



TEXAS

Health and Human Services

Dr. Courtney N. Phillips, Executive Commissioner

Health and Human Services Commission (HHSC)

Procurement and Contracting Services (PCS)

Statement of Work (SOW)

for

Managed Services for Telecommunication

DIR Contract No. DIR-TSO-3987

Solicitation No. HHS0005916

For

Disability Determination Services (DDS) Avaya Telephone System and Peripherals

Date of Release: 08/09/19

Responses Due: 08/19/19

NIGP Class/Item Codes:

1. 915-76 - **Telephone Services Includes Installation, Moves, Changes, Adds, Programming, Removal, Training, etc. (To Include Pay Telephones)*
2. 915-79 - **Telecommunication Services (Not Otherwise Classified)*
3. 920-31 - **Installation of Computers, Peripherals, and Related Equipment (Including Software)*
4. 920-35 - **Modification of Existing Equipment (Including Cost of Parts)*
5. 920-37 - **Networking Services (Including Installation, Security, and Maintenance)*
6. 920-39 - **Processing System Services, Data (Not Otherwise Classified)*
7. 920-41 - **Retrieval Services, Information*
8. 920-45 - **Software Maintenance/Support*
9. 920-46 - **Software Updating Services*
10. 920-47 - **Support Services, Computer (Includes Computer Warranties)*
11. 920-48 - **Storage Services, Data Media*
12. 939-21 - **Computers, Data Processing Equipment and Accessories (Not Word Processing Equipment), Maintenance and Repair*
13. 939-72 - **Radio/Telecommunications/Telephone Equipment (Including Facsimile Transceivers) Maintenance and Repair*
14. 958-05 - *Asset Management Services*
15. 958-23 - **Computer Management Services*
16. 958-68 - *Support Services, Management*
17. 958-70 - *Outsourcing Services for Management, Operation, etc.*
18. 958-74 - *Personnel Management Services*

**This item may contain an Automated Information Systems (AIS)/Telecommunications component or service.*

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1. INTRODUCTION

The Health and Human Services Commission (“HHSC”) is seeking bids for maintenance and support of Disability Determination Services’ Avaya telephone system and peripherals at 6101 East Oltorf, Austin, Texas. The contract(s) issued as a result of this solicitation may be utilized by the Texas Health and Human Services (“HHS”) agency listed below:

- HHSC / Disability Determination Services (“DDS”)

HHSC will issue an individual purchase orders, contracts, or releases for each HHS agency, region, city, or location requiring goods/services under the contract(s). Each order will include the delivery/service location and bill to address for the HHS agency requesting goods/services. The procurement will be managed by HHSC’s Procurement and Contracting Services Division (“PCS”).

2. AGENCY OVERVIEW

HHSC was created in 1991 to oversee and coordinate the planning and delivery of health and human services in Texas. It is established pursuant to Chapter 531, Texas Government Code and is responsible for oversight of Texas Health and Human Services agencies (“HHS agencies”). Contracting and procurement activities for HHS agencies have been assigned to HHSC/PCS. As such, PCS will administer the initial stages of the procurement process, prior to the contract award, including solicitation announcement and publication, handling of communications from the respondent, as well as managing the receipt and evaluation of valid responses for final review and evaluation. PCS directs the execution of the award of the contract resulting from this solicitation.

3. DEFINITIONS

“[Appendix](#)” means additional information and/or forms that is available in the back of this solicitation document.

“[Contract Term](#)” means the period of time during which the contract will be effective from begin date to end date. The contract term may or may not be the same as the budget period.

“[Debarment](#)” means an exclusion from contracting or subcontracting with state agencies on the basis of cause set forth in Title 34, Texas Administrative Code, §20.105 et seq., and the EPLS.

“[Due Date](#)” means the established deadline for submission of a document or deliverable.

“[Respondent](#)” means an entity or individual that submits a response to a solicitation.

“[Vendor](#)” means a contractor that provides goods and services that are typically procured through the open market.

“[Vendor Identification Number \(Vendor ID No.\)](#)” means a fourteen-digit number needed for any entity to contract with the State of Texas and which must be set up with the State Comptroller’s Office. It consists of a ten-digit Vendor ID No. (*IRS number, state agency number, or social security number*) + check digit + 3 digit mail code.

“[Work Plan](#)” means a plan that describes how services will be delivered and includes specifics such as what types of services will be provided, who will be responsible for the work, timelines for completion of activities, and how services will be evaluated when complete. The work plan will be part of the contract.

4. INSTRUCTIONS TO RESPONDENTS

- 4.1 Before submitting a response to this solicitation, read the ENTIRE solicitation including the Terms and Conditions:
1. Failure to read any part of this solicitation will not relieve an awarded contractor of his/her contractual obligations.
 2. Failure to comply with this section may result in disqualification of the response.
 3. Responses to this solicitation will be received until the date and time shown above.
 4. Incomplete or late responses will not be considered.
 5. Responses to this solicitation may be submitted in original hard copy to the address below, fax, or email.
 6. An authorized officer of the respondent must manually sign submittal.
- 4.2 Original hard copy responses must:
1. Be enclosed in sealed envelope(s) or sealed carton(s).
 2. Include the solicitation number, time, date of opening and title of the solicitation on the face of sealed envelope(s) or sealed carton(s).
 3. Include the respondent's name, address and telephone number on the face of all sealed envelope(s) or sealed carton(s).
- 4.3 The Physical Address for hand delivery only is:
- Texas Health and Human Services Commission
1100 W 49th St. MC: 2020
Austin, TX 78756
- Procurement and Contracting Services
Building S – Bid Room
ATTN: Response Coordinator
- 4.4 HHSC will not be responsible for failure of electronic equipment or operator error.
1. Email responses will be accepted at PCSBids@hhsc.state.tx.us only.
 2. Late, illegible, incomplete or otherwise non-responsive submissions will not be considered.
 3. Fax responses will be accepted at 512-406-2690 only. This is the only fax number that will be used for receipt of fax responses.
 4. Response must include all required information/documents for this specification, but may contain additional information considered pertinent by respondent.
 5. HHSC/PCS reserves the right to reject any or all responses.
 6. All responses become property of HHSC/ PCS.

4.5 Respondent must provide the following contact information for the submitted response:

Respondent Contact Person **PLEASE PRINT**

Respondent Contact Person's Telephone Number / Fax Number / Mobile Number

E-mail Address

5. DESIGNATED POINT OF CONTACT

The HHSC/ PCS sole Point of Contact for inquiries concerning this solicitation is:

Purchaser's Name:	Mark Cooper
Telephone:	512-406-2442
Email address:	Mark.Cooper@hhsc.state.tx.us

- 5.1 Direct all communications relating to this solicitation to the HHSC/PCS contact person named above.
- 5.2 All other communications between a respondent and HHS agency staff concerning this solicitation are prohibited.
- 5.3 In no instance is a respondent to discuss cost information contained in a response with the HHSC/ PCS Point of Contact or any other staff prior to response evaluation.
- 5.4 **Failure to comply with these requirements may result in response disqualification.**

6. PCS ANNOUNCEMENTS REGARDING THIS SOLICITATION

PCS will post the notice of award for solicitations exceeding \$25,000 on the Electronic State Business Daily ("ESBD").

7. HISTORICALLY UNDERUTILIZED BUSINESS

7.1 Requirements:

HHSC is committed to promoting full and equal business opportunities for businesses in state contracting in accordance with the goals specified in the State of Texas Disparity Study.

HHSC encourages the use of Historically Underutilized Businesses ("HUBs") through race, ethnic and gender-neutral means. HHSC has adopted administrative rules relating to HUBs, and a Policy on the Utilization of HUBs, which is located on HHSC's website¹.

¹ Reference: <https://hhs.texas.gov/doing-business-hhs/contracting-hhs/historically-underutilized-business-opportunities-program>

Since the estimated value of the solicitation or resulting contract is more than \$100,000, in accordance with statute and the HUB rules, the HHSC HUB Program Office may review the solicitation or resulting contract for potential subcontracting opportunities and for the inclusion of the **HUB Subcontracting Plan**.

For this solicitation,

1. Because this solicitation is released under the jurisdiction of the DIR Cooperative Contracts Program, Respondents are not required to submit a HUB Subcontracting Plan (“HSP”) with their proposal at the time of submission:
 - a. For clarity, DIR maintains and monitors the HSPs for each cooperative/enterprise contract for the life of that contract – not the Customer utilizing the DIR Cooperative Contracts Program offerings.
 - b. All Respondents must certify in their Proposal that their DIR HSP is up-to-date and accurate.
 - c. Any Contract resulting from this SOW will incorporate the Awarded Vendor’s DIR HSP as part of that Contract.
 - d. A Vendor may not utilize any Subcontractor that is NOT listed on their HSP filed with DIR.
2. Prior to issuing a Purchase Order (“PO”) using a DIR contract, the Awarded Vendor will provide clarification regarding what Subcontractors they will/will not be using from their DIR HSP to the HHS HUB Program Office (email: HHSCHub@hhsc.state.tx.us). A Letter of Intent can be utilized for this clarification, primarily to:
 - a. identify each Subcontractor they will be using on that PO;
 - b. confirm the dollar amount they will be paying each Subcontractor; and
 - c. state the expected percentage of the PO each Subcontractor will receive.
3. If Subcontractors are used in the delivery of the goods and/or services, the Awarded Vendor(s) is(are) required to submit monthly progress reports to HHSC’s HUB Program Office (email: HHSCHub@hhsc.state.tx.us), whose format and content will be prescribed by HHSC’s HUB Program Office.

7.2 Use of Subcontractors:

Subcontractors providing services under the contract must meet the same requirements and level of experience as required of the Vendor.

1. Any subcontractor must be listed on the Vendor’s approved DIR Historically Underutilized Business (“HUB”) Subcontracting Plan (*collectively known as the “HSP”*) for their contract. DIR will work with their Vendor in the event a new subcontractor needs to be added.
2. No subcontract under the contract will relieve the Vendor of the responsibility for ensuring the requested services are provided.

3. Vendors planning to subcontract all or a portion of the work to be performed must identify the proposed subcontractors, in accordance with their DIR-published DBITS Contract Appendix B - HUB Subcontracting Plan.

8. SCOPE OF WORK TO BE PERFORMED

- 8.1 Awarded Contractor shall furnish all labor, tools, transportation, equipment, materials, and supplies, as necessary.
- 8.2 Awarded Contractor shall be responsible for supervision, clean up and disposal, and must have all applicable permits, licenses, and insurance coverage.
- 8.3 Awarded Contractor shall provide parts and labor on the equipment listed below beginning on September 1, 2019 and continuing through August 30, 2021.
- 8.4 Awarded contractor must:
 1. cover PBX Core system duplicated Communication Manager (“CM”), Session Manager, System Manager, Aura Messaging Server, Avaya IQ, Gateways and Locals Survival Processors (“LSPs”), Avaya Data Switches, Music on Hold, Contact Center, Internet Protocol (“IP”) Paging, Avaya Aura Conferencing, IP Clocks and monitoring of the PBX for alarms;
 2. cover all Syn-Apps hardware and software with manufacturer support;
 3. cover VeraMark Call Accounting software loaded on a virtual server with manufacture support;
 4. provide Avaya Support Agreement;
 5. provide Avaya IQ Security Certificate;
 6. provide Avaya Support Advantage Preferred and Avaya Upgrades Advantage services;
 7. provide Technical Support for IP Phones, IP Speakers, IP Clocks, and IP Speaker systems;
 8. must assist in troubleshooting and programming UPS systems; and
 9. replace faulty or failed UPS systems to include batteries and labor.

9. HOURS AND DAYS SERVICES ARE TO BE PERFORMED

Contractor will provide services as scheduled (Section 10). Normal office hours are 8:00am and 5:00pm, Monday through Friday.

10. DETAILED SPECIFICATIONS OF SERVICE

10.1 Description of Contract:

Vendor will perform all the following tasks:

1. Monitor UPS, IQ Communications Manager, Session Manager, System Manager, Aura Messaging server, LSP, and gateways to detect any alarms or alerts.

2. Notify DDS of any outages, alerts, or alarms within four (4) hours of logged event.
3. Notify DDS of any outage of the Secure Access Link (“SAL”) within 4 hours of the outage.
4. Provide DDS with a monthly and annual outage, alert, and alarm report in an agreed upon format.
5. Provide an account representative to conduct scheduled onsite “Customer Needs” meeting to identify and resolve DDS concerns each quarter at a minimum or as requested by DDS.

10.2 Hours of Service:

Standard services for DDS are Monday through Sunday, 24x7.

1. Down systems shall be dispatched within one (1) hour of call-in time.
2. Emergency service is defined at 25% of the DDS’ system out-of-service, first trunks of the “DDS” main line out-of-service, a console out-of-service, or any particulars needed covered will be dispatched within 1 hour of call-in time, 7 days by 24 hours.
3. Emergency calls (*as determined by DDS*) must be resolved within 1 business day of notification by DDS.
4. Non-emergency calls (*as determined by DDS*) must be resolved within three (3) business days of the initial notification by DDS.

10.3 Quality Assurance:

Phone service must be available at least 97% of each business day on average per quarter.

10.4 Covered Services:

1. Vendor will cover all costs associated with maintenance and support of DDS’ Avaya telephone system and peripherals at 6101 East Oltorf, Austin, Texas.
2. This includes costs associated with labor, support, upgrades, diagnostics, and replacements.
3. Vendor will have remote access to the system.

11. VENDOR REQUIREMENTS

Protecting and Reporting the Loss of Personally Identifiable Information (“PII”):

11.1 PII Definitions:

The following terms are defined for the purposes of this SOLICITATION:

1. Personally Identifiable Information (“PII”): SSA and the Agency subscribes to the definition of PII provided by the Office of Management and Budget in OMB Memorandum OMB. Personally Identifiable Information means any information about an individual maintained by an agency:

- a. including, but not limited to: Education; Financial transactions; Medical history; Criminal or employment history and; information that can be used to distinguish or trace an individual's identity.
 - b. Examples of such information include: name; social security number; date and place of birth; mother's maiden name; biometric records, etc.; including any other personal information which is linked or linkable to an individual.”
 - c. Other examples of PII may include: Medical records; Social Security benefit data; official State or government issued driver's license; other identification numbers; alien registration number; government passport number; employer or taxpayer identification number or; home address.
2. "Handling PII" means having access to personally identifiable information (“PII”), as defined in this specification.
 3. "Lost, compromised, or potentially compromised PII" means that, while the Contractor is in possession of PII, the PII has become physically missing or has been otherwise breached so that persons other than authorized users, and for other than an authorized purpose, have access or potential access to the PII, regardless of the form (*e.g., electronic or physical*) in which it was stored.
 4. Contractor acknowledges that any unauthorized disclosure of the information provided under this contract may violate the terms of [The SSA Privacy Act of 1974](#) and subject the Contractor to penalties.²

11.2 Reporting the Loss of PII:

Vendor must contact DDS SMS Director within one (1) hour of the loss or suspected loss of PII. If the DDS SMS Director is unavailable or not immediately reachable, Vendor must contact the Director's designee within one (1) hour of the loss or suspected loss of PII.

12. MATERIAL SPECIFICATIONS

The respondent shall provide monitoring, support, and maintenance of DDS' Avaya Phone System, which includes the following equipment.

12.1 Equipment

1. Phones: Avaya IP 9670G and 9650
2. Servers: Avaya duplicated Communication Manager 6.3; Avaya Aura Messaging 6.2; Avaya System Manager 6.3; Avaya Session Manager 6.3; Avaya IQ 5.1; Avaya Local Survivable Processor 6.3; 3 Avaya G450 Gateways 6.3; Avaya Aura Conferencing 6.0; Syn-300 Syn Apps Server; Nortel Firewall Server; Nortel Multicast Server; and Dell DHCP HTTP Server.

² Reference: [The SSA Privacy Act of 1974](#)

3. Additional Equipment: 5 HP ProDesk Work Stations; 1 HP Z230 Work Station with RAID drives; 70 Nortel 4550T-PWR Data Switches; 8 APC UPS Systems; 3 40" Displays; 2 Dell OptiPlex 3060 Work Stations; IP Speakers; PBX Core System; Music on Hold; Contact Center; Standard Paging; and IP Clocks.

12.2 Packages

1. Support packages: Avaya Support Advantage; Avaya Upgrades Advantage; Syn-Apps Hardware and software covered with manufacturer support; Veramark Call Accounting.
2. Technical support only for: IP Phones, IP Speakers, IP Speaker systems, and IP Clocks.
3. Vendor must assist in troubleshooting UPS Chassis hardware and battery issues.
4. Avaya IQ – Avaya Professional Services is the only authorized technical resource that is allowed to perform an upgrade to IQ. The Avaya DIR contract will be utilized for cost of services.

13. TERM OF CONTRACT

- 13.1 Initial Contract Term: The term of Contract is from **09/01/2019 through 08/31/2021**, with an option for HHSC or DDS to renew for an additional two (2) two-year terms, 09/01/2021 through 08/31/2023 and 09/01/2013 through 08/31/2025 sequentially.
- 13.2 The Vendor will begin work no later than ten (10) business days of receiving the purchase order and will cease work after all Deliverables described in this SOW are delivered and approved by the designated Customer Contract Manager, HHS Executive and Business Sponsors, and/or the applicable HHS Systems Directors or Managers.
- 13.3 The Awarded Vendor will cease work after all Deliverables:
 1. described in this SOW are delivered and approved by the designated Customer Contract Manager, HHS Executive and Business Sponsors, and/or the applicable HHS Systems Directors or Managers.
 2. but no later than the last day of the current term; work cannot continue beyond the contract term (*or an exercised renewal option, as may be amended*) without an active contractual agreement in place.
- 13.4 This contract does not constitute nor imply a commitment on the part of HHSC/PCS to purchase additional services from the awarded contractor in the future.
- 13.5 Emergency Option to Extend Services: The Contractor by submission of a response to this solicitation agrees that the PCS/HHSC may require continued performance, beyond the initial contract term, of any of the herein described services at the rates specified herein. This option may be exercised more than once, but the total extension of performance hereunder shall not exceed one hundred twenty (120) calendar days. Such extension of services shall be subject to all specifications and terms and conditions of the contract resulting from this procurement, with the sole and limited exception that the original date of termination shall be extended pursuant to this provision. The PCS/HHSC may exercise this option upon written notice to the awarded contractor.

14. CONTRACTOR'S RESPONSIBILITIES

- 14.1 The Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any court or administrative bodies or tribunals in any matter affecting the performance of the purchase order including, if applicable, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations.
- 14.2 The Contractor will be responsible for verifying that all employees will be in compliance with all requirements of the Immigration Reform and Control Act of 1986, Public Law 99-603, which became effective November 6, 1986.
- 14.3 The Contractor shall provide all labor and equipment necessary to perform/accomplish the service. All employees of the Contractor shall be a minimum of 18 years of age and experienced in the type of work to be performed.
- 14.4 The awarded contractor will be responsible for all employment taxes and other payroll withholding for their employees.
- 14.5 The Contractor shall be responsible for damage to the HHS agency's equipment, and/or the workplace and its contents by its works, its negligence in work, its personnel, or its equipment. The Contractor shall be responsible and liable for the safety, injury, and health of its working personnel while its employees are performing work for an HHS agency.
- 14.6 The Contractor shall have local telephone service. The use of a recording/answering device, or an answering service, is not acceptable except for after normal business hours. Normal business hours are considered to be between 8:00 AM and 5:00 PM Monday through Friday, unless otherwise stated in the solicitation. An emergency 24-hour response number must be provided to allow immediate contact of the Contractor.
- 14.7 The contractor shall have available, under its direct employment and supervision, necessary organization and facilities to properly fulfill services required under the resulting contract and only personnel trained in completing the services shall be employed under and for this contract.

15. PERSONNEL QUALIFICATIONS

Documentation of qualifications will be provided to PCS or the HHS agency upon request.

16. PERSONNEL REQUIREMENTS/CONDUCT

- 16.1 The Contractor and contractor employees shall not use state or federal equipment including but not limited to (*computers, telephones, facsimiles, copiers, printers, calculators, typewriters*), except for phone use in cases of emergency and/or to respond to work requests from the HHS agency. Misuse of this equipment may result in termination of the contract.
- 16.2 Intoxicants and Illegal Drugs: The use of any kind of intoxicants or illegal drugs while on duty by the Contractor's employees may result in termination of the contract by the HHS agency. Contractor's employees shall not bring intoxicants or illegal drugs onto state property.

- 16.3 The Contractor shall provide trained qualified personnel to perform/accomplish the work in accordance with the contract documents.
- 16.4 It is understood and agreed by the HHS agency and the Contractor that the Contractor is retained as an independent contractor and in no event shall any employee hired by the Contractor be considered an employee of the state.
- 16.5 Smoking: All facilities are nonsmoking buildings. CONTRACTOR'S EMPLOYEES ARE PROHIBITED FROM SMOKING IN ALL NON- DESIGNATED AREAS.
- 16.6 Building Access: Only Contractor employees are allowed on the premises of the DDS. Contractor employees may not be accompanied in the work area by acquaintances, family members, assistants or any other person unless said person is an authorized Contractor employee. Contractor employees are not allowed to bring purses, bags, packages or any other kind of container into or out of the premises, except as approved by DDS for the sole purpose of carrying out duties as defined by DDS. Contractor employees attempting to leave the premises carry any of the above items or any item potentially belonging to the State will have the item searched and/or confiscated by DDS Security until proper ownership can be established.
- 16.7 Contractor employee(s) must sign in and out with the DDS security at the main entrance. Contractor employee(s) will be issued a DDS identification badge and a computer room access badge. Contractor employee(s) must wear both badges at all times while on the DDS campus (*inside or outside the building*); and be accompanied by a DDS staff member at all times when inside the building. Contractor employee(s) must return DDS' identifying badge and computer room access badge to the DDS Security at the main entrance.
- 16.8 Access to designated restricted areas is forbidden to Contractor employees. The DDS SMS Director or designee shall designate all restricted areas.

17. CONTRACTOR'S PERSONAL CONDUCT

- 17.1 While performing the services, contractor's and sub-contractor's personnel must comply with applicable state rules, regulations, and HHS agency's requests regarding personal and professional conduct applicable to the service locations; and otherwise conduct themselves in a businesslike and professional manner. If the HHS agency determines in good faith that a particular employee or sub-contractor's employee is not conducting himself or herself in accordance with this Section, the HHS agency may provide awarded contractor with notice and documentation concerning such conduct. Upon receipt of such notice, contractor must promptly investigate the matter and take appropriate action that may include:
1. Removing the employee from the project;
 2. Providing HHS agency with written notice of such removal; and
 3. Replacing the employee with a similarly qualified individual in a period acceptable to HHS agency.
- 17.2 Nothing in the Agreement will prevent contractor, at the request of HHS agency, from replacing any personnel who are not adequately performing their assigned responsibilities or who, in the reasonable opinion of HHS agency staff, after

- consultation with contractor, are unable to work effectively with the members of the HHS agency's staff. In such event, awarded contractor will provide replacement personnel with equal or greater skills and qualifications as soon as reasonably practicable. The parties will work together in the event of any such required replacement so as not to disrupt the overall project schedule.
- 17.3 The awarded contractor agrees that anyone employed by awarded contractor to fulfill the terms of the agreement is an employee of contractor and remains under contractor's sole direction and control.
- 17.4 The HHS agency may request the Contractor to remove any employee for cause, including but not limited to: poor or unacceptable performance of work, theft, abusive language or behavior, improper attire, in accordance with the terms and conditions of the contract. Occurrences of this type may be cause for termination of the contract.

18. FORMER EMPLOYEES OF A STATE AGENCY

Respondents must comply with Texas and federal laws and regulations relating to the hiring of former state employees (see e.g., [Texas Government Code §572.054](#) and [45 C.F.R. §74.43](#)). Such "revolving door" provisions generally restrict former agency heads from communicating with or appearing before the agency on certain matters for two (2) years after leaving the agency. The revolving door provisions also restrict some former employees from representing clients on matters that the employee participated in during state service or matters that were in the employees' official responsibility. As a result of such laws and regulations, a respondent must certify that it has complied with all applicable laws and regulations regarding former state employees by signing this solicitation. Furthermore, a respondent must disclose any relevant past state employment of the respondent's or its subcontractors' employees and agents.

19. CONTRACTOR'S PERFORMANCE

- 19.1 All work performed under this contract shall be in accordance with this contract, local codes and ordinances and any other authority having lawful jurisdiction. It is important that the contractor performs all duties as stated. Failure to do so may result in cancellation of the contract.
- 19.2 All services and deliverables must meet or exceed the required levels of performance specified in this solicitation.
- 19.3 Contractor will perform services in a skillful manner, in accordance with best practices and high professional standards used in well-managed operations performing services similar to the services described in this solicitation.
- 19.4 The HHS agency contract administrator and/or PCS may utilize a Comptroller of Public Accounts ("CPA") Vendor Performance Form to report awarded contractor's performance to HHSC PCS staff. PCS staff may report the contractor's performance to the Texas Comptroller of Public Accounts-Vendor Performance Section.
- 19.5 Respondent warrants that deliverables developed and delivered under this agreement will meet the specifications as described in the agreement during the period following its acceptance by the HHS agency, through the term of the agreement, including any extensions and/or renewals as provided in the agreement, which is subsequently exercised by HHSC/PCS. Awarded contractor will promptly repair or replace any such deliverables not in compliance with this warranty at no charge to the HHS agency.

20. REMEDIES AND DISPUTES

- 20.1 Respondent agrees and understands that HHS agency may pursue tailored contractual remedies for noncompliance with the agreement. At any time and at its discretion, HHS agency may impose or pursue one or more remedies for each item of noncompliance and will determine remedies on a case-by-case basis. HHS agency's pursuit or non-pursuit of a tailored remedy does not constitute a waiver of any other remedy that HHS agency may have at law or equity.
- 20.2 The HHS agency will notify respondent in writing of specific areas of awarded contractor performance that fail to meet performance expectations, standards, or schedules, but that, in the determination of HHS agency, do not result in a material deficiency or delay in the implementation or operation of the services.
- 20.3 Awarded contractor will, within three (3) business days (*or another date approved by HHS agency*) of receipt of written notice of a non-material deficiency, provide the HHS agency requestor a written response that:
1. Explains the reasons for the deficiency, awarded contractor's plan to address or cure the deficiency, and the date and time by which the deficiency will be cured; or
 2. If awarded contractor disagrees with the HHS agency's findings, its reasons for disagreeing with the findings.
- 20.4 The awarded contractor's noncompliance may result in delayed payment or non-payment as determined by HHS agency.
- 20.5 HHSC reserves the right to withhold or offset payment on all or part of any missed, incomplete, or unsatisfactory deliverables for which Customer and the Vendor have not agreed upon a remedy
- 20.6 At its discretion, the HHS agency may require contractor to submit a detailed written plan (the "Corrective Action Plan") to correct or resolve an issue, deficiency, or a breach of this Agreement.
1. A detailed explanation of the reasons for the cited deficiency;
 2. Awarded contractor's assessment or diagnosis of the cause; and
 3. A specific proposal to cure or resolve the deficiency.
- 20.7 The Corrective Action Plan must be submitted by the deadline set forth in HHS agency's request for a Corrective Action Plan. The Corrective Action Plan is subject to approval by HHS agency, which will not unreasonably be withheld.

21. INVOICING AND PAYMENT

- 22.1 HHSC/PCS will issue an individual purchase order for the HHS agency requiring services under the contract issued in accordance with this solicitation. Each purchase order will include the appropriate bill to address for the HHS agency requesting services.
- 22.2 Invoices submitted to the HHS agency must reflect the purchase order number as shown on the purchase order, and must specify in detail the work completed for which payment is due. Invoices are to be submitted to the address specified on the individual HHS agency purchase order.

- 22.3 Payment for services will be made by the HHS ordering agency in accordance with the contracts Pricing Schedule, as mutually agreed upon – from the awarded Contractors proposal.
- 22.4 Contractor must submit Invoices on a monthly basis or as otherwise indicated on the purchase order. Separate invoices must be submitted for each service location.
- 22.5 Failure to submit required information may result in delay of payment or return of invoice.
- 22.6 No payment will be made under the contract until and unless the HHS agency approves the services performed.
- 22.7 Prices shown on the mutually agreed-upon **Pricing Schedule** are all inclusive and no other charges are authorized. It is the responsibility of the awarded contractor to pay for any additional expenses incurred.
- 22.8 In accordance with the Awarded Vendor's DIR Contract Appendix A, Section 7.B, pricing for services provided under this solicitation are exclusive of any travel expenses that may be incurred in the performance of those services. Travel time may not be included as part of the amounts payable by Customer for any services rendered under their DIR Contract. The HHS agency will not pay any per diem, travel, hotel, equipment, phone calls, paper, reproduction services, office space, or other incidental expenses related to performing the services as advertised.
- 22.9 If the HHS agency disputes payment of all or any portion of an invoice from the awarded contractor, the HHS agency will notify the awarded contractor of such dispute and both parties will attempt in good faith to resolve the dispute. The HHS agency shall not be required to pay any disputed portion of an awarded contractor's invoice. Notwithstanding any such dispute, the awarded contractor must continue to perform the services and produce deliverables in compliance with the terms of this agreement pending resolution of such dispute so long as all undisputed amounts continue to be paid to the awarded contractor.

22. INSURANCE

For the duration of any Contract resulting from this Solicitation, Respondent shall acquire insurance, bonds, or both, if applicable with financially sound and reputable independent insurers, in the type and amount customarily carried within the industry. Failure to maintain insurance coverage or acceptable alternative methods of insurance shall be deemed a breach of Contract.

23. MINOR INFORMALITY OR WITHDRAWAL OF RESPONSE

Responses may be withdrawn from consideration at any time prior to the response submission deadline. A written request for withdrawal must be made to the HHSC Point of Contact. A respondent has the right to amend its response at any time and to any degree by written notice of changes or corrections in a sealed letter or carton to the Response Coordinator prior to the response submission deadline. HHSC reserves the right to waive minor informalities in a response and award a contract that is in the best interests of the State of Texas. A minor informality may include, but is not limited to, a minor irregularity or error such as a clerical error in the production of copies of the response. When HHSC determines that a response contains a minor informality, HHSC shall notify the respondent of the irregularity or error and shall provide the respondent the opportunity to correct.

24. EVALUATION

- 25.1 Any negative result concerning submission information or forms may cause response to be disqualified.
- 25.2 In evaluating responses to determine the best value for the State, PCS may consider information related to past contract performance/results of a Respondent including, but not limited to: CPA’s [Vendor Performance Tracking System](#).
- 25.3 All responses will be evaluated in a standard manner and will be rated according to the following criteria:
 - 1. **COST OF SERVICES SPECIFIED IN SOLICITATION**
Costs of services are significant in the overall evaluation of the responses. However, PCS/HHSC is not obligated to select the lowest cost response. The award will be made to the vendor whose response is most advantageous to the HHS agencies, cost and other factors considered.
 - 2. **EXPERIENCE AND PERFORMANCE RECORD**
PCS reserves the right to consider respondents experience with this agency or contact individuals or businesses, whether private or governmental, which might have information bearing on the performance record of respondents.
 - 3. **CAPABILITIES**
Evaluation will be based upon your response to this solicitation, overall experience, and vendor’s capabilities with particular emphasis on the degree of supervision and number of employees that will be provided to perform this contract.

25. PRICING

Respondents must propose their pricing based on the specifications in this solicitation. Respondents must indicate their pricing in their proposals Pricing Schedule. The HHS agency is not responsible for any ancillary costs and will not be responsible for any additional expenses incurred by the respondent that are not represented in the respondent’s pricing.

26. SUBMISSION REQUIREMENTS

27.1 SOW Tentative Schedule of Events:

Milestone	Projected Due Date	Comments
SOW Release	08/09/19	• Solicitation released by HHSC/PCS Purchaser (Section 5).
Respondent Questions Due	08/13/19	• All inquiries must be in writing and submitted to the designated HHSC/PCS Point of Contact via email. • Written questions must be provided using the Respondent Written Questions Template (Exhibit 1).
HHSC/PCS Response to Written Questions sent to the Qualified Respondents	08/15/19	• For Respondent Written Questions instructions for this SOW, see Section 27.2 below.

Milestone	Projected Due Date	Comments
Respondent Proposals Due	08/19/19	• Follow same procedure as original written question submission above, due by 2 pm Central Time.
Anticipated Award	08/21/19	• Notice of contract award and signature processing.

27.2 Respondent Written Questions:

Qualified Respondents have the opportunity to submit questions prior to official submission of their Solicitation Response, following the procurement schedule above (Section 27.1).

1. The signed Respondent Written Questions / Signed Acknowledgement Addendum acknowledges the Respondent has had sufficient opportunity to ask questions and obtain information about the SOW prior to submission of the official solicitation response.
2. A Respondent Written Questions / Signed Acknowledgement Addendum signed by the Qualified Respondent is required; if the vendor has no questions, simply state “*No questions on this solicitation*” in the first available text-box.
3. Respondent Written Questions / Signed Acknowledgement Addendum must be submitted to HHSC/PCS either prior to or accompanying their response.
4. FAILURE TO ACKNOWLEDGE RECEIPT MAY RESULT IN RESPONSE REJECTION.
5. HHSC/PCS will reply to Respondent Written Questions via email.
6. HHSC/PCS will consolidate all written questions received from qualified vendors, removing redundant questions as applicable.
7. All qualified respondents will receive a copy of the consolidated questions submitted, with the agency’s responses, in the format of the addendum as provided.
8. Respondent Written Questions must be submitted using the template provided (Exhibit 1).

27.3 Submission Deadline to PCS:

Submit all copies of the response to the HHSC/PCS Point of Contact no later than 2:00 p.m. Central Time on the Responses Due date, as noted on this SOW’s cover page.

1. All submissions will be date and time stamped when received by HHSC/PCS.
2. The clock in the HHSC/PCS office is the official timepiece for determining compliance with the deadlines in this procurement.
3. HHSC/PCS reserves the right to reject late submissions.
4. HHSC/PCS will not accept telephone and facsimile responses.
5. It is the Respondent’s responsibility to appropriately mark and deliver the response to HHSC/PCS by the specified date.

27.4 Response Format Requirements:

All documents must be in formats (hard copy and electronic) as specified by the Customer. At a minimum, all document formats (Responses and SOW Deliverables) must be in industry accepted standards (e.g., MICROSOFT (MS)/Word, MS/PowerPoint, MS/Project, Adobe Acrobat):

1. Documents must be:
 - a. typed on 8 ½" by 11" paper;
 - b. in Arial or Times New Roman Font, with Size 12 for Normal Text;
 - c. no less than Size 10 for Tables, Graphs and Appendices;
 - d. be correctly identified with the Solicitation Number and Deadline;
 - e. clearly legible and sequentially page-numbered, with the Respondent's Name at the top of each page.
2. Initial proposals may be submitted in .pdf or other Portable Document Format.
3. The proposed Project Schedule can be in Microsoft Project or Excel.
4. Any documentation requiring LEGAL REVIEW by either party will be submitted in editable MS/Word Electronic Copy, allowing "TRACK CHANGES" utilization.
5. For the Deliverables, HHSC's expectations are:
 - a. Documents not listed due in another format – MS/Word or searchable PDF;
 - b. Work Breakdown Structure and Schedules – MS/Project or MS/Excel;
 - c. Presentations – MS/PowerPoint;
 - d. Spreadsheets – MS/Excel;
 - e. Diagrams – MS/Visio..

27.5 Number of Copies:

The Respondent will submit one (1) signed original and two (2) Flash Drive portable media:

1. Electronic copies must be in accessible electronic formats - compliant with Section 508 of the Rehabilitation Act and/or compliant with W3C WCAG 2.0 AA Standards for Accessibility, using either products compatible with Microsoft Office 2010 or Adobe PDF.
2. A cost section must be in its own section and easily removed from the hard copies.
3. Any disparities between the contents of the original printed response and the electronic response will be interpreted in favor of the agencies.
4. Solicitation Responses must include all mandatory content as described in this SOW for Respondents to be considered for this contract.
5. Printed originals of the response must be signed in BLUE ink by an authorized representative of the Respondent.
6. PCS will not accept telephone, facsimile or emailed responses.
7. All response materials submitted will become property of the State.

27.6 Mandatory Response Content:

Responses must include all specified content in order to be considered for this contract:

1. Any disparities between the contents of the original printed response and the electronic response will be interpreted in favor of the Customer.
2. Only those proposals that are deemed to be in administrative compliance will be evaluated for responsiveness to the state's needs in this SOW.
3. After bids are reviewed for compliance, an Evaluation Team will assess compliant offers through a formal evaluation process, based on established specifications in Section 25 (Evaluation).

27.7 Response Submissions:

Submit the following with the response. Failure by the respondent to submit the documentation listed below may disqualify the respondent from further consideration.

1. Section 1: Signed Solicitation form: the Original, signed, dated, and completed solicitation form., and all addendums (if issued).

2. Section 2: Respondent's Background and Experience

In this section detail the respondent's corporate background and experience. If the respondent proposes to use subcontractor(s), it must describe any existing or ongoing relationships with the subcontractor(s), including project descriptions. Describe the respondent's corporate background as it relates to projects similar in scope and complexity to the project described in this solicitation. This section must include information regarding the years the respondent has been in business under the same name completing the same or similar services.

3. Section 3: Capabilities:

In this section, detail the respondent's approach and ability to meet the service requirements as specified in the solicitation. Include organization chart, project management activities, number of staff, with particular emphasis on the degree of supervision and number of employees that will be provided to perform this contract. Include a description of current business activities and if the response includes the use of subcontractors, include a similar description of each subcontractor's capabilities. The respondent may add any other information that demonstrates their capability to perform under this contract.

27. ADDITIONAL TERMS AND CONDITIONS

HHSC may negotiate the terms and conditions of a SOW to suit their business needs so long as those terms and conditions do not conflict or weaken the DIR master contract. The DIR terms and conditions have precedence; other terms required by HHS Systems may not conflict with or weaken the DIR terms. By entering a contract with HHS Systems, the Vendor and their Subcontractors agree to HHS Systems Policies & Procedures. Contractual documents will be incorporated into the Agreement as attachments to the Signature Packet with the Awarded Vendor, as applicable; softcopies published on the HHSC [Doing Business with HHS](https://hhs.texas.gov/doing-business-hhs/contracting-hhs) | [Contracting with HHS](https://hhs.texas.gov/doing-business-hhs/contracting-hhs) webpage (<https://hhs.texas.gov/doing-business-hhs/contracting-hhs>). The Customer reserves the right to reorder and/or revise the attachments prior to a finalized (*signed*) agreement, accordingly

28. PROTEST PROCEDURES

[Texas Administrative Code, Title 1, Part 15, Chapter 392, Subchapter D](#)³ outlines HHSC's respondent protest procedures.

29. CONTRACT ADMINISTRATION

Administration of the contract is a joint responsibility of the HHS agency Contract Administrator and PCS. Any proposed changes to work to be performed, whether initiated by the HHS agency or the awarded contractor, must receive final written approval in the form of a Purchase Order Change Notice signed by the authorized PCS purchasing agent. Upon issuance of purchase order, PCS will designate an individual who will serve as the Contract Manager, if necessary, and point of contact between the agency and the vendor. The Contract Manager does not have any express or implied authority to vary the terms of the purchase order, amend the purchase order in any way or waive strict performance of the terms or conditions of the purchase order. This individual's contract management and contract administration responsibilities include, but are not limited to:

1. Monitoring the vendor's progress and performance and ensuring services conform to established specification requirements.
2. Managing the financial aspects of the contract including approval of payments.
3. Meeting with the vendor as needed to review progress, discuss problems, and consider necessary action.
4. Identifying a breach of contract by assessing the difference between contract performance and non-performance.
5. Other areas as identified by the Comptroller of Public Accounts Contract Management Guide, latest edition.

30. AWARD

- 31.1 HHSC/PCS reserves the right to make an award on the basis of a low line item, low total (*group or groups*) or in any other combination, to the lowest respondent meeting or exceeding all advertised specifications, performance requirements, and terms and conditions, that will best serve the interests of the State.
- 31.2 HHSC/PCS shall be sole judge of "*the best interest of the State*".
- 31.3 A contract award or awards shall be made to the highest-ranked respondent(s) after PCS is satisfied that the respondent has met stipulations contained in this solicitation, and that the vendor can perform per specifications, terms and conditions.
- 31.4 HHSC/PCS may also opt not to issue an award with regard to this solicitation.
- 31.5 During the life of this contract PCS reserves the right to solicit for services that would normally be performed/accomplished using this contract if it deems that by doing so would be in the best interest of the state.

³ Reference: [Texas Administrative Code, Title 1, Part 15, Chapter 392, Subchapter D](#)

