Health Science Center at Tyler, UT Southwestern, and UTMB). All 4 are in scope for the full project.

## Part 4: Spend Definition (18 Questions)

ID	Supplier Question	UT System Response
4.01	How much spend is represented in the 3 million lines of expenditures for the institutions in scope?	More than 95% of the spend for goods and services.
4.02	What is the overall spend data for this RFP? Are more details available than \$3 billion?	The spend analytics solution initially would focus on the more than \$3.0 billion in annual, impactable spend by UT System's six health institutions, though in time, the solution may be extended to impactable spend by UT System's nine academic institutions as well. UT Austin, while not a health institution, will help evaluate proposed spend analytics solutions, to help ensure that any chosen solution will be expandable to UT System's academic campuses. The Alliance has not yet validated annual, impactable spend data for UT Austin and the other academic campuses, so the \$3.0 billion figure referenced above is for UT System's health campuses only.
4.03	The RFP notes in Section 1.2 that "The Spend Analytics Solution initially would focus on the more than \$3 billion in annual, impactable spend by UT System's six health institutions." Please define the major types of spend included and excluded from "impactable spend."	The major spend comes from Purchase Order lines, Invoice lines, and P-card spend.
4.04	Can you please provide a rough estimate of the size of the data sets for each source?	There are 3 million lines of data that can be sent to the Proposer as .xls or .csv format.
4.05	What categories or commodity structures are currently utilized within the UT system?	In FY2014, UT Health Campuses reference 78 unique Object Codes in the annual HUB reports. UT Austin adds 8 unique Object Codes. The referenced Object Codes are available in the <a href="#">Fiscal Year 2014 Annual HUB Report</a> and descriptions of the Expenditure Object Codes are available from the <a href="#">Texas Comptroller's website</a> . Note that while HUB Object Codes are used uniformly across the UT System institutions, the methodology for applying an Object Code to a purchase is different for each institution.



ID	Supplier Question	UT System Response
4.06	What type of data sources will the Spend analytics solution manage?	The major spend comes from Purchase Order lines, Invoice lines, and P-card spend.
4.07	Please provide associated spend value and data volume records break-up for the categories/sub-categories/commodities in scope.	UT System is sourcing a Spend Analytics Solution because we cannot answer questions like this and ensure accuracy without extensive research and resources.
4.08	Does "acquiring, cleansing, categorizing, and processing unrelated data sets" include vendor master data as well? If yes, please provide the volumes associated with it.	Yes. UT System is sourcing a Spend Analytics Solution because we cannot answer questions like this and ensure accuracy without extensive research and resources. In FY2014, UT Health Campuses referenced 28,329 suppliers (by unique ID) in the annual HUB Reports. UT Austin adds 534 unique suppliers (by unique ID).
4.09	With reference to the question "Please describe the time and resources required of an Institutional Participant to develop a customized UNSPSC hierarchy", please provide the volume of data records and the level of categorization required in order to estimate the effort required.	3 million records annually. Assume the data is not categorized nor cleansed.
4.10	What is the transaction volume associated with the initial \$3bn annual spend?	3 million records annually.
4.11	Approximately how many Suppliers do you expect to enter as part of your initial implementation (include approximate number of levels of 'parent/child' structure)?	In FY2014, UT Health Campuses referenced 28,329 suppliers in the annual HUB Reports. UT Austin adds 534 unique suppliers. UT System is sourcing a Spend Analytics Solution because we cannot answer questions like this and ensure accuracy without extensive research and resources.
4.12	Approximately how many Categories (i.e., hierarchy of goods/services) do you expect to enter as part of your initial implementation (include approximate number of levels of 'parent/child' structure)?	Proposer is expected to define a taxonomy to be entered on the data, which will include categories.



ID	Supplier Question	UT System Response
4.13	Do you have data details for the Categories (i.e., hierarchy of goods/services) available in a cleansed flat file (Excel, XML, and CSV) format?	No. Proposer is expected to define a taxonomy to be entered on the data, which will include categories.
4.14	What are the number & type of Data Sources (e.g. AP, PO, AP & PO combined, P-Card, T&E, Supplier feeds) for the initial \$3B spend?	The major spend comes from Purchase Order lines, Invoice lines, and P-card spend.
4.15	For each Data Source, What is the # of Transaction lines and total spend?	UT System is sourcing a Spend Analytics Solution because we cannot answer questions like this and ensure accuracy without extensive research and resources.
4.16	For each Data Source, What is the # of Suppliers associated with the Spend?	UT System is sourcing a Spend Analytics Solution because we cannot answer questions like this and ensure accuracy without extensive research and resources.
4.17	Are there specific categories of spend that are more important or in which UTSSCA is most interested?	No.
4.18	What is the level of purchasing data that will be included?	The major spend comes from Purchase Order lines, Invoice lines, and P-card spend.



## Part 5: Minimum Requirements & Administrative Fee (7 Questions)

ID	Supplier Question	UT System Response
5.01	<p>Is the following section mandatory? 5.2.1 – Proposer must pay to the Alliance a quarterly administrative fee of 2% of the Total Net Sales made under the Agreement (ref. Section 6.2 of this RFP), regardless of whether such Sales are made to UT System Administration or Institutional Participants.</p>	<p>Section 5.2.1 is a minimum requirement for proposal acceptance and not optional.</p> <p>The UT System Shared Services program involves cross-campus collaboration projects that save money and improve quality. Among other things, the program seeks to leverage the collective size and strength of UT System institutions to achieve better pricing and business terms than any institution could achieve on its own. The program is funded in part by supplier-paid administrative fees. As Section 5.2.1 of the RFP indicates, each proposal must clearly indicate Proposer’s willingness to pay to UT System an administrative fee of 2% of Total Net Sales (defined in Section 6.2 of the RFP, and essentially 2% of the revenue received by the service provider under the preferred supplier agreement). Acceptance of this arrangement is a minimum qualification requirement, so any failure to meet this requirement would disqualify the proposal. Proposers should take this mandatory fee into account when proposing pricing for their services, while bearing in mind that, in a competitive procurement, some Proposers might not attempt to recover in their proposed pricing the entire cost of the fee.</p>



ID	Supplier Question	UT System Response
5.02	<p>Regarding the administrative fee, the RFP states that “proposer must pay to the alliance a quarterly administrative fee of 2% of the Total Net Sales made under the agreement”. The way this is worded, if winning proposer charged a one-time total net sales amount of \$1,000,000, proposer would have to pay admin fees of \$20,000 per quarter for a total of \$80,000 in admin fees per year, or \$320,000 for the first 3 years of the agreement. Is this scenario a proper interpretation of the 2% admin fee clause? If no, would you be able to amend the admin fee clause to accurately reflect the admin fees the alliance would expect, and would you be able to respond with an accurate sample scenario of the admin fee clause using a total net sales amount of \$1,000,000?</p>	<p>The scenario described with this Question is inaccurate. The “total” amount of administrative fees due to UT System for sales of \$1,000,000 by an awarded supplier is \$20,000 (there is no repetitive requirement to pay this fee). Payment of this administrative fee to UT System is due within 30 days of the end of the calendar quarter in which supplier receives payment from UT System or Institutional Participant. Amendment 2 to this RFP modifies language to Section 6.2 in an effort to further clarify this minimal requirement.</p>
5.03	<p>Could you please provide more clarification on the 2% administrative fee referenced in Section 5.2.1 and page 13 of the RFP? What is the administration fee used for? How long is the payment period? Are there any other requirements?</p>	<p>As indicated in Section 6.2 of the RFP, the administrative fee is used by UT System to cover operational cost related to support for implementation, administration, monitoring, and management of the Agreement. The administrative fee is due to UT System throughout the term of the contract as payment for services are received by the awarded supplier. Amendment 2 to this RFP modifies language to Section 6.2 in an effort to further clarify this minimal requirement.</p>
5.04	<p>Does the university expect the vendor to pay 2% of the total sales value every quarter via a check or could it be an annual discount of equal value built in the pricing?</p>	<p>The RFP requirement is for proposer to pay to UT System a quarterly administrative fee of 2% only for payment of sales made by proposer and received by proposer during any calendar quarter. During any calendar quarter proposer has no sales for services provided, no administrative fee is due to UT System.</p>



ID	Supplier Question	UT System Response
5.05	Please provide clarification for the 2% quarterly administrative fee, where and when is that applicable, and how it is calculated? Software, services, both? IBM wants to fully understand this clause to ensure that it meets all internal and external requirements.	As described in Section 6.2 of the RFP, administrative fees are based on Total Net Sales and are due for “all” sales. This includes goods, services and software.
5.06	The specification states, “Proposer’s Spend Analytics Solution must have been commercially available for sale or licensing to customers before May 2014.” We have a new add-on to our existing suite of tools that may be helpful in the Spend Analytics Solution. The new component was made available for sale in October 2014. Does specification 5.2.3 mean that we cannot include this new component as part of our solution? Or is it acceptable because the overall product has been available since 1997?	The May 2014 date refers to the earliest date that any version of the product proposed for a Spend Analytics Solution was available for sale or licensing to customers. In other words, could you have provided a product to respond to this RFP before May 2014? If the answer is no then please respond No to the Minimum Requirement.
5.07	We assume that section 5.2.1 refers to a 2% DIR fee that each vendor who does business with the system pays each quarter back to the Texas DIR. We want to clarify that you are not asking the provider of this software to pay 2% each quarter on top of the other vendors. We would not be allowed by state law to pay 2% to win the business of this particular software package. We assume you want the provider of this software to be able to calculate the 2% DIR fee for each purchase order or per contract value.	This RFP, UTS/A50, is being solicited solely by UT System completely independent of the Texas DIR. The administrative fee requirement by UT System is similar in nature to the administrative fee required by the Texas DIR for contracts awarded by that state agency. Under an agreement resulting from this RFP process, such UT System agreement will only require payment of administrative fees to UT System and not any other state agency. If you are permitted by law to pay the DIR fee then you would also be permitted to pay the fee as stated in this RFP.



## Part 6: Proposal Submission (3 Questions)

ID	Supplier Question	UT System Response
6.01	In the RFP document section 5.4, UT System intends to identify one or more Preferred Supplier(s) to provide all or part of the Spend Analytics Solution. Is this stating that parties can bid on one component, but not be considered for another?	Section 1.2 of the RFP states “Proposers should focus on those activities in which the Proposer has significant expertise and can bring the greatest value to UT System.” UT System may award one or more suppliers for any or all of the key components of Data Validation, Analysis Software, and/or Business Intelligence. UT System will evaluate the proposal for the components that provide the best value to UT System. This may include one or multiple components. Submitting a proposal for any one component would not eliminate a Proposer from submitting a proposal on another component. Also stated in Section 1.2, “Proposers are permitted to include their products and services in multiple bid responses.”
6.02	Is there an online tool for submitting my proposal? How do I submit my proposal?	Due to the nature of this RFP and maintaining a fair competitive advantage to all participants, this RFP is being hosted offline. Communications regarding the RFP should be sent to <a href="mailto:UTSSCAquestions@mdanderson.org">UTSSCAquestions@mdanderson.org</a> . Proposal responses should be sent to <a href="mailto:UTSSCAbids@mdanderson.org">UTSSCAbids@mdanderson.org</a> . Please do not send proposal information to any address except <a href="mailto:UTSSCAbids@mdanderson.org">UTSSCAbids@mdanderson.org</a> .
6.03	From a response submittal stand point, we need to follow the submittal checklist as per Section 3.4, confirm? Are there any other submittal guidelines that needs to be followed?	Yes, follow the instructions in the Submittal Checklist. There are no other submittal guidelines.



## Part 7: HUB Subcontracting Plan (HSP) (3 Questions)

ID	Supplier Question	UT System Response
7.01	We are headquartered outside of Texas and would plan to do all the work through our company and its employees. Is HUB is a requirement since we are outside the state of Texas?	The HUB Subcontracting Plan (HSP) is a requirement of every Proposer, regardless of your company's location. The HSP will tell the University of Texas System if you plan to use any subcontractors and if so, if those subcontractors are certified as state of Texas HUBs. Companies that qualify as a HUB must have their principal place of business in the State of Texas.
7.02	Are vendors that self-perform penalized in the evaluation criteria?	No. Section 2.5 describes the HUB program including "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". Further, Section 2.3.1 lists the Threshold Criteria Not Scored further described in 2.3.1.1 as "Ability of UT System to comply with laws regarding Historically Underutilized Businesses;"
7.03	Are HUB businesses only TX based? Are HUB businesses 50% or 51% minority owned?	A "Historically Underutilized Business"... <ul style="list-style-type: none"> <li>• is a for-profit entity that has not exceeded the size standards prescribed by 34 TAC §20.23, and has its principal place of business in Texas, and</li> <li>• is at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American, American woman and/or Service Disabled Veteran, who reside in Texas and actively participate in the control, operations and management of the entity's affairs.</li> </ul>



## Part 8: Supplier Relationship Management (SRM) Program (3 Questions)

ID	Supplier Question	UT System Response
8.01	What is your standard for report response time?	The Proposer should define their standard report response time in the Proposer Survey.
8.02	Can you please provide additional details around your SLA expectations? Page 50 of the RFP document provides a listing of KPIs including number of lines that will be classified to the final taxonomy. Is there a desired target for the amount of spend to be classified?	Appendix Three is a sample of a Supplier Relationship Management program. Performance Measures listed are for example purposes and will be further defined by UT System and the Preferred Supplier.
8.03	How will you measure the success of this program?	The Supplier Relationship Management program in Appendix Three will be used for evaluation of the Preferred Supplier's performance.



## Part 9: IT & Infrastructure (4 Questions)

ID	Supplier Question	UT System Response
9.01	Can I offer a cloud data and storage hosting solution? Does UT System have cloud hosting requirements?	The Proposer should define their preference regarding cloud or site hosting. UT System uses the Cloud Security Alliance Cloud Control Matrix as a basis for our evaluation. The evaluation is based on risk.
9.02	Can we use your infrastructure to host our solution? What are the requirements of using your infrastructure?	UT System has several locations available for consideration for hosting a solution; however, the Proposer should define their infrastructure requirements in the Proposer Survey and UT System will evaluate if there is an internal infrastructure location available for use.
9.03	Can data be hosted outside of the United States?	UT System expects confidential data to be hosted within the borders of the United States.
9.04	Do you anticipate requiring a certain number of environments (i.e., Development, Test, Production, etc.)?	The Proposer should define the environments available to UT System.



## Part 10: Existing Tools (5 Questions)

ID	Supplier Question	UT System Response
10.01	What types of tools, solutions, reports, and spend analysis applications are being used today?	Section 1.3 states: "While individual UT System campuses may have purchased spend analytics services in the past, UT System has never before initiated a System-wide collaboration opportunity for a Spend Analytics Solution. The Spend Analytics Solution described in this RFP would be new, unique, and entirely separate from any and all activities and infrastructure that have occurred or are in process with UT System campuses locally."
10.02	Are any of the 6 in-scope health institutions using price or non-price benchmarking services today? If yes, what spend categories are those services being used to support?	Section 1.3 states: "While individual UT System campuses may have purchased spend analytics services in the past, UT System has never before initiated a System-wide collaboration opportunity for a Spend Analytics Solution. The Spend Analytics Solution described in this RFP would be new, unique, and entirely separate from any and all activities and infrastructure that have occurred or are in process with UT System campuses locally."
10.03	How does the UTSSCA currently measure savings (e.g. hard savings, cost avoidance, etc.)?	Each institution measures savings differently and in multiple ways.
10.04	How does the UTSSCA currently formulate baselines to measure future savings against?	Each institution formulates baselines differently and in multiple ways.
10.05	What SSO (single sign-on) solution and product, if any, is in place today? For example: SiteMinder, IBM TIFM, Microsoft ADFS, etc.	Section 1.3 states: "While individual UT System campuses may have purchased spend analytics services in the past, UT System has never before initiated a System-wide collaboration opportunity for a Spend Analytics Solution. The Spend Analytics Solution described in this RFP would be new, unique, and entirely separate from any and all activities and infrastructure that have occurred or are in process with UT System campuses locally."



## Part 11: Data Sources (25 Questions)

ID	Supplier Question	UT System Response
11.01	What data formats are available for extraction of the data to be cleansed for Data Validation?	.xls (or .xlsx) and .csv are available from all campuses.
11.02	Are there any manually written documents (not following any strict format and structure) that should be imported into the Data Validation for Analytics?	No.
11.03	How many years of the historical data are presently available? How many years of data should be stored and processed by the Analytics?	At least three fiscal years of historical data can be made available. The Proposer should suggest the number of years to be stored and processed
11.04	Are there any data categorization and validation rules presently accepted by particular UT System's institutions (in order to reuse them in the new Data Validation solution)?	There are no common data categorization and validation rules in place today across all of the campuses.
11.05	Do you plan to include Supplier reports in addition to Spend Data within the Solution? If so, how many suppliers are providing spend reports? Is deduplication required or just the ability to filter by the type of spend data that is being viewed?	The Proposer should define their ability to capture and include supplier reports. The number of supplier spend reports would initially apply to, at most, the UTSSCA portfolio of less than 50 suppliers.
11.06	Can you provide sample data the June 9th deadline?	Sample data will be provided only to the proposers asked to participate in the case study.
11.07	What data sources/systems will data need to be pulled from and/or integrated for your reporting/dashboard platform?	Data will be extracted from campus ERP systems and the P-card vendor (Citibank) system.
11.08	How often does the underlying schemas of data sources change?	The schemas of the ERP and P-card systems are relatively fixed and only change upon updates from the providers of the ERP and P-card systems.



ID	Supplier Question	UT System Response
11.09	Can UT share insights into Data Sources and how many data sources will be accessed in this environment? Are these transactional systems, flat files, relational databases? Please provide current means of extract?	The major spend comes from Purchase Order lines, Invoice lines (ERP system) and P-card spend (P-card system). .xls (or .xlsx) and .csv files can be made available from these sources.
11.10	One of the sources of data is P-Cards (Procurement Cards), what will be the format of data received? Any specific format?	.xls (or .xlsx) and .csv are available from all campuses.
11.11	How are invoices reconciled and managed currently?	Standard PeopleSoft matching process
11.12	Which ERP systems are used? Is the ERP system customized? Has the data from those systems been consolidated? Is it available in a central repository?	The six health campuses have individual instances of the Oracle PeopleSoft ERP system. Each campus uses different PeopleSoft modules, versions, and implementations of PeopleSoft. The data has not been consolidated and is not stored in a central location.
11.13	How would the service provider be provided access to the data to be analyzed?	.xls (or .xlsx) and .csv are available from all campuses.
11.14	Do you anticipate an upgrade of your ERP application during the implementation phase?	No. To clarify, "upgrades" do not include updating versions of PeopleSoft.
11.15	Will each institution supply a single data feed incorporating detailed A/P invoice, PO and supplier information or rely on the supplier to connect to and extract the data from source?	The Proposer should define the method and source of the data feed.
11.16	Will non-PO invoices be excluded from scope?	No.
11.17	Is integration a requirement or is the UTSSCA open to a SaaS spend analytics solution that does not require IT consulting resources or any integration points into current systems?	Integration is not a minimum requirement.



ID	Supplier Question	UT System Response
11.18	Does the UTSSCA currently leverage a third-party for supplier diversity data enrichment? If yes, would the expectation be for the spend analysis provider to partners with this third-party to ensure that specific supplier diversity details were tracked and reported on within the system?	No.
11.19	Approximately how many Organizations (i.e., Business Units/Segments) do you expect to enter as part of your initial implementation (include approximate number of levels of 'parent/child' structure)?	The six UT Health institutions as described in Section 1.1 of the RFP.
11.20	Is the Spend data set largely US only, or does it have Global spend components?	The spend data originates from the University of Texas health campuses. Payments are sometimes made to foreign vendors.
11.21	For each Data Source, Are all transactions in English? and/or provide Language distribution of transaction by count	The spend data originates from the University of Texas health campuses. Payments are sometimes made to foreign vendors.
11.22	To what extent UT expects the Spend tool to be integrated with their current systems?	Integration is not a minimum requirement.
11.23	Is PHI data support and HIPAA compliance a requirement or an option?	There is no PHI nor HIPAA compliant data in the scope of this RFP. There is confidential data - Social Security Numbers - included as a vendor identifier for sole proprietorship business and payments to individuals.
11.24	Do you have EFT data included into RFP?	Not at this time.
11.25	Is P-card data expected to be included as an in-scope data set?	Yes.



## Part 12: User Roles (1 Question)

ID	Supplier Question	UT System Response
12.01	Can you provide a breakdown of user, roles, and number of users for each component? Is there any other information that you can provide regarding training & support?	See Addendum 2 attachment called "6.3 Spend Analytics RFP User Clarifications.pdf"



## Part 13: University of Texas System Project Management (6 Questions)

ID	Supplier Question	UT System Response
13.01	What will be the role of the UT System Supply Chain Alliance? Will the UTSSCA be overseeing and managing the spend analytics solution or will the individual schools be managing the solution themselves?	Section 5.4 of the RFP states "UT System also anticipates using project management resources within the UT Shared Services program – which involves cross-campus collaboration projects that save money and improve quality – to assist in implementing the spend analytics solution across participating campuses."
13.02	What level of engagement can we expect from UT systems - from both Leadership and Delivery perspective - to support this initiative?	Section 5.4 of the RFP states "UT System also anticipates using project management resources within the UT Shared Services program – which involves cross-campus collaboration projects that save money and improve quality – to assist in implementing the spend analytics solution across participating campuses."
13.03	Will UT be providing SME and extract owners for the data gathering from all sources?	Yes.
13.04	Who will own the change management responsibilities for this project including organizational considerations and the communication plan?	Section 1.2 of the RFP states "Proposer should take into account that Institutional Participants – not Proposer – will be responsible for using the spend analytics derived from Proposer's Spend Analytics Solution to conduct procurements designed to reduce the cost of products and services."
13.05	Is a member of the UT project team able to make final design decisions in a timely manner and provide sign-off during the implementation of the project?	Yes.
13.06	Does UT expect the services to be performed on site, remote, or a combination? If on-site, would it be one central location or at each of the 6 health institutions?	The location(s) of where services are performed should be defined within the Proposer's Survey response.



## Part 14: Data Validation (29 Questions)

ID	Supplier Question	UT System Response
14.01	Can you define the elements of a “data set”? In other words, when you say “data validation”, what are the elements of the “data” that will be subject to validation?	UT System anticipates including Purchase Order lines, Invoice lines, and P-card data. The Proposer should define the types of fields recommended for the Spend Analytics Solution. Any field included in the Spend Analytics Solution are subject to validation.
14.02	What is the % of spend data is accurately classified?	Assume none of the data is cleansed since the data has never been combined across the institutions.
14.03	The supplier survey calls for guarantees on the part of the Proposer with regard to accuracy of classification. What proportion of the 3m lines of data that are to be classified: a. Have an NIGP code? b. Have a correct NIGP code? c. Contain descriptive text that might reasonably be understood, or be meaningful to a reasonably knowledgeable observer?	Assume none of the data has an accurate or consistent NIGP or UNSPSC code across the institutions. Data associated with catalogue purchases will include descriptions, details, and vendor-classified UNSPSC code. All other data may have a free-form text field that does not have entry standards defined.
14.04	Which delay between new spend data entry at the UT System’s institutions and its availability at the Analytics is acceptable and desired?	The Proposer should define the frequency in which the data can be processed. UT System does not have a minimum requirement for the availability of the data.
14.05	How often should the data be refreshed or updated?	The Proposer should define the frequency in which the data is refreshed or updated.
14.06	Is there a requirement for terminology standardization? How is this being planned? Through tools or SME participation during requirement gathering and attribute mapping?	There is no minimum requirement related to the terminology standardization. The Proposer should suggest a standardization. SME's will be involved in the definition of the standard.
14.07	For any data quality challenges in the present system - Any mechanism in place today to address those data quality challenges?	UT System has never combined data in this manner.



ID	Supplier Question	UT System Response
14.08	Are there any existing data standardization or validation mechanisms for various entities?	No.
14.09	Is there any current documentation or code available that maps from any of the data sources to a common repository, or to current reporting?	Some defined uniquely per institution.
14.10	What type of transformations are required to be carried out on the data held in source systems when migrating to to-be landscape?	Data Validation includes acquiring, cleansing, categorizing, and processing unrelated data sets for common use.
14.11	What are Data Masking requirements and how it is handled in current situation?	There is no minimum requirement related to data masking.
14.12	What are Data Security requirements and how it is handled in current situation?	Proposers should complete Appendix FIVE and SIX detailing their information technology and security protocols.
14.13	What type of customizations are expected from the system e.g. - Customized UNSPSC Hierarchy?	Proposers should define a process for a customized UNSPSC Hierarchy.
14.14	How is the Spend Data stored?	In an ERP system or P-card system.
14.15	Do you envision the SA tool to be integrated to the ERP backbone?	Integration is not a minimum requirement.
14.16	Can Data Validation be conducted as a service? Or do you intend to do this activity in house?	Data validation services may be performed manually or through the use of software, pending verification by SMEs.
14.17	Is there a Commodity Management Practice in place?	Not for UT System.
14.18	What type of data export and integration requirements might you have?	The Proposer should define data export and integration available. Data export and integration are not minimum requirements
14.19	What data classification taxonomy does University of Texas use currently?	There is no standard across UT System. Campuses use combinations of UNSPSC, NIGP, and HUB Object Code along with other custom classifications.
14.20	How would the service provider be provided access to the data for designing taxonomy and data processing?	.xls (or .xlsx) and .csv are available from all campuses.



ID	Supplier Question	UT System Response
14.21	Please refer to section 5.5.4 Data validation question row 42 - cross-walk between UT system and institutional participant categorization: - Are we referring to uniform/consolidated set of taxonomy that will be applied on the transactional data from all the source system?	Yes.
14.22	Is diversity and HUB data available for inclusion in the data?	Yes.
14.23	Of the initial \$3B of estimated annual spend in scope (which includes the 6 UT Health Institutions, UT Austin Academic, and UT System) how many and what specific types of disparate data source systems are estimated to collect data from (e.g. Quantity and Type of ERP, P-card, Procurement, and Expense Management Systems)? <i>For the purposes of this question, please presume that a separate instance of the same ERP system counts as a disparate system.</i>	At least six ERP systems and one P-card system.
14.24	Is the UTSSCA open to a categorization taxonomy that does not leverage UNSPSC but instead uses a more customized one that mirrors the way the supply base is best structured to respond to future strategic sourcing events from the UTSSCA?	Yes.
14.25	Will integrations to other systems be included? If yes, a separate scoping will be required specific to the integration requirements.	Integration is not a minimum requirement.



ID	Supplier Question	UT System Response
14.26	For each Data Source, If there are items from a material master or catalog associated with the transactions, how many unique items are there that are being purchased and how many of the transactions and % of spend are with those items?	No.
14.27	For each Data Source, What is the Desired Commodity Structure (if custom, please share) and does it match the overall Commodity Structure?	Proposer should define a commodity structure.
14.28	Can you be more specific to help us to un understand what kind of taxonomy might be developed?	Proposer should define a taxonomy.
14.29	When we talk validation are we expecting cleansing or just validation before load	Data Validation: acquiring, cleansing, categorizing, and processing unrelated data sets for common use. Data validation services may be performed manually or through the use of software, pending verification by SMEs.

## Part 15: Analysis Software (13 Questions)

ID	Supplier Question	UT System Response
15.01	Are there any requirements to the output document formats provided by the Analytics?	There are not minimum requirements for the output format.
15.02	Are there any known APIs of the presently used solutions that should be integrated with the Analytics?	No.
15.03	Are there any preferences regarding particular platforms, technologies, frameworks etc. used by the whole Analytics solution and the Data Validation in particular?	No.
15.04	How many distinct users will be using the tools to create net new data visualizations?	See Addendum 2 attachment called "6.3 Spend Analytics RFP User Clarifications.pdf"
15.05	Are you staff already familiar with certain tools and have a preference to any of them? For instance, SQL Server or Tableau?	See Addendum 2 attachment called "6.3 Spend Analytics RFP User Clarifications.pdf"
15.06	Is there a need to have near real time reporting capability, if yes can this be elaborated? If yes is there an SLA for time delay/latency etc.?	Proposer should define their near real time reporting capabilities. There is no minimum requirement for reporting capabilities.
15.07	How many analytical reports are being considered as a part of this scope?	Proposer should define the number of reports. There is no minimum requirement for reporting capabilities.
15.08	What is the estimated number of reports/packages to be developed for each of the below mentioned category Canned reports AD-HOC reports OLAP reports Dashboards	Proposer should define the number of reports. There is no minimum requirement for reporting capabilities.
15.09	Estimated categorization of reports (simple/medium/complex)	Proposer should define the number of reports. There is no minimum requirement for reporting capabilities.



ID	Supplier Question	UT System Response
15.10	What are the different delivery channels for the reports? Is it through browser? Desktop? Mobile device? Portal? Printed format, e-mails etc.?	Proposer should define the delivery channel. There is no minimum requirement for reporting capabilities.
15.11	Will the dashboard be collaborative? Do the end users like to have annotations, comments, feedback on the dashboards and share?	Proposer should define the dashboard capabilities. There is no minimum requirement for reporting capabilities.
15.12	Please refer to section 5.5.5 Analysis Software question row 54 - comparing spend data from multiple sources: Will the supplier reported spend contain the same invoice numbers as the UT reported spend?	Sometimes.
15.13	How does the UTSSCA desire that the provider report and track on savings?	Proposer should define savings capabilities. There is no minimum requirement for reporting capabilities.



## Part 16: Business Intelligence (11 Questions)

ID	Supplier Question	UT System Response
16.01	Can you better define the expectations for benchmarking that are described in the RFP, particularly with reference to UT institution internal benchmarking compared to benchmarking against outside institutions?	Proposer should define the type of benchmarking capabilities available. UT System would like to compare prices paid of one UT institution to another and of one UT institution to an institution that is not part of UT System.
16.02	Will the University, as part of the spend data provide benchmarking data or prices paid by those outside of the UT system for comparison? What is the expectation in this regard?	Proposer should define if providing outside benchmarking data or prices is a requirement of their solution.
16.03	How does UT System currently benchmark data? Do you use 3rd party solutions today?	UT System has never combined data in this manner.
16.04	Can you provide more context or examples for this question: 'What system or sources do you use to support your benchmarking database?'	How does the Proposer gather and validate benchmarking information? What are the sources used for benchmarking data and what processes are in place to validate the quality of the data?
16.05	Will the supplier be provided access by University of Texas to database subscriptions required for benchmarking exercise or is the supplier expected to procure the same?	Proposer should define if this is a requirement of UT to provide this access and the associated costs of these systems.
16.06	What are the various types of Business Intelligence reports to be generated (example - category profiling, price variance, opportunity assessment, visibility reports etc.)?	There are no minimum requirements for the types of Business Intelligence reports. Proposer should define these reports.
16.07	What is the current average turnaround time for generating a Business Intelligence report?	UT System has never combined data in this manner therefore there is no average turnaround time.
16.08	What clinical value analysis activities have already taken place in the 6 in-scope health institutions?	UT System has convened a team of cross-institutional clinical value analysis experts from the three acute care facilities. The team is in the planning phase of identifying activities to pursue.



ID	Supplier Question	UT System Response
16.09	Do the 6 in-scope health institutions have employees currently supporting the business intelligence activities in scope? If yes, how many employees are utilized to support these activities?	None available for the Spend Analytics Solution.
16.10	Is the expectation that the benchmark data to be provided to UTSSCA will include the names of other hospitals/organizations as well as their pricing?	Proposer should define the level of benchmark data detail available to UT System.
16.11	Do you have an estimated volume of business intelligence requisitions (e.g. sourcing support, price and non-price benchmarking, clinical value analysis, etc.)?	No.



## Part 17: Pricing, Budget, & Projected Savings (5 Questions)

ID	Supplier Question	UT System Response
17.01	Do you have a prescribed budget range for this RFP? Has funding from the system or individual participants been approved? If not, what is the timeline for approved funding?	UT System budget details for Spend Analytics are not included in the RFP document therefore we are not disclosing it during the RFP process. Funding was approved on May 14, 2015, for participation by the six UT Health institutions.
17.02	Should we consider \$3bn as a reference as the in-scope spend so as to provide you with a price, considering our pricing depends on amount of \$ processed	Yes.
17.03	Do you have an expectation regarding the savings you will achieve from the \$3 billion of impactable spend? If yes, what is that expectation?	UT System is conservatively projecting to achieve savings of \$40-50 million through spend analytics activities over a five-year period.
17.04	Should our proposal include hosting fees and/or cost of infrastructure fees?	Yes.
17.05	Can you provide Key metrics/goals that your organization is trying to achieve for 2015/2016? i.e. savings \$/%, contract penetration %, negotiated savings \$/%, supply base optimization, etc.	UT System is conservatively projecting to achieve savings of \$40-50 million through spend analytics activities over a five-year period.

**SECTION 6**  
**PRICING SCHEDULE AND AFFIRMATION**

**6.1 Pricing Schedule**

Proposer must submit its rate structure in the Pricing Schedule tab in **Sect. 5.5.7 of the Proposer's Survey**, as part of its proposal, for the Services described in **Section 5.4** (Scope of Work) of this RFP. The prices must include all charges associated with providing the full scope of work. The Pricing Schedule should be submitted as an electronic Excel (.xls) file with the Proposer Survey (ref. **Section 5.5** of this RFP). A separate signature is required for Pricing Affirmation (ref. **Section 6.2** of this RFP).

**6.2 Pricing Affirmation**

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

**Proposal of:** \_\_\_\_\_  
(Proposer Company Name)

**To:** The University of Texas System  
**Ref.:** Spend Analytics Solution  
**RFP No.:** UTS/A50

Ladies and Gentlemen:

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

The prices included in this response to the RFP will be Proposer's guaranteed pricing.

Proposer agrees that if Proposer is awarded an agreement under this RFP, it will provide to UT System a quarterly administrative fee of 2% of the Total Net Sales made by Preferred Supplier during such calendar quarter under the Agreement. *[Note to Proposer: this will be addressed in the Agreement's Scope of Work.]* "**Total Net Sales**" means the total dollar amount of all sales of the subject Services that are made by Preferred Supplier to UT System and Institutional Participants during the calendar quarter, less credits, returns, taxes, and unpaid invoices. The administrative fee will be used by UT System to provide support for implementation, administration, monitoring, and management of the Agreement. Payment of the administrative fee to UT System is due within 30 days of the end of the calendar quarter in which supplier receives payment from UT System or Institutional Participant.

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

Prompt Payment Discount: \_\_\_\_\_% \_\_\_\_\_ days/net 30 days.

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

Respectfully submitted,

**Proposer:** \_\_\_\_\_

**By:** \_\_\_\_\_  
(Authorized Signature for Proposer)

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_



SUPPLY CHAIN ALLIANCE | THE UNIVERSITY of TEXAS SYSTEM

## University of Texas System Spend Analytics RFP

### User Clarifications

User Level	User Type	Estimated % of Concurrent Users	Description	Data Validation	Analysis Software	Business Intelligence
Level 1	Summary	15%	View, run, and download summaries (i.e. dashboard)		X	
Level 2	Standard	65%	Level 1 + Drill-down to details (PO and/or Invoice lines) of summary data		X	X
Level 3	Power	17%	Levels 1+2 + Taxonomy and/or Ad-hoc reports	X	X	X
Level 4	Admin	3%	Levels 1+2+3 + User access controls, Data entry	X	X	X

***All information is for proposal estimation purposes and is subject to change based on Proposer's requirements and UT System preferences.***

Proposers should assume 100 concurrent users for the full Go-Live of the six health institutions.

Proposer is expected to provide user training for each user type.

UT System does not intend to provide in-house resources for developing training content on behalf of the Proposer for the users.

Users will be inexperienced with the Proposer's solution but capable of receiving training and becoming self-sufficient with customer support.



RFP Submittal Deadline: **June 17, 2015** at **3:00 PM**(CDT)

Addendum Issue Date: **June 5, 2015**

**ADDENDUM 3**  
REQUEST FOR PROPOSAL  
UTS/A50  
Spend Analytics Solution

PROPOSAL SUBMISSION TO: [UTSSCABids@mdanderson.org](mailto:UTSSCABids@mdanderson.org)

ACKNOWLEDGEMENT OF THIS ADDENDUM 3 IS REQUIRED IN ACCORDANCE WITH **SECTION 1.2, OF APPENDIX ONE**, TO THE RFP. Specifically, "Proposers are required to acknowledge receipt of each Addendum by sending an acknowledgment email to [UTSSCABids@mdanderson.org](mailto:UTSSCABids@mdanderson.org). Each Addendum must be acknowledged by Proposer prior to the Submittal Deadline and should accompany Proposer's proposal."

This RFP Addendum is a furtherance of RFP **UTS/A50** and is not a contract or offer to contract. RFP UTS/A50 is hereby amended as follows:

**Item One:**

Section 2.1 is deleted and replaced with the following to extend the submittal deadline to **June 17, 2015 at 3:00 PM Central Daylight Time.**

**2.1 Submittal Deadline**

UT System will accept proposals submitted in response to this RFP until **3:00 PM**, Central Daylight Time, on **June 17, 2015** (the "**Submittal Deadline**").

All other terms, conditions and requirements set forth in RFP UTS/A50 remain unchanged and in effect.

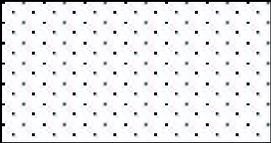
**END OF ADDENDUM**

### Suggested Implementation Timeline

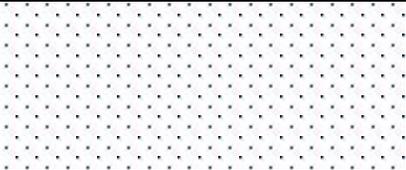
Data Validation											
Project Kickoff: Req'ts, timeline, & technology	Design taxonomy	Gather full FY14 data set from all sources	Initial processing of FY14 data	Final processing of FY14 data	Load processed FY14 data into Analysis Software	Gather full FY15 data set	Initial processing of FY15 data	Final processing of FY15 data	Load processed FY15 data into Analysis Software		
2 weeks	4 weeks	2 weeks	2 weeks	4 weeks	3 weeks	2 weeks	2 weeks	3 weeks	2 weeks		
Analysis Software											
	Order hardware*	Hardware installation*	Project Kickoff: Req'ts, timeline, & technology	Software configuration & setup	Final software configuration & initial user group access	Load processed FY14 data into Analysis Software	Initial user group Go-Live	Full user group access setup & Go-Live	Load FY14 bmark prices to Analysis Software*	Load processed FY15 data into Analysis Software	Load FY15 bmark in Analysis Software*
	2 weeks	2 weeks	2 weeks	4 weeks	2 weeks	3 weeks	2 weeks	2 weeks	2 weeks	2 weeks	1 week
Business Intelligence											
						Project Kickoff: Req'ts, timeline, & technology	Receive processed FY14 data for benchmark (bmark) analysis	Apply bmark prices to FY14 data	Load FY14 bmark prices to Analysis Software*	Receive processed FY15 data for bmark analysis & apply bmark prices	Load FY15 bmark in Analysis Software*
						3 weeks	2 weeks	2 weeks	2 weeks	2 weeks	1 weeks

\*If applicable

## Ongoing Operations

Data Validation	
Ongoing data processing & load into Analysis Software	
<i>3 weeks</i>	

Analysis Software	
Ongoing data processing & load into Analysis Software	Ongoing bmark & load into Analysis Software*
<i>3 weeks</i>	<i>2 weeks</i>

Business Intelligence	
	Ongoing bmark & load into Analysis Software*
	<i>2 weeks</i>

*\*If applicable*