



TEXAS Health and Human Services

Cecile E. Young, Executive Commissioner

Texas Department of Information Resources (DIR)
Cooperative Contracts IT Products and Services Offerings Solicitation

Statement of Work (SOW)

for

Kofax Product Solution Support and Services

Solicitation # HHS0011016

Health and Human Services Commission (HHSC)

HHSC Information Technology Social Services Applications (IT-SSA)

for

HHSC Texas Integrated Eligibility Redesign System (TIERS)

and Enrollment Broker (EB) Systems Kofax Utilization

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NIGP Class/Item Codes

920	DATA PROCESSING, COMPUTER, PROGRAMMING, AND SOFTWARE SERVICES
920-40	*Programming Services, Computer, Including Mobile Device Applications
920-45	*Software Maintenance and Support Services

(* *Automated Information Systems (AIS)*)

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The Health and Human Services Commission (HHSC), a “System Agency” within the Texas Health and Human Services System (HHS System), on behalf of the HHSC Information Technology Social Services Applications (IT-SSA) Unit (the “Customer” or the “Customer Organization”), requires Information Technology (IT) services as provided by the State of Texas Department Of Information Resources (DIR) Cooperative Contracts Program of IT Commodity Item(s) for Automated Information Systems (AIS) Types described as Data Processing, Computer, Programming, and Software Services - with an emphasis on Programming Services, Computer, Including Mobile Device Applications¹ and Software Maintenance and Support Services².

This Solicitation is subject to the Master Contract between the competitively selected Qualified Respondent (the “Vendor”) and DIR, as mutually agreed-upon with their published DIR Contract. This Solicitation, including the DIR Cooperative Contract and all documents attached or incorporated by reference, make up the entire System Agency “Agreement” or “Agency Contract”.

This Solicitation will facilitate the solicitation of Deliverables (services and/or documents) as described in this Solicitation, in support of the HHSC Texas Integrated Eligibility Redesign System (TIERS) and Enrollment Broker Systems’ (Enrollment Broker or “EB”) Kofax utilization.

Terms not defined in this Solicitation have the meaning attributed to them in the resulting HHSC contractual agreement or DIR’s Cooperative Contracts Program Offerings of the selected IT Commodity Items unless otherwise specified. Refer to **Attachment A** (HHS Uniform Terms and Conditions – Vendor, Version 3.2), **Attachment B** (HHS Additional Provisions, Version 1.0), and this Solicitation’s Section 1 - Definitions for additional explanations and meanings.

1 *Definitions*

As used in this Solicitation, unless a different definition is specified, or the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

“Addendum” – means a written clarification or revision to this Solicitation, issued by HHSC Procurement and Contracting Services (PCS) division.

“Ad-hoc” – a business intelligence process used to quickly create output (dashboards or reports) on an as-needed basis, generally created for one-time use to find the answer to a specific business question; also used to describe related as-needed meetings, occurring not on a set schedule.

“Advancement Criteria” – means the published criteria for Respondent to advance to the next phase of evaluation if multiple evaluation methods are utilized.

“Agency Contract” – consists of the Solicitation Packet and its associated documents (addenda, attachments, exhibits, and/or work orders) – inclusive of the Vendor’s DIR Cooperative Contract and its associated documents (addenda, appendices, attachments, and/or exhibits), and the agency Signature Packet and its associated documents (addenda, appendices, attachments, exhibits, purchase orders, and/or work orders) that may be issued by HHSC, to be incorporated by reference for all purposes.

¹ Reference: *State of Texas NIGP Commodity Book Class-Item 920-40*

² Reference: *State of Texas NIGP Commodity Book Class-Item 920-45*

“[Agile](#)” [as in “*Agile Software Development Life Cycle (SDLC)*”] - means an iterative approach to developing software throughout its life cycle, focusing on adaptability to changing situations and depends on constant, regular feedback and delivery. Agile life cycles can be composed of several iterations or incremental steps towards completion of a minimum viable product.

“[Application Lifecycle Management](#)” or “[ALM](#)” – refers to the common name for Application Lifecycle Management & Quality Center, it is a proprietary software quality product developed by Microfocus that allows test tracking and management.

“[Application Release Charters](#)” – means a list of Service Requests that have been approved by the TIERS Governance Board for development under a specific TIERS release.

“[Awarded Vendor](#)” – means a business entity or individual that is awarded an Agency Contract to provide goods or services to an HHS System Customer Organization (also referenced in HHS System solicitation and contract packets’ addenda, attachments, and/or exhibits as authorized: Vendor, Service Provider, Reseller, Publisher, Proposer, Manufacturer, Distributor, Dealer, Contractor, Bidder, and/or Applicant).

“[Change Request \(CRQ\)](#)” – refers to a production software change request or incident ticket related to the Kofax Product Solution that is documented in the HHS Remedy System. Remedy features are typically labeled as: CRQ = Change Request; INC = Incident; REQ = Request; RLM = Release; TAS = Task; and WO = Work Order.

“[Competitive Range](#)” – has the same meaning as the definition under Title 1 of the Texas Administrative Code Part 15, Chapter 391, Subchapter A, Rule §391.107(3).

“[Customer](#)” – means DIR eligible Customers, which include Texas State Agencies (As defined by [TGC 2054.003 \(13\)](#), [TGC 2151.002](#)), county or local government offices, and public education entities of all sizes.

“[Demonstration](#)” – refers to a secondary evaluation method following the evaluation of the written responses and is utilized for the purpose of distinguishing between Respondents by scoring them on a demonstration of use cases typically aimed at verifying the functionality of a Respondent’s software.

“[Designee](#)” – means a person who has been officially chosen to carry out a duty or role as the secondary, in the absence of the primary; a person who has been designated as a backup.

“[Despeckle](#)” – means a method of image cleanup to improve the processing of poor-quality images. Despeckle filters detect the edges in a layer (areas where significant color changes occur) and blurs all of the selection except those edges. This blurring removes speckle noise while preserving detail by the filter replacing each pixel with the median value of the pixels within the specified radius.

“[HHSC PCS](#)” – means Procurement and Contracting Services (PCS), a division of HHSC.

“[HUB Subcontracting Plan](#)” or “[HSP](#)” – refers to written documentation regarding the use of subcontractors, which is required to be submitted with all responses to state Agency Contracts with an expected value of \$100,000 or more where subcontracting opportunities have been determined by the state agency to be probable. The HSP subsequently becomes a provision of the awarded Agency Contract and will be monitored for compliance by the state agency during the term of the contractual Agreement.

“[Ingestion](#)” (as in “*Production document ingestion*”) – the document image ingestion process by which documents are classified, routed, and barcodes are translated into usable data to associate the image with a case.

“[Intelligent Character Recognition](#)” or “[ICR](#)” – recognizes handwritten alphabetic and numeric data and translates it into computer-readable data.

“[Interview](#)” – refers to a secondary evaluation method following the evaluation of the written responses for the purpose of further distinguishing between the Solicitation Responses through verbal questioning of the Respondents aimed at clarifying their written response.]

“[JIRA](#)” – common name for Jira Software, is a proprietary issue tracking product developed by Atlassian that allows bug tracking and agile project management. The product name is a truncation of Gojira, the Japanese word for Godzilla. The name originated from a nickname Atlassian developers used to refer to Bugzilla, which was previously used internally for bug-tracking.

“[JPEG](#)” or “[JPG](#)” – a commonly used format for lossy compression for digital images, particularly for images produced by digital photography. The degree of compression can be adjusted, allowing a selectable trade-off between storage size and image quality. When an image is saved as a JPEG, some data from the image will be lost and deleted forever to reduce the size of the file – hence this method being called “lossy compression”.

“[Optical Character Recognition](#)” or “[OCR](#)” – recognizes machine printed characters and translates them into computer-readable data.

“[Oral Presentation Score](#)” – means the score provided to a Respondent following the evaluation of the Respondent’s Oral Presentation.

“[Project and Portfolio Management](#)” or “[PPM](#)” – a Micro Focus Program Management module that provides (through top-down or bottom-up data analytics) strategic management of portfolios, scales on demand, embraces enterprise Agile, optimizes resources, and accelerates project delivery.

“[QR Codes](#)” – an initialism for “Quick Response” code that is a type of matrix barcode (or two-dimensional barcode). In practice, QR codes often contain data for a locator, identifier, or tracker that points to a website or application.

“[Raster Graphics Images](#)” – also called bitmap graphics, is a type of digital image that uses tiny rectangular pixels, or picture elements, arranged in a grid formation to represent an image.

“[Request for Clarification](#)” – means asking questions to make a topic easier to understand, usually done with the expectation of HHSC explaining it in more detail - within the parameters allowed of an active solicitation.

“[Respondent](#)” – means the individual or entity responding to this Solicitation.

“[Scrum](#)” or “[Scrum Methodology](#)” – means an iterative/incremental software development methodology that thrives in situations where requirements shift. Scrum delivers software products in short cycles that allow for quick feedback and a rapid response to change. Teams work off of time units called “sprints”. Each sprint should end in a usable product/deliverable. Sprints also emphasizes a strong team dynamic, with regular and close collaboration between team members.

“[Seamless](#)” – means without requiring the user to navigate to a new application and requiring additional logins.

“[Service Requests \(SRs\)](#)” – refers to a modification request that represents a defined subset of user stories associated with a specific functional epic. SRs are submitted, managed, and tracked in the Micro Focus Project and Portfolio Management (PPM) project system of record.

“[Site Visit](#)” – refers to a secondary evaluation method following the evaluation of the written responses and is utilized to evaluate and ensure on-site specifications meet the needs outlined in the Solicitation.

“[SOA](#)” or “[Service-Oriented Architecture](#)” – defines a way to make software components reusable via service interfaces. These interfaces utilize common communication standards in such a way that they can be rapidly incorporated into new applications without having to perform deep integration each time.

“[Solicitation](#)” – means this Solicitation document including all exhibits, attachments, forms, and Addenda, if any.

“[SQL](#)” (Structured Query Language, commonly referred to as SEQUEL) – means a domain-specific language used in programming and designed for managing data held in a relational database management system, or for stream processing in a relational data stream management system.

“[State](#)” – means the State of Texas and its instrumentalities, including HHSC, and any other state agency, its officers, employees, or authorized agents.

“[Tag Image File Format](#)”, “[TIFF](#)”, or “[TIF](#)” – an image file format for storing raster graphics images, popular among graphic artists, the publishing industry, and photographers.

“[Template](#)” – means a predesigned written, printed, or electronic matter that provides information or that serves as an official record, used to create documents or files quickly without having to recreate the formatting specifications each time it is used. Many of the larger mediums design decisions such as margin size, font style and size, and spacing are predetermined to meet the Customer's needs.

“[Time and Materials Agency Contract](#)” – is a reimbursement methodology where the Agency agrees to pay the Vendor based upon the time spent by the Vendor's employees and Subcontractor employees to perform the work, and for materials used in the project, no matter how much work is required to complete project; generally used in projects where it is not possible to accurately estimate the size of the project, or when it is expected that the project requirements would most likely change.

“[VPTS](#)” – means Vendor Performance Tracking System, as defined under Section [2262.055](#) of the Texas Government Code and Title 34 of the Texas Administrative Code Part 1, Chapter 20, Subchapter B, Division 2, Rule [§20.115](#) and Subchapter F, Division 2, Rule [§20.509](#).

“[Work Artifact](#)” – means all documentation produced to adhere to the Statement of Work requirements the performance of the work required.

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2 Introduction

The State of Texas, by and through HHSC, seeks a qualified Respondent to provide Kofax Product Solution Support and Services under a time and materials Agency Contract, including but not limited to providing onsite resources to support Product Team Technical Leadership, Maintenance, and Enhancement to implement approved Service Requests (SRs) defined within HHSC-approved Application Release Charters.

Kofax software is utilized by the HHSC TIERS and EB System in its document processing operation, including barcode automation and maintenance of forms to support production. The Customer will provide oversight of the Awarded Vendor selected to perform the services contained in the SOW in this Solicitation.

To be considered for award, Respondents must acknowledge that the Awarded Vendor must execute all required information and documentation as set forth in this Solicitation. Information regarding HHSC and its programs is available online and can be accessed at <https://hhs.texas.gov/>.

3 Background

Since 1991, HHSC has overseen and coordinated the planning and delivery of Health and Human Service programs in Texas, responsible for the oversight of all other HHS System Agencies and Customer Organizations. The mission of HHSC is to provide leadership, direction, and foster the spirit of innovation needed to achieve an efficient and effective Health and Human Services System for Texans.

HHSC operates from **three hundred plus (300+)** offices statewide and delivers services to more than **eight million (8,000,000)** needy citizens annually. HHSC manages TIERS, an integrated eligibility system comprised of a group of computer applications, to manage delivery of **sixty-four (64)** types of assistance including food, cash, medical, and community care services to Texans in need.

Each month, TIERS receives more than **four hundred thousand (400,000)** applications for benefits, redeterminations, and changes submitted by clients using the TIERS YourTexasBenefits.com website and mobile application.

TIERS includes at least **eight (8)** user-facing applications, including the main TIERS module, and additionally, the YourTexasBenefits.com site (known as the Self-Service Portal (SSP)), the Your Texas Benefits mobile application, Document Center, Call Center Inquiry (CCI), Long Term Services and Supports (LTSS) applications, State Portal, and DataMart.

The “Kofax Product Solution” owned by HHSC is a custom implementation of the Kofax Capture and Transformation products, and is integral to supporting:

1. TIERS and Enrollment Broker document capture, image correction (quality control module);
2. Bar-code recognition, image clean-up and data extraction (recognition module);
3. Validation; and
4. Portable Document Format (PDF)/ Extensible Markup Language (XML) generation and routing.

Business changes for TIERS and supporting technologies such as the Kofax Product Solution are determined through a governance process that includes key stakeholders, such as the Business Area customer, and the HHSC Information Technology organization, specifically, the Eligibility Supporting Technologies (EST) branch of the Social Services Applications area. The Awarded Vendor will be managed by the HHSC Information Technology Social Services Applications unit, referred to as IT-SSA, and referred to collectively as “the Parties”.

3.1 Kofax Product Services Overview

3.1.1 Client Self-Service Options

HHSC currently supports multiple channels of interaction with its client population. Clients can use self-service options, including but not limited to:

1. Mail – Clients can submit applications, redeterminations, changes, and other communications to HHSC via designated P.O. boxes;
2. Fax – Clients can submit applications, redeterminations, changes, and other communications to HHSC via multiple fax lines;
3. Mobile devices – Clients can upload supporting documentation via a hand-held devices (iPads, tablets, iPhones, smart phones), using the Your Texas Benefits mobile application and submit them for processing and signatures electronically;
4. Self Service Portal (SSP) (known as YourTexasBenefits.com) – Clients can submit applications and change reports using the website <http://www.yourtexasbenefits.com> for processing electronically; and
5. Interactive Voice Response – Clients can call in and use automated voice prompt features to verify and change their information.

3.1.2 Client Documentation Submissions

Clients can also get support to submit documentation through State Offices, State Call Centers, or Community support organizations that have access to TIERS systems:

1. Office Walk In – Clients can request services at local offices;
2. CBO – Community Based Organizations (CBO) can assist clients with the submission of documentation; and
3. Call Center – Call Center Representatives can accept some client information changes of personal information over the phone and document changes via the State Portal.

3.2 Kofax Product Services Synopsis

Currently the Kofax Product Solution supports inbound U.S. Postal Service (USPS) mail and fax document processing capture channels for TIERS and Enrollment Broker.

3.2.1 Current Kofax Product Solution Intake

The Kofax Product Solution intakes electronic content (data and images) and processes it. Documents are scanned, despeckled, indexed, converted to PDF/XML, and released/routed to the Enterprise Content Management (ECM) system for further processing. The Kofax Product Services Awarded Vendor will be responsible for supporting activities in this area.

Documents processed by the Kofax Production Solution are routed to a custom ECM system/repository, where the documents are merged and/or split and task assignments are made, and resulting documents are routed to other TIERS/EB applications. These processes are performed by HHSC and other third-party vendor staff.



Figure 1 - High-Level View of Input, Output for Kofax Product Solution

3.2.2 Current Kofax Product Solution Processes

Currently, HHSC uses the Kofax Product Solution to support the following processes for TIERS and Enrollment Broker forms (including content and images) received via fax and/or U.S. Postal Service (USPS) mail. The Awarded Vendor must provide Kofax Product Solution services in support of:

1. Kofax Capture Scan Module: processes the prepared batch (data and image files) received:
 - a. In the Scan module, batches can be created, opened, suspended, deleted, and closed;
 - b. Content of the batches can also be edited before it is sent to the next module; and
 - c. The scan module also provides enhanced functionality such as cleaning scans, optimizing extracted data, increasing image quality, and greater management of “blank” back page detection.
2. Kofax Capture Quality Control (QC) Module: this module’s functionality was added to the system solution later to allow an operator to correct an image without the need to rescan the document, resulting in a more time efficient method to achieve a higher-quality output;
3. Kofax Capture Recognition Module: an unattended service that is configured to process the batches without human intervention:
 - a. This module performs image clean-up and extracts Optical Character Recognition/ Intelligent Character Recognition (OCR/ICR) data from images;
 - b. The Kofax Solution is capable of processing **three (3)** of **nine (9)** barcodes, and QR codes.
 - c. Processing by the Recognition module is required for any batch that uses automatic form identification, automatic document separation, automatic image cleanup, or automatic data capture; and
 - d. The batches ready for Recognition are automatically processed and sent to the next module specified for the batch.

4. Kofax Validation Module: handled inside the native functionality of the Kofax Solution:
 - a. A validation screen will be added to the process workflow, but only metadata issues that are standard across all batch classes in the system will trigger a batch to enter this queue; and
 - b. Validation failures are normally caused by environmental issues related to the network, database, or Storage Area Network (SAN).
5. Kofax PDF Generation Queue: an unattended service that is configured to process the batches without human intervention;
 - a. The batches ready for PDF generation are automatically processed and sent to the next module specified for the batch; and
 - b. The .tiff and .jpeg format documents are received and converted to PDF in this module.
6. Kofax Batch Processes: batches that have successfully completed all the previous Kofax modules configured for the batch class are routed to the Release module where documents are released individually based on document types, generally PDF and XML, defined for the batch class;
7. All documents received from clients and processed by the Kofax Product Solution are stored as content and images and made available for HHSC staff to process client requests including application, re-determinations, and changes;
8. Access to content and images is available via various Eligibility Supporting applications and the Enrollment Broker system; and
9. See **Exhibit 2** (Kofax Product Solution Architecture) for a broader view of how the Kofax Product Solution interacts with other Enrollment Broker and TIERS applications and interfaces.

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4 Scope of Work

The Awarded Vendor will provide the Deliverables described in this section (Section 4 – Scope of Work), and under the terms and conditions of this Solicitation. These Deliverables must be provided in compliance with HHS Systems Policies, Procedures, Standards, and Guidelines under the direction from the HHS Systems Program and IT Management for agency-specific operational needs associated with TIERS and Enrollment Broker Kofax Utilization.

4.1 Description of IT Services / Specifications

Respondents must propose technical services for Kofax system development and maintenance, inclusive of the following elements:

4.1.1 Scope of Services

1. Baseline Kofax Product Solution Services

The Awarded Vendor must provide Kofax Product Solution Services with the expertise to support and maintain production and enhance the current solution:

- a. The Awarded Vendor will provide **one (1)** dedicated Kofax Product Solution Technical Lead to oversee and manage the Awarded Vendor's resources who are providing production maintenance, and design and development support, Kofax Product Solution Technical Lead roles are described within **Table 3** in Section 6.1 - Project Required Compliance on Reports and Data;
- b. The Awarded Vendor will provide resources to support design and development to configure, integrate, and customize the Kofax Solution by implementing approved Service Requests (SR) defined within HHSC-approved Application Release Charters;
- c. The enhancement services resource count may vary depending on the need. Current efforts require an average of **four (4)** developers annually, but it can fluctuate between **zero-to-six (0-6)** Full Time Equivalents (FTEs) with a skillset required to perform Kofax Product Solution Services described in this Solicitation and the Roles, Responsibilities, and Qualifications described in Section 4.3.1 – Staffing Requirements;
- d. Production maintenance efforts are more constant, therefore HHSC requires an annual average of **six (6)** Awarded Vendor resources to support production maintenance;
- e. IT-SSA uses an Agile process based on Scrum principles, but also incorporates best-in-industry methods that are suited to the TIERS technical environment;
- f. The Kofax Product Solution software development must be managed under IT-SSA Agile processes and must align with the IT-SSA deployment schedule to facilitate system integration testing;
- g. The Awarded Vendor must be familiar with and conform to standard Agile terms and processes;
- h. The Awarded Vendor must be familiar with IT-SSA-defined Agile principles and align with IT-SSA development and deployment schedules; and
- i. **Attachment K** includes the IT-SSA Agile Process Guide, for reference on how the Agile process works in the IT-SSA Technical Environment.

2. Additional Services

Respondents must acknowledge in their Response that the Awarded Vendor will provide, per HHSC's sole discretion, Initial Transition Services at Agency Contract beginning and Completion Turnover Services prior to the Agency Contract End Date. If HHSC determines the need for those Additional Services, the Awarded Vendor will be required to perform them.

3. Initial Transition Services

The Customer may elect to exercise the Initial Transition Services:

- a. The initial transition and planning period occurs within the first **four (4)** weeks following the Kofax Product Solution services Agency Contract Effective Date;
- b. During this period, the incumbent resources will provide knowledge transfer to the Awarded Vendor;
- c. IT-SSA expects the Awarded Vendor to have responsibility for defining the knowledge transfer they require. Incumbent and IT-SSA resources will be available as needed to support this knowledge transfer;
- d. This will involve the incumbent resources and IT-SSA's participation in the Awarded Vendor's orientation to the current state of the processes in place to support Kofax services;
- e. IT-SSA expects the Awarded Vendor to have responsibility for defining the knowledge transfer they require. Incumbent and IT-SSA resources will provide an orientation to current IT-SSA processes to support this knowledge transfer;
- f. The Awarded Vendor is solely responsible for obtaining the knowledge transfer necessary to deliver the Kofax Product Solution Services required under the Agency Contract
- g. The Awarded Vendor will prepare a Transition Report documenting its efforts during the Transition Services period, along with any identified transition issues and risks; and
- h. The Transition Report will constitute a "Document Deliverable" (see Section 5.2 – Document Deliverables Requirements, Table 2 – Document Deliverables, for details).

4. Completion Turnover Services

If the Customer elects to exercise the Completion Turnover Services, the services begin **four (4) weeks** prior to the Agency Contract Term End Date:

- a. The Awarded Vendor will be required to provide work products to HHSC or HHSC's designated representative and accomplish knowledge transfer;
- b. The Awarded Vendor will prepare a Turnover Report to document their efforts during the Completion Turnover Services period;
- c. The Turnover Report will include an inventory of artifacts, including process documents, their status, their location as a Work Artifact, and acknowledgment by both the Awarded Vendor and HHSC that completion turnover activities are complete;

- d. Turnover Report due dates and other logistics to be considered in IT-SSA accepting the turnover report are addressed in Section 5.2 – Document Deliverables Requirements, *Table 2 – Document Deliverables*;
- e. Completion of the Turnover Services will be designated by HHSC approval of the Turnover Report, with the review and approval timeline(s) defined in Section 5.1.2 - Reviews; and
- f. The Turnover Report will constitute a Document Deliverable (see Section 5.2 – Document Deliverables Requirements).

4.1.2 Kofax Product Solution Technical Lead Services

The Awarded Vendor will provide **one (1)** Kofax Product Solution Technical Lead to oversee the Kofax Product Solution Maintenance and Enhancement resources and delivery of the Section 4.1.1 Scope of Services.

The Technical Lead will:

1. Be responsible for analyzing the need for adequate onsite Awarded Vendor team resources and ensuring that they are in place through the approved Staffing Plan process;
2. Facilitate Awarded Vendor team communications and performance with the Business Area and IT-SSA, produce Deliverables, coordinate scheduled activities between the Awarded Vendor team resources and other IT-SSA areas, and coordinate and lead key project meetings;
3. Support the Customer with Kofax Product software cost, pricing, and licensing analysis to support HHSC feasibility studies;
4. Support monitoring and reconciliation, as requested by the Customer;
5. Be responsible for overseeing Kofax Product Solution system monitoring, and when production issues arise, the Technical Lead will immediately escalate them to IT-SSA and provide an issue resolution plan;
6. Be responsible for ensuring that work produced by the Awarded Vendor Maintenance and Enhancement personnel is in compliance with the executed Agency Contract;
7. Be responsible for oversight and compliance of the Kofax software maintenance and assurance program;
8. Ensure Awarded Vendor team compliance with the Customer's need for Kofax Production support and helpdesk services for mail, fax, and remote office information capture systems;
9. Be responsible for producing several Deliverables, including the one-time Transition and Turnover Reports related to those services, Monthly Staffing Plans, and Monthly Status Reports, and ensuring all Deliverables created by the Awarded Vendor's staff are stored in the IT-SSA system of record, or other repository designated by the Customer;
10. Upon Agency Contract initiation, if the Customer elects to execute Initial Transition Services, the Technical Lead will be responsible for leading the performance to work with the IT-SSA team and incumbent resources to identify key processes, documents, and work that needs to transition to the Awarded Vendor staff, and document the team's transition effort in the Transition Report;

11. Support the Awarded Vendor's Kofax Product Solution Enhancement effort by working with the HHSC Business Area and the Customer PM and/or the Customer CM to identify needed new enhancements or changes to the Kofax Product Solution, and will prepare a Monthly Staffing Plan documenting how many Awarded Vendor Maintenance and Enhancement personnel assignments are required to execute the planned work effort:
 - a. Any fluctuation in Awarded Vendor's personnel needed in place to perform the requested scope of services must be accounted for and approved via the Staffing Plan;
 - b. As stated earlier, the Customer requests an annual average of **four (4)** FTEs to support enhancements and **six (6)** FTEs to support maintenance activities, but the actual support needed and used may fluctuate; and
 - c. The Staffing Plan serves as the means to document the anticipated need, and the Customer's approval of the personnel, prior to work commencing, authorizes it.
12. Coordinate Awarded Vendor's Team efforts within the IT-SSA Release Cycle Set Schedule and other deadlines in coordination with IT-SSA;
13. Coordinate with the HHSC Customer CM, who must provide approval of the Staffing Plan prior to the Awarded Vendor's initiation of monthly services:
 - a. The Awarded Vendor may not exceed the approved planned effort without prior Customer approval; and
 - b. The Awarded Vendor will be required to submit an updated Staffing Plan for Customer approval if additional resource support is anticipated.
14. Prepare a Monthly Status Report Deliverable that documents Awarded Vendor Team efforts and metrics for work performed in the previous reporting month; and
15. See Section 4.3.2 – Awarded Vendor Responsibilities for additional detail on Deliverables described in this section.

4.1.3 Kofax Product Solution Maintenance Services

The Awarded Vendor will provide maintenance services to the Kofax Product Solution in accordance with established IT-SSA Agile deployments and IT-SSA's Master Sprint Schedule:

4.1.3.1 Maintenance Services Overview

1. Maintenance services must include providing resources to support HHSC Production and Disaster Recovery operations, system monitoring, and technical assistance with system issue resolution related to Production document ingestion, and any after-hours Production support, manual document processing, and exception handling;
2. Production incidents are documented in the Remedy system with a Change Request (CRQ) entered by a Kofax Product Solution Maintenance Team member and approved by HHSC IT Operations Designee;
3. Production Incidents as documented via CRQ, are also communicated by the Kofax Product Solution Technical Lead to the Customer PM and/or CM immediately, and no later than within **two (2)** hours of an incident being discovered;
4. The Kofax Maintenance Team will assist with system issue resolution of approved Change Requests;

5. The Kofax Maintenance Team must support Level 1 and Level 2 CRQs, described below, to cover all services during agreed-upon business hours not to exceed **twelve (12)** hours per day, **six (6)** days per week:
 - a. CRQ Level 1 Support:
 - 1) Kofax Certified Technicians will receive and process help requests from Kofax users;
 - 2) Level 1 Kofax Certified Technicians provide constant monitoring of the production Kofax fax and mail channels;
 - 3) Level 1 Kofax certified technicians will provide basic Kofax support and troubleshooting, such as Kofax end user configuration assistance, Kofax system access validation, Kofax/ scanner configuration, and ticket routing/escalation; and
 - 4) These technicians may also escalate issues to HHSC support as needed.
 - b. CRQ Level 2 Support:
 - 1) Kofax Certified Technicians that have experience with Level 1 work, but also provide in-depth customer-specific knowledge to assist problem resolution;
 - 2) Level 2 support responds to systemic Kofax problems, with their efforts feasibly including performance tuning, troubleshooting external causes of behavior, and providing technical information to other teams to expedite issue resolutions, and interfacing with Kofax engineering for highest level support;
 - 3) Level 2 support submits Incidents and Change Requests via the HHSC-approved platform, handling escalated issues that CRQ Level 1 Support cannot address;
 - 4) Level 2 support performs local and remote site support, physically visiting remote sites as needed; and
 - 5) Level 2 Kofax Certified Technicians are authorized to research and implement fixes for new issues.

4.1.3.2 TIERS Components and Processes

TIERS components and processes that are dependent upon the Kofax Product Solution include but are not limited to:

1. Modification and standardization of existing HHSC Form QR Code, barcodes, and form design on TIERS, Enrollment Broker, and State Portal forms;
2. Modification of existing Image Only (IO) Redesign Module, which automates document classification and auto linking;
3. Form Standardization modifications;
4. Fax Integration modifications, which support unified capture onto HHSC standard platform, and Integration and testing with RightFax;
5. Enrollment Broker scan and fax integration modifications;
6. Document Processing Center (DPC) – Dedicated Mail and Fax Channel Production Support Services;

7. Document Center/Enterprise Content Management (ECM) System Delivery System – Image Capture Processing, Indexing and Classification, Reconciliation, Problem Resolution, and Exception Handling;
8. Austin Enrollment Broker – Image Capture Processing, Reconciliation, and Problem Resolution;
9. HHSC Form Barcoding and QR Codes – Form and bar-code recognition for document routing merging, splitting, and processing, including addressing changes;
10. HHSC ECM Enterprise Applications (EA) – Image Capture Processing, Reconciliation, Problem Resolution;
11. Austin National Security Operations Center (NSOC)/ Winters Data Center (WDC) – Fax Channel Image Processing, Reconciliation, Problem Resolution;
12. Adobe LiveCycle & Healthy Texas Women (HTW) Program (HHSC) – Your Texas Benefits (YTB) submitted HTW Image Classification, Processing, Exception Handling, and Problem Resolution, Troubleshooting Research, and Training, including San Antonio HTW unit;
13. Mobile Capture (HHSC) – the Awarded Vendor will provide ongoing maintenance support for the related Kofax tools including mobile-submitted image processing problem resolution; and
14. Enrollment Broker Enrollment Transfer Form (ETF)/ Dental Enrollment Transfer Form (DTF) MAXIMUS Image Assembly (IA) – Training, Support.

4.1.3.3 HHSC Maintenance Services Team

HHSC will provide the Maintenance Team with the hardware needed to support to the Kofax Production Solution:

1. The Awarded Vendor will have access to **ten (10)** production servers/nodes in Microsoft Windows which each run **ten (10)** virtual machines;
2. The Test environment is **one-quarter (1/4)** of the size of the Production environment;
3. The Kofax Production Solution production environment is run externally from TIERS; and
4. The Awarded Vendor must conduct all coding and testing up until System Integration Test (SIT) in this environment.

4.1.3.4 Preventive and Remedial Maintenance Services

The Awarded Vendor will provide preventive and remedial maintenance services, which include:

1. Making recommendations in regard to Document Processing Center and Disaster Recovery site infrastructure requirements;
2. Scanner support and usage;
3. Form design and maintenance;
4. Capacity planning;
5. Third-party Vendor Support as it relates to Kofax Security Solution interfaces;

6. Kofax security and licensing compliance;
7. Testing and validation, as requested by IT-SSA;
8. Any Kofax Production Solution defect that causes a system outage requiring an Emergency Fix;
9. Production deployment of the fix following the IT-SSA Emergency Release process; and
10. If IT-SSA determines they are needed, the Maintenance Team resource(s) must be available to provide support after hours in an Emergency Fix scenario and for Production support.

4.1.4 Kofax Product Solution Enhancement Services

During the term of the Agency Contract, the Awarded Vendor will be required to provide design and development services to enhance the Kofax Product Solution to implement approved Service Requests (SR) defined within HHSC-approved Application Release Charters:

1. On a monthly basis, the Awarded Vendor will provide a resource estimate for this effort as part of the Staffing Plan, and the Customer CM will approve the Plan prior to the Awarded Vendor initiating work;
2. The Awarded Vendor will support application enhancement tasks for the Kofax Product Solution according to requirements for the TIERS ecosystem;
3. Kofax development will be tested by the Awarded Vendor to ensure changes meet requirements;
4. Test scenarios will be run as required by HHSC to validate that all design updates run as intended;
5. The Awarded Vendor will be responsible for any of their Vendor-made solution changes to function correctly as proven by test results;
6. The Awarded Vendor will support enhancement activities in the areas described below:
 - a. Continued expansion of HHSC Form Standardization QR Code barcodes and form design on new Enrollment Broker, and State Portal forms;
 - b. Image Only (IO) Redesign – automating document classification and auto linking;
 - c. Form Standardization;
 - d. Fax Integration – unified capture onto HHSC standard platform, and Integration and testing with RightFax; and
 - e. Enrollment Broker scan and fax integration.
7. The process and requirements for Kofax Product Solution Enhancement Team members are described below:
 - a. The Awarded Vendor Kofax Product Solution Technical Lead will work with the Business Area and IT-SSA, along with a few key Awarded Vendor Enhancement Team members to understand the requirements for requested software development, and associated Acceptance Criteria;
 - b. The Awarded Vendor Kofax Product Solution Technical Lead will provide an

estimate of effort to complete the requested enhancements to the Customer CM monthly via the Staffing Plan, and request approval to proceed, prior to Kofax enhancement resources starting work;

- c. Kofax enhancement resources will provide design and development services for SRs assigned to them, as approved by IT-SSA;
- d. Kofax enhancement resources will perform functional testing of the code to confirm Acceptance Criteria are met, and refine and modify code as needed, prior to submitting it to IT-SSA;
- e. Code resulting from Kofax Product Solution enhancement tasks will be delivered to IT-SSA for system integration testing, prior to release;
- f. Since Kofax Product Solution code is independent of TIERS code, it may be released independently - however, it is often scheduled to coincide with the IT-SSA Release schedule to ensure operational integration;
- g. Kofax enhancement resources will support IT-SSA Sprint implementation;
- h. Kofax enhancement resources will provide test support, including defect triage resulting from Kofax Product Solution defects identified during Sprint release;
- i. After a release, Kofax enhancement resources may be required to address SR defects identified in production; and
- j. Defects identified after release will be subject to Service Level Agreement timeframes identified in Section 7.7.2 – Key Performance Measures and Liquidated Damages.

4.1.5 Kofax Product Solution Sprint Release Process for IT-SSA

The Technical Lead and Kofax Enhancement Team must consider the information regarding the IT-SSA Agile Software Development Life Cycle (SDLC) in their Enhancement Services planning:

1. In the IT-SSA Agile environment, the week prior to Sprint start is dedicated to Sprint Planning, and the four-week Sprint is designated for development, test, and demo;
2. As the Agile process matures, IT-SSA anticipates this duration to become briefer, and for contracted software development vendors to adapt to the changes;
3. While it is possible for Sprints that include changes independent of other IT-SSA applications to be implemented at the end of the Sprint, most of the Sprints include changes that impact other IT-SSA areas, and must be implemented concurrently with other affected Sprints;
4. Currently, as depicted in **Attachment K** (IT-SSA Agile Process Guide, SECTION 3: AGILE SPRINT ACTIVITY), IT-SSA is conducting **four (4)** Sprint Cycles per a Release Cycle Set, with the **fourth (4th)** Sprint dedicated to Integration Testing across all the IT-SSA Sprints being implemented within that Release Cycle Set; and
5. In the IT-SSA Release Cycle schedule, there are generally **four (4)** Sprint Cycles per a Release, or Release Cycle Set, and there are generally **three (3)** Release Cycle Sets per year/**twelve (12)** month period.

4.2 Service Descriptions

Service functions include the following high-level task elements:

4.2.1 Objectives

The Awarded Vendor, in close coordination with HHS System Staff, will be responsible for the Kofax Product Solution Support and Services of this HHSC TIERS and Enrollment Broker System Kofax Utilization Solicitation.

4.2.2 Approach

The Deliverables will be provided in accordance with the requirements specified in the HHSC TIERS and Enrollment Broker System Kofax Utilization Solicitation consistent with HHSC policies, procedures, standards, and guidelines.

4.2.3 Process

HHSC IT-SSA will provide guidance to the Awarded Vendor in providing the Kofax Product Solution Support and Services Deliverables, including access to historical records, Subject Matter Experts (SMEs), Stakeholders, and Project Plans. HHSC IT-SSA will oversee the process and review required documentation submitted in accordance with established guidelines and timeframes.

4.3 Roles and Responsibilities

4.3.1 Staffing Requirements

HHSC IT-SSA seeks **one (1)** Technical Lead, and an annual average of **six (6)** resources to provide ongoing maintenance support, and **four (4)** resources to provide enhancement support for the IT-SSA Kofax Product Solution services:

1. The Awarded Vendor will maintain dedicated staffing resources for the term of the Agency Contract unless a team member leaves the Project, or a team member is replaced by mutual agreement between HHSC and the Awarded Vendor;
2. Note that there will be flexibility to share team members across team activities, provided that the needed skillset to complete the required work is available;
3. HHSC designates the Kofax Product Solution Technical Lead role as “Key Personnel”, where Key Personnel are required to dedicate **one hundred percent (100%)** level of effort to the Agency Contract awarded as a result of this agreement;
4. The Awarded Vendor must provide HHSC with written notice **fourteen (14)** calendar days prior to any planned changes in Key Personnel during the term of the Agency Contract and any extension;
 - a. If a replacement staffing resource is needed for the Key Personnel role, the Awarded Vendor must provide the resume of a replacement resource for HHSC review and approval prior to the Awarded Vendor making an offer to a replacement candidate; and
 - b. The replacement staffing resource must have equal or better credentials, training, and skills as the individual he or she is replacing.
5. All resumes specified in a Respondent's Response to this Solicitation must encompass the staffing resources that will be provided for this project;

6. The Awarded Vendor must not reduce the agreed-upon staffing resource levels nor replace any proposed staff without HHSC’s prior written approval;
7. The Awarded Vendor must remove Key Personnel, or any of their employees or Subcontractor employees, found unacceptable to HHSC immediately upon HHSC’s request;
8. Subsequent to Agency Contract award, if a staffing resource leaves the project for any reason, the Awarded Vendor must replace that resource within **thirty (30)** calendar days;
9. The Awarded Vendor must provide a resume for the replacement staffing resource for HHSC review prior to the project start date for that replacement resource;
 - a. Any replacement staffing resource must have equal or better credentials, training, and skills as the individual he or she is replacing; and
 - b. All replacement staffing resources are subject to review by the Customer CM.
10. Kofax Product Solution Technical Lead, Maintenance and Enhancement staffing resources roles, responsibilities, and minimum Vendor qualifications for those roles are described in **Table 3** in Section 6.1 - Project Required Compliance on Reports and Data.

Table 1 – Staffing Resource Roles and Responsibilities

Role	Responsibilities	Minimum and Preferred Qualifications
Technical Lead	<ol style="list-style-type: none"> 1. Facilitate overall communication, monthly status reporting, contract compliance for the Awarded Vendor Kofax Production Solution Maintenance and Enhancement services resources and effort; 2. Prepare and manage effort within IT-SSA Project Timelines; 3. Produce a Staffing Plan monthly and get IT-SSA approval to proceed prior to initiation of monthly services; 4. Coordinate scheduled activities; 5. Coordinate and lead key project meetings; 6. Support HHSC with Kofax Product software cost analysis, pricing, licensing and support needs, as requested by IT-SSA; 7. Prepare Monthly Status Reports, Transition Report, Turnover Report; 8. Ensure Awarded Vendor-produced Deliverables are stored in IT-SSA System of Record (PPM); and 9. Responsible for oversight and compliance of the Kofax software maintenance and assurance program. 	<p><u>Minimum:</u></p> <ol style="list-style-type: none"> 1. Kofax Certified accreditation; 2. Two (2) years of experience as Technical Lead or Project Manager for an IT development project. <p><u>Preferred:</u></p> <ol style="list-style-type: none"> 1. PMP accreditation; 2. Five (5) years of experience as Technical Lead or Project Manager for an IT development project; 3. Familiar with Agile IT processes.

Role	Responsibilities	Minimum and Preferred Qualifications
Enhancement Developer	The Kofax Developer implements the SRs by developing code and configuration changes to the Kofax Product Solution that integrate smoothly with TIERS components.	<p><u>Minimum:</u></p> <ol style="list-style-type: none"> 1. Kofax Certified accreditation; 2. Two-to-three (2-3) years' experience in the development of SOA-based document processing solutions. <p><u>Preferred:</u></p> <ol style="list-style-type: none"> 1. Four-to-eight (4-8) years' experience in development of SOA-based Kofax solutions with the capture channels; 2. Adequate understanding of application design to optimize application performance; 3. Familiarity with IT-SSA tools, including PPM, ALM, and JIRA.
Functional Tester	Kofax Testers are responsible for testing the Kofax Product Solution to verify that the Acceptance Criteria are achieved.	<p><u>Minimum:</u></p> <p>Two-to-three (2-3) years of experience in the creation and execution of test cases for functional testing.</p> <p><u>Preferred:</u></p> <ol style="list-style-type: none"> 1. Kofax Certified accreditation; 2. Four-to-eight (4-8) years of experience in the creation and execution of test cases for functional testing Kofax-based solutions; 3. Familiarity with IT-SSA tools, including PPM, ALM, and JIRA.
Maintenance and Production Support	<ol style="list-style-type: none"> 1. Support HHSC Production and Disaster Recovery operations, system monitoring; 2. Provide technical assistance with system issue resolution during Production document ingestion, and any after-hours Production support, scanner troubleshooting, manual document processing, and exception handling; 3. Prepare recommendations in regard to Document Processing Center and Disaster Recovery site infrastructure requirements, scanner support and usage, form design and maintenance, 	<p><u>Minimum:</u></p> <ol style="list-style-type: none"> 1. Kofax Certified accreditation; 2. Two-to-three (2-3) years of experience in maintenance and monitoring of document processing solutions with the capture channels. <p><u>Preferred:</u></p> <ol style="list-style-type: none"> 1. Four-to-eight (4-8) years' experience in maintenance and monitoring of Kofax-based solutions with the capture channels;

Role	Responsibilities	Minimum and Preferred Qualifications
	capacity planning, third-party interface vendor support, security and licensing compliance, testing and validation, as requested by IT-SSA; 4. Support emergency fixes as needed; and 5. Resource with MS Windows Kofax Server Administrator and SQL Database Administrator background.	2. Experience with Windows Server and SQL Database, as applicable for proposed role.

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4.3.2 Awarded Vendor Responsibilities:

The Awarded Vendor will provide Technical Lead, Maintenance, and Enhancement Services for the IT-SSA Kofax Product Solution adhering to, at a minimum, the following principles:

1. Kofax Product Solution must be scalable, reliable, flexible, and easily integrate with Eligibility Systems using HHSC approved architecture standards for continual improvement;
2. Kofax Product Solution must support high availability and Disaster Recovery Capabilities;
3. Kofax Product Solution Awarded Vendor must review and comply with the HHS Enterprise Information Security Policy (EIS-Policy), with the current HHS Information Security Resource guidelines published on the HHS website: [Home](#) / [Business](#) / [Contracting with HHS](#) / [Vendor Resources](#) /;
4. Kofax Product Solution Awarded Vendor must review and comply with the HHS Electronics and Information Resources (EIR) Accessibility Policy Manual, published on HHS Accessibility Center's *Policy* website (<https://accessibility.hhs.texas.gov/policy.htm>);
5. Kofax Product Solution must provide capability to accept and process document artifacts received via mail, fax, and Women's Health PDFs received from the Your Texas Benefits (YTB) - with content received processed to convert information to electronic records;
6. Kofax Product Solution must provide a secure Kofax solution with capability to consume multiple file formats, including PDF, for use in customer service and processing activities;
7. Kofax Product Solution must provide capability to seamlessly integrate with current and future HHSC document processing, maintenance, classification, indexing, ingestion, error handling, and task routing processes;
8. Kofax Product Solution must integrate with all TIERS component systems, print vendors, and client communication channels;
9. Kofax Product Solution must be configured in accordance with Document Processing Center (DPC) and DPC Disaster Recovery sites' approved specifications and processes, which will be made available after award when Awarded Vendor signs applicable HHS Confidentiality/ Non-disclosure forms;
10. Kofax Product Solution will adhere to IT-SSA Software Development Life Cycle(s) methodologies and schedule, as applicable;
11. Awarded Vendor will be responsible for the build and test of the Kofax Product Solution in the HHSC-provided Production and Test environments;
12. Awarded Vendor will participate in System Integration Test of Kofax Production Solution in alignment with IT-SSA Master Sprint Schedule, or as decided with the Customer PM;
13. Awarded Vendor is not responsible for delays or additional Release impacts associated with the unavailability of required HHSC resources or delays in the delivery or performance of third-party tools and/or services;
14. A standard work week of forty (40) hours, Mondays through Fridays, except on holidays determined by the State of Texas, as published as the Texas State Auditor's Office Fiscal Year Holiday Schedule, is assumed for full-time Awarded Vendor resources;

15. Maintenance Team support includes half a day (ergo, four (4) hours) on Saturdays for Image Application Program Interface (API) Module, and additional support for deployment activities may be required for software enhancement or maintenance deployments;
16. Awarded Vendor staffing resources are expected to perform work onsite as needed, and be available by phone and e-mail during normal working hours, 8:00 AM to 5:00 PM;
17. All Awarded Vendor resources will maintain a record of hours expended on the Services activities, including a separate record for each enhancement Service Request, in the IT-SSA time reporting system of record, Micro Focus PPM, or another project-approved tool, and provide this information to HHSC with each Monthly Status Report;
18. Awarded Vendor will designate the following roles as members of the “Key Personnel”:
Kofax Product Solution Technical Lead; and
19. Awarded Vendor will meet the standards described in Section 7.6 – Service Levels.

4.3.3 Customer Contract Manager

1. Customer Contract Manager (Customer CM) or Designee reviews and makes comments on the Awarded Vendor’s progress and ensures that the deadlines, work products, reporting, and invoicing are being accomplished as described in the SOW;
2. Customer CM or Designee will work with legal and procurement staff, as needed, to resolve contractual issues; and
3. Customer CM or Designee, in conjunction with appropriate stakeholders, will complete the review of each submitted deliverable within **ten (10)** business days of receipt.

4.3.4 Customer Project Manager

1. Customer Project Manager (Customer PM) or Designee is responsible for planning, executing, and controlling the overall project;
2. Customer PM or Designee will work with the Customer CM for the completion of activities and deliverables related to this Statement of Work;
3. Customer PM or Designee will assist the Awarded Vendor with business-related activities and decisions, as necessary;
4. Customer PM or Designee reports monthly progress to the Functional Managers as well as Program Executive Management, based on the Awarded Vendor’s Status Reports; and
5. Customer PM or Designee will assist the Awarded Vendor with the coordination of technical resources.

4.3.5 Customer IT Management and Technical Staff

1. IT Managers or Designee are responsible for providing and directing IT Technical SMEs for technical requirements, as applicable; and
2. IT Managers or Designee are responsible for providing input regarding existing IT Policies, Procedures, Standards, and Guidelines - as applicable.

4.3.6 Customer Program Managers and Staff

1. Customer Program Managers or Designee will identify and schedule Program Area SMEs to provide necessary project-related information;
2. Customer Program Managers or Designee will identify External Stakeholders for Requirements Gathering and Customer Interfaces, as applicable;
3. Customer Program Managers or Designee will help resolve or advance Project Issues within the Customer organization when escalated by the Customer IT Management, Customer CM, and/or Customer PM; and
4. Customer Program Managers or Designee will obtain and provide program information, data, decisions, and approvals within **ten (10)** business days of the Awarded Vendor's request, unless both parties agree to an extended response time.

4.4 Relevant Quality Processes

The Awarded Vendor is responsible for management of quality processes according to **Attachment K** (IT-SSA Agile Process Guide) that ensure the successful completion of producing the Customer's Deliverables:

1. Any recommended changes to Document Deliverables will be provided in writing to the Awarded Vendor for modification;
2. The Customer can query the Awarded Vendor at any time to make sure that the services are geared for quality and repeatability, and do not expose Deliverables to any unacceptable risk level;
3. The Awarded Vendor will submit Document Deliverables to the Customer CM or Designee - who, with collaboration of the assigned IT-SSA Team Members, will evaluate the overall quality, technical accuracy, business criteria, and/or completeness of the Deliverable – as applicable; and
4. If disagreement exists regarding scope and quality of Deliverables, the Customer PM will meet with the Awarded Vendor and relevant HHS Systems Stakeholders to review the issues and determine a course of action.

4.5 Change Management Procedures

The Customer or Awarded Vendor may, at any time, recognize the need to make changes in the scope of the project requirements. The Customer's Change Management Procedures will be used when there are changes to the Agency Contract:

1. In the event there is a reason to change this Agreement, the Customer or Awarded Vendor will initiate the Change Request [see: **Exhibit 1** (Change Request Form Example)];
2. All proposed changes must be coordinated within the Customer Responsible Parties and must be deployed in conjunction with ongoing application development and maintenance activities, with the goal of reducing impact to HHS Systems and Resources;
3. The Change Request must provide information regarding the change comparable to the detail originally included in the Agreement's documentation;

4. Changes to individual requirements that do not affect the overall scope of the project or cost do not require a formalized Change Request;
5. No Change Request will be implemented unless set forth in writing, approved by the proper levels of authority, and signed by an authorized representative of each party before they are implemented;
6. While such changes are under review, the Awarded Vendor must continue to perform under this Agreement so long as such continued performance does not cause the Awarded Vendor to incur a material cost or other undue hardship in relation to the Change Request;
7. If any such change causes an increase or decrease in the cost or the time required for the performance of any part of the work under the Agency Contract, a mutually satisfactory adjustment may be made in the Agency Contract price, delivery schedule, or both and the Agency Contract will be modified in writing accordingly, which will require a contract amendment;
8. A decision to discontinue performance due to a Change Request will be made only by mutual written agreement of both parties;
9. The Awarded Vendor agrees to act in good faith effort with regard to price and schedule terms if required for any proposed change;
10. The provision for Change Requests does not include any corrections of deficiencies for any activities or deliverables for which the Awarded Vendor is responsible under the terms of this Agreement and Agency Contract:
 - a. such corrections and deliverables are the responsibility of the Awarded Vendor without charge to the Customer; and
 - b. any costs associated with the analysis to determine the source of a problem requiring corrections of deficiencies is the responsibility of the Awarded Vendor.
11. The mutually accepted Change Request will be documented as an amendment to this Agreement and must be executed by all signatory Parties.

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5 Document Deliverables

This initiative is not considered successfully completed until the Deliverables of this SOW have been formally accepted by the Customer. The Customer will complete a review of each submitted Deliverable within specified working days from the date of receipt, based on the following specifications.

5.1 Specifications Overview

5.1.1 General Guidance

1. Document Deliverables must be provided on the dates specified; and
2. Any changes to the delivery date must have prior approval in writing by the Customer CM or Designee.

5.1.2 Reviews

1. All Document Deliverables must be submitted to the Customer PM and/or CM (or Designee) in a format approved by HHSC, adhere to the Agreement, and be provided on the dates specified;
2. HHSC will review Document Deliverables, and will notify the Awarded Vendor in written format within **ten (10)** business days of its receipt of a Deliverable of its approval or rejection, with the reason(s) for rejection and what the Awarded Vendor must do so that the Deliverable will be acceptable;
3. The Awarded Vendor will accommodate additional review time for Document Deliverables acceptance if necessary when the same HHS System resources are to review multiple deliverables simultaneously, or when the nature of the deliverable(s) or other factors necessitate a longer review period;
4. Conditional Approval or Rejection will be accompanied by specific instructions to remediate the deliverable;
5. The Awarded Vendor then has **ten (10)** business days to complete the remediation and resubmit the deliverable unless other written approval or direction has been granted by the Customer CM or Designee;
6. Non-delivery or non-acceptance of Document Deliverables may result in corrective action until the Awarded Vendor has remedied the situation and it has been resolved according to the original terms of the work plan and resulting Agency Contract;
7. The Customer reserves the right to forego or conduct expedited reviews and approvals of Awarded Vendor work products; Customer approval of the Awarded Vendor's work product will not relieve the Awarded Vendor from liability for defects, errors, or omissions in work products that may be discovered later;
8. Any rework will be done at no additional cost to the Customer. The Awarded Vendor will perform rework without impact to the Customer-approved project schedule;
9. HHSC will provide final acceptance of the Document Deliverable within **five (5)** business days of resubmission;

10. HHSC owns all work products produced under the Agency Contract; and

11. IT-SSA uses the Micro Focus Project and Portfolio Management (PPM) software as the project system of record to manage and track application defects and tickets, Service Requests (SRs), and timesheets.

5.1.3 Evaluation Criteria

For all criteria, the measure for acceptance is **one hundred percent (100%)**. The Customer may choose to waive imperfections when doing so is in the Customer's best interest:

1. Because the Aesthetics criterion is subjective, a Template will be agreed upon in advance if this measure is to be used in evaluating a deliverable;
2. The evaluation criteria for acceptance of each deliverable are as follows:
 - a. Completeness;
 - b. Accuracy;
 - c. Relevance;
 - d. Correctness; and
 - e. Aesthetics.

5.1.4 Templates

The Customer reserves the right to request Templates of the Deliverables, to ensure they meet their needs:

1. The Awarded Vendor will provide the Template at least **ten (10)** business days before the final deliverable submission date;
2. Templates must show the format of the artifact and provide a summary outline of the content of the deliverable;
3. The Awarded Vendor will revise the deliverable format and content to align with Customer feedback prior to final submission of the deliverable; and
4. The Customer will not unreasonably withhold approval of Templates to the detriment of the project schedule.

5.1.5 Revised Schedule

If a Document Deliverable cannot be provided within the scheduled time frame, the Awarded Vendor is required to contact the Customer CM or Designee in writing with a reason for the delay and the proposed revised schedule:

1. The request for a revised schedule must include the impact on related tasks and the overall project;
2. A request for a revised schedule must be reviewed and approved by the Customer CM or Designee before placed in effect;
3. Where the risk of prolonging the project end date exists, the Awarded Vendor will include in its change proposal alternative solutions to the risk other than a schedule delay;
4. Agency Contract terms and conditions may dictate remedies, costs, and other actions based on the facts related to the request for a revised schedule; and
5. Any proposed revised schedule, whether it impacts the project end date or not, must be reviewed and approved by the Customer before being placed in effect.

5.2 Document Deliverable Requirements

Table 2 – Document Deliverables

Deliverable No.	Deliverable Description	Estimated Due Date
DEL-1	<p>Monthly Staffing Plan Contract Artifact</p> <ol style="list-style-type: none"> 1. Based on information received from HHSC Business Area and Customer PM on the maintenance and enhancement support needed, prepare a Staffing Plan showing an estimate of resources needed to complete the anticipated work effort on a monthly basis to the Customer PM and CM; 2. The Staffing Plan will be reviewed and approved by the Customer CM monthly, prior to initiation of the following month’s services; 3. The Staffing Plan must include the Named Resource, Role, Rate, Planned Hours per month/per the Full Time Equivalent (FTE), and description of work to be performed and/or identify the SR to be completed for the month; 4. The roles and rates must match the categories as provided in the approved Rate Card; 5. The Awarded Vendor may not exceed the approved planned effort without prior approval; and 6. The Awarded Vendor will be required to submit an updated Staffing Plan for HHSC approval, if additional resource support is anticipated. 	<p>First delivery required five (5) working days prior to completion of the transition period, or on the first (1st) business day after the effective date of the Agency Contract if Initial Transition Services are not exercised.</p> <p>Monthly, or more frequently if an update is warranted. Plans are required to be delivered to HHSC no later than the close of business on the fifth (5th) working day prior to the end of each month, to ensure HHSC time to review and approve following month’s planned effort prior to start of month.</p>
DEL-2	<p>Monthly Status Report (MSR) Contract Artifact</p> <ol style="list-style-type: none"> 1. Dashboard of Project Team status; 2. Status of various development activities, by SR; 3. Monthly metrics on Maintenance Production activities, including: <ol style="list-style-type: none"> a. number of reported defects; b. status of the defects; c. planned correction release for defects; d. month-over-month trend reporting; and e. Teams’ self-reported Service Level Agreement performance metrics. 4. Reporting on team resource timekeeping for the period, including what was in the approved Monthly Staffing Plan compared to actuals; and 5. Document any issues, risks, and action items the Awarded Vendor team has encountered. <p>MSR SERVES AS INVOICE BACKUP DOCUMENTATION.</p>	<p>First (1st) delivery required after first (1st) non-transition calendar month completed.</p> <p><u>Monthly:</u> The MSR is required to be delivered to HHSC no later than the close of business on the fifth (5th) working day of each month immediately following each reporting period.</p>

Deliverable No.	Deliverable Description	Estimated Due Date
DEL - 3	<p>Project Work Plan</p> <ol style="list-style-type: none"> 1. The Awarded Vendor and Customer will work to create estimated milestone dates (commonly referred to as “the Work Plan”) that contains a proposed Work Breakdown Structure (WBS), or “Delivery Schedule”; 2. The Awarded Vendor and the Customer CM or Designee must agree to the initial WBS Milestones and Proposals, and any changes made to them during the course of the Agency Contract; 3. The Work Plan will be composed of the identifiable deliverables spaced over time, so that the Customer and the Awarded Vendor will be able to manage their resources to a reasonable distribution of effort; and 4. The Customer’s expectation is that the Work Plan will be collaboratively developed with key Agency Program and IT Section stakeholders, as applicable. 	<p>First (1st) delivery required within five (5) business days after Agency Contract execution. Subsequent deliveries as needed and upon request.</p>
DEL-4	<p>Transition Report Contract Artifact</p> <ol style="list-style-type: none"> 1. If HHSC elects to exercise the Initial Transition Services, upon Agency Contract commencement, the Awarded Vendor will carry out initial transition activities; including receiving Work Products from the incumbent Kofax Product Solution resources and HHSC resources and performing receipt of knowledge transfer; 2. Transition period is four (4) weeks in duration; and 3. The Transition Report will document completion of knowledge transfer sessions, along with any identified transition issues and risks. 	<p>Within one (1) week of completion of 4-week Transition period, which begins upon the Agency Contract Effective Date, if Initial Transition Services are exercised.</p> <p>One-time.</p>
DEL-5	<p>Turnover Report Contract Artifact</p> <ol style="list-style-type: none"> 1. If HHSC elects to execute the Completion Turnover Services, four (4) weeks prior to the Agency Contract Term End Date, the Awarded Vendor will perform completion Turnover Services including providing Work Products and knowledge transfer to HHSC and/or HHSC-designated resources; 2. Turnover lasts four (4) weeks; and 3. The Report is an inventory of Turnover artifacts, their state, and location and acknowledgment by both the Awarded Vendor and HHSC that Turnover is complete. 	<p>Prior to completion of the Agency Contract Term End Date, if Completion Turnover Services are exercised.</p> <p>One-time.</p>

6 Reports and Meetings

6.1 Project Required Compliance on Reports and Data

The Awarded Vendor must submit the reports and all additional Respondent documentation requirements in this section during this Agreement. These reports may be revised, or additional ones may be added at the Customer’s sole discretion:

Table 3 - Required Report/Data Table

Frequency	Due Date	Report Item	Requirement Reference	Agency Personnel to Receive Report
Monthly	5 th business day of month	HSP Contractor Progress Assessment Report (PAR) Form, supplied by HHS HUB Program Office	In reference to Awarded Vendor’s DIR Contract Appendix B (HSP)	Contract Specialist and HUB Coordinator
Monthly	Specific to HHSC Contract	Invoices	<u>Section 9.0 – Invoices and Payments</u>	Agency Accounts Payable, Contract Specialist, and Record Management Group
Other	As issued.	Audit Reports* related to services provided under this Agency Contract completed by an External Entity	<u>Section 12.2.8 – Staff Capabilities</u> and <u>Section 15.2.11 - Reference Checks</u>	Contract Specialist and Budget Analyst
Other	Prior to award and upon any renewals or extensions	Certifications for security: Cybersecurity Training Certification	<u>Section 4.3 - Roles and Responsibilities</u>	CISO Office, Budget Analyst, and Contract Specialist

* Audit Reports: If the Awarded Vendor receives Audit Reports during the life of this Solicitation’s Agency Contract, they will be provided to HHSC. Reference **Attachment A** (HHS Uniform Terms and Conditions – Vendor, Version 3.2).

6.2 Project Start-up

A Kick-off Meeting will be held post-contract execution at a location and time selected by the Customer where the Awarded Vendor and Awarded Vendor Staff will be introduced to the Customer and HHS Systems Stakeholders:

1. Introduction of the Customer’s Integrated Project Team (IPT);
2. Overview of Project Scope and Deliverables;
3. Overview of Project Schedule;
4. Review of the Project Communication Plan;
5. Review of the Project Management Approach and Processes including:
 - a. Change Management;
 - b. Incident Remediation;
 - c. Issue Management; and
 - d. Risk Management.

6.3 Agile Ceremonies/Meetings

The Technical Lead and Kofax Enhancement Team will participate in Sprint teams and perform all Agile ceremonies as described in **Attachment K** (IT-SSA Agile Process Guide). Agile ceremonies/meetings include:

1. Discovery Sessions;
2. Sprint Planning;
3. Daily Scrum Meetings;
4. Spike Meetings;
5. Interim Demo;
6. Final Demo; and
7. Retrospective.

6.4 Ad-Hoc Meetings

Ad-hoc meetings may be called by the Customer or the Awarded Vendor as needed, to support work performed under the Agency Contract:

1. These meetings will be scheduled to address a specific or immediate problem or need;
2. These meetings will be scheduled at least **one (1)** business day in advance, except in the case of a system outage or emergency fix; and
3. The Awarded Vendor will participate in the preparation of an agenda and the generation of meeting notes.

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7 Performance Measures

By execution of an Agency Contract, the Awarded Vendor represents that all work will be performed with promptness and diligence and will be executed in a professional manner, in accordance with the practices and high professional standards used in IT-SSA.

7.1 Vendor Performance Standards

1. The achievement of schedule milestones and goals, both final and interim, is the Awarded Vendor's responsibility and the Awarded Vendor will meet its IT-SSA Project Delivery Schedule; and
2. The Awarded Vendor's performance will be evaluated based on adherence to this agreement, acceptability of the deliverables, and strength in communication and coordination throughout the project.

7.2 Communication

1. The Awarded Vendor is responsible for preparation of all required communications (meetings, reports, e-mails) and all required documents (plans, estimates, schedules, analyses) as previously described.; and
2. All documents must be written in terms and language that can be easily understood by non-technical personnel without subject matter expertise.

7.3 Acceptance Criteria

All work products and services will meet acceptance criteria established by the Customer to appropriate stakeholders, including associated time periods.

7.4 Vendor Personnel Requirements

1. The Awarded Vendor will verify that all Customer data they will have access to will be subject to the **Attachment D** (Data Use Agreement), safeguarded, and their staff will individually sign and abide by the applicable HHS Systems Confidentiality and Non-Disclosure Agreements, available after award;
2. The Awarded Vendor will represent that it will provide qualified individuals with suitable training, education, experience, and skill to execute this agreement; and
3. All current system functions must not be interrupted while meeting the production operation requirements as listed within the Agreement.

7.5 HUB Requirements

7.5.1 HSP and PAR

It is the policy of HHS System to promote and encourage contracting and subcontracting opportunities for the State of Texas certified Historically Underutilized Business (HUB) in compliance with Texas Government Code, §2161.001-253 and Texas Administrative Code (TAC), Title 34, Part 1, Chapter 20, Subchapter D, Division 1.

The Awarded Vendor will ensure that they are following the approved HUB Subcontracting Plan (HSP) in accordance with their DIR contract. Any changes made to their HSP must be submitted to the DIR HUB Coordinator referenced in their DIR Contract.

Because this Solicitation is released under the jurisdiction of the DIR Cooperative Contracts Program, Respondents are not required to submit a DIR HSP with their Response to this Solicitation:

1. Any Agency Contract resulting from this Solicitation will incorporate the Awarded Vendor's DIR HSP as part of the Agency Contract;
2. Prior to issuing an Agency Purchase Order 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 (e-mail: HHSCHub@hhsc.state.tx.us);
3. At any point during the duration of the Agency Contract, should a need arise that requires any changes to the HSP, the Awarded Vendor must contact the HHS HUB Program Office to coordinate with DIR to amend the HSP;
4. The Awarded Vendor is required to comply with the state of Texas' good faith effort requirements and obtain prior approval from HHS and DIR before any changes may be made to the HSP; and
5. Once the HHS HUB Program Office obtains the clarifications to establish the HSP for the Agency Contract with HHSC, the HUB Program Office will provide an HSP Post-Contract-Award Overview to provide guidance to the Awarded Vendor in the monthly submission of their required Progress Assessment Reports (PAR)³, and address any questions regarding HSP compliance.

7.5.2 Use of Subcontractors

Subcontractors providing services under the Agreement must meet the same requirements and level of experience as required of the Awarded Vendor:

1. Any Subcontractor must be listed on the Awarded Vendor's approved DIR 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 Agreement will relieve the Awarded Vendor of the responsibility for ensuring the requested services are provided;
3. Respondents planning to subcontract all or a portion of the work to be performed as detailed in their Response to this Solicitation must identify the proposed Subcontractors;
4. If the Awarded Vendor has identified additional subcontracting opportunities, the Respondent is required to submit a revised HSP to DIR for review; and
5. No work may be performed by a Subcontractor before DIR has approved a revised HSP for their Cooperative Contract.

³ Reference: *Vendor's DIR Contract, Appendix B (HSP), form sourced from Texas Comptroller of Public Accounts.*

7.6 Service Levels

7.6.1 Performance Monitoring

The Customer's fundamental commitment is to contract for positive results - defined as the generation of discrete, defined, measurable, and beneficial outcomes that support the HHS Systems Mission & Objectives, satisfying the requirements of the resulting Agency Contract. The Customer will monitor the performance of the Agency Contract (Performance Monitoring) issued under this Solicitation based on monthly service period reporting that must include, but is not limited to the following:

1. Experience, professionalism, and expertise for providing the Deliverables (see Section 4 - Scope of Work);
2. On-time, detailed and accurate reporting; and
3. Discrete, well defined, realistic, meaningful, and measurable recommendations that support project success.

7.6.2 Service Level Industry Standards

The Customer requires the following of these Service Level Industry Standards, in relation to the Service Level Agreements referenced in Section 5.2 – Document Deliverables Requirements and Section 7.7.2 – Key Performance Measures and Liquidated Damages. These specifications are considered essential for maintaining service levels and must be incorporated into the Respondent's Response to this Solicitation concerning the fulfillment of the SLA at industry standards, as applicable:

1. Achievement of Budget Goals (total and subtotals);
2. Achievement of Schedule Goals (final and interim);
3. Security (as defined by customer);
4. Quality (as defined by customer);
5. Required communications (meetings, reports, calls, e-mails);
6. Required documents (plans, estimates, schedules, analyses);
7. Degree of accuracy of estimates (schedule, budget, resources, total);
8. Effective risk management and response (adherence to plans); and
9. Effective scope management and change control (adherence to plans);

7.7 Vendor Performance

7.7.1 Overview

In the event that the Awarded Vendor does not achieve the standards of performance set above, the Customer may request a Corrective Action Plan (CAP) or other remedial steps related to Key Performance Measure (KPMs) and Liquidated Damages (LDs):

1. HHS Systems reserves the right to withhold or offset payment on all or part of any missed, incomplete, or unsatisfactory deliverables for which the Customer and Awarded Vendor have not agreed upon a remedy;

2. HHS Systems and the Awarded Vendor agree to work in good faith to ensure that all performance standards are met;
3. Part of the evaluation of responses to this Solicitation will be based on the Respondent’s willingness to accept greater responsibility for producing discrete, measurable results, and its confidence in its ability to perform; and
4. In addition to assessing LDs, the Customer may begin default proceedings if the Awarded Vendor fails to comply with the Customer’s contractual Agreement.

7.7.2 Key Performance Measures and Liquidated Damages

1. The Customer and Awarded Vendor agree to work in good faith to ensure KPM’s are met;
2. The Customer will have a duty to take reasonable steps to mitigate damage;
3. The Awarded Vendor will achieve the following KPMs, and may have liability for LDs based on KPM failure as further described in each KPM, as applicable;
4. LDs will not be assessed if the State determines that Awarded Vendor is not responsible for the failure described in the respective KPM (refer to this document and applicable attachment(s));
5. For purposes of these KPMs, all measurement periods will be monthly unless otherwise specified;
6. Additionally, when a LD refers to a percentage point, or portion thereof, the "portion thereof" means that a full percentage point deviation is not required to assess the LD, such as:
 - a. If the standard is **99%** and the results achieved are **98.6%**, the Liquidated Damage that may be assessed is based on **one percentage point (1%)**; and/or
 - b. If the results achieved are **97.9%**, the Liquidated Damage that may be assessed is based on **two percentage (2%) points**.
7. Days⁴ are not pro-rated.

Table 4 – Standard KPMs and LDs				
KPM ID	Summary	Standard	Measure	Liquidated Damage
KPM001	Deliverable Due Dates	The Awarded Vendor must meet due dates as agreed for all Document Deliverables. These include all approved Document Deliverables as described in the SOW’s <u>Section 4 – Scope of Work</u> .	Each business day beyond the agreed due date.	\$200/business day, not to exceed \$4,000 in a given month or the costs incurred by the Customer, whichever is greater.

⁴ Day: A calendar day, unless otherwise specified in the text. A calendar day includes Saturday, Sunday, and a national or state holiday listed in Texas Government Code §662.003(a) or (b).

Table 4 – Standard KPMs and LDs

KPM ID	Summary	Standard	Measure	Liquidated Damage
KPM002	Project Resource Personnel	a. Fill a temporary project resource role vacancy within ten (10) business days, unless an alternate due date is approved by the Customer. b. Fill a permanent project resource role vacancy within thirty (30) business days, unless an alternate due date is approved by the Customer.	Each business day beyond the due date.	\$200/business day, not to exceed \$4,000 in a given month or the costs incurred by the Customer, whichever is greater.
KPM003	Timely Initiation of Work	The Awarded Vendor must begin work within five (5) business days after start date based on agreement of parties in writing for all development / waves start dates and service level agreements, based on deliverables.	Each business day beyond the scheduled start date.	\$100/business day, not to exceed \$4,000 in a given month.
KPM004	Production Operations: Defects Repair Timeline	Defects repaired in a timely manner based upon severities defined as follows: <u>Severity 1:</u> Code built by the awarded Kofax Product Solution Vendor causes a Production issue that impacts business function(s) or component without an acceptable work-around; Resolution available in four (4) hours maximum. <u>Severity 2:</u> Code built by the awarded Kofax Product Solution Vendor causes a Production issue that impacts business function(s) or component with an acceptable work-around; Resolution available in one (1) calendar day maximum.	<u>Severity 1:</u> after four (4) hours. <u>Severity 2:</u> after one (1) calendar day.	Liquidated Damages in the amount of \$1,000 for each occurrence of non-conformance, not to exceed \$5,000 in any given month.

Table 4 – Standard KPMs and LDs

KPM ID	Summary	Standard	Measure	Liquidated Damage
		<p>Severity 3: Performance of the Code built by the awarded Kofax Product Solution Vendor does not meet the below quality criteria; Repair available in one month. Quality Criteria for Performance: Reliable response times within TIERS controlled code must be less than two (2) seconds for synchronous responses provided for ninety-five percent (95%) of all invocations.</p>	<p>Severity 3: after one (1) month.</p>	
		<p>Severity 4: The Code built by the awarded Kofax Product Solution Vendor contains a functional or system characteristic defect; Repair available in one (1) month or as specified by HHSC.</p>	<p>Severity 4: after one (1) month or as specified by HHSC.</p>	
		<p>Severity 5: The Code built by the awarded Kofax Product Solution Vendor contains a cosmetic defect; Repair available in four (4) months or as specified by HHSC.</p>	<p>Severity 5: after four (4) months or as specified by HHSC.</p>	

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8 Period of Performance

8.1 Contract Term

The initial term of any Agency Contract resulting from this Solicitation is projected to have a date of award of September 01, 2022, and will be for **two (2) years**. HHSC, at its sole option, may extend any Agency Contract awarded pursuant to this Solicitation for up to **three (3)** additional one-year terms for “Annual Renewals”.

The execution of this Solicitation will begin on the date of the award, with services commencing no later than ten (10) business days after Agency Contract execution, and will expire on **August 31, 2024**.

The customer-based additional Annual Renewals terms will be accomplished by 1-year durations thereafter, subject to the availability of state and federal funds – with the total amount of the initial term and subsequent renewals [Terms of 09/01/2024 to 08/31/2025, 09/01/2025 to 08/31/2026, and 9/01/2026 to 8/31/2027] not to exceed **four (4)** consecutive Periods of Performance, all subject to the terms and conditions of the contractual Agreement, through written amendment.

Following the base term and any allowable renewals or extensions, HHSC may extend any resulting Agency Contract for not more than one additional option period to address immediate operational or service delivery needs and prevent any gaps in service. If the resulting Contract does not include a defined option period, the extension is limited to one year in accordance with the General Appropriations Act, House Bill 1, 87th R.S. at Article IX, Section 17.09(e)(1).

8.2 Modification of Timeline

A modification of the timeline proposed in this Solicitation will be generated during the initial phase of the engagement. Delays on the Customer side and national holidays may affect the calendar duration of the engagement. Any delays that impact Awarded Vendor ability to be fully utilized will be subject to the Customer's Change Management Procedures through written amendment.

8.3 Business Hours

HHS Systems standard business hours are Monday through Friday from 8:00 AM to 5:00 PM CDST/CST⁵:

1. adhering to **forty (40)** hours per week;
2. based on a 52-week calendar year; and
3. less holidays when all state agencies are closed in accordance with the applicable Texas State Auditor’s Office Fiscal Year Holiday Schedule⁶.

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⁵ Reference: *Central Daylight Savings Time / Central Standard Time*

⁶ Reference: <http://www.hr.sao.texas.gov/Holidays/>

9 *Invoices and Payments*

9.1 Invoices

The Awarded Vendor will be responsible for invoicing the Customer for Deliverables upon completion of the specified agreed-upon Deliverables:

1. Invoices must be submitted by the Awarded Vendor directly to the Customer and payments will be issued in compliance with Chapter 2251, Texas Government Code;
2. All payments for services purchased under the Agreement and any provision of acceptance of such services will be made by the Customer to the Awarded Vendor;
3. Invoices must include a log of hours expended per resource against the approved Staffing Plan for the invoiced period, as recorded in PPM, including resource name, role, rate, and total invoiced as backup of the payment requested, with rates based on the Kofax Product Solution Rate Schedule (see Section 13.2 – Pricing Sheets for Rates) and agreed-upon rate when the Agency Contract is awarded;
4. Invoices, submitted monthly, will contain at a minimum:
 - a. Vendor Name;
 - b. Vendor Tax Identification Number;
 - c. Invoice Date;
 - d. Invoice Number;
 - e. DIR Master Contract Number;
 - f. Associated Agency Purchase Order (PO) and Agency Contract Number;
 - g. PO Line-Item Number and Description, if applicable;
 - h. Remittance Address with contact name(s) and telephone number;
 - i. Delivery or Service Date rendered; and
 - j. Agreed-upon pricing and description in accordance with specific Deliverables of the Product, Service, or Milestone attained.
5. Timely and accurate invoice(s) will be submitted by the Awarded Vendor to one of the addresses below for payment:
 - a. For mailing paper copies, send to:

Physical Mailing Address:	Texas Health and Human Services Commission (HHSC) ATTN: IT Business Operations Invoicing Health and Human Services Commission 4900 North Lamar Blvd., MC 2065 Austin, TX 78751 Phone: 512-921-0356
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- b. In lieu of mailing paper copies, the Awarded Vendor may e-mail invoices to:

Electronically:	E-mail: itsainvoices@hhsc.state.tx.us
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NOTE: WHEN SUBMITTING AN INVOICE(S) VIA E-MAIL, THE COMPANY NAME (AS IT APPEARS ON THE INVOICE) AND THE PO NUMBER SHOULD BE IN THE SUBJECT LINE TO ASSIST IN IDENTIFYING AND PROCESSING INVOICE(S) IN A TIMELY MANNER.

9.2 Payments

Payments will be made in accordance with the DIR Master Contract, Appendix A, Standard Terms and Conditions:

1. The Customer will audit each invoice;
2. If the Customer determines that an invoice is not acceptable under the provisions of the PO or is otherwise incomplete, the Awarded Vendor must correct any deficiencies and resubmit the invoice to the Customer Contract Specialist for processing; and
3. The Customer will pay all invoices in compliance with the Prompt Payment Act found in the Texas Gov't Code, Chapter 2251.

10 Customer/Vendor - Furnished Equipment and Workspace

If necessary, the Customer may provide a workspace and network connectivity for a limited number of Awarded Vendor staff during the onsite portions of this engagement, unless prohibited by the ongoing COVID-19⁷ Pandemic, in which case work will be done remotely:

1. Use of the Customer's equipment will require each user to complete an HHS Computer Usage Agreement;
2. Files may only be transferred by e-mail (secure e-mail when warranted), CD, or by use of Customer-approved, secure USB devices;
3. The Awarded Vendor will provide schedules for onsite work at least **one (1)** week in advance to facilitate scheduling of workspace, except in the case of emergencies;
4. Phone conferences, Microsoft (MS) Teams/WebEx, and e-mail are acceptable modes of communication;
5. HHSC will provide parking and office workspace for the Awarded Vendor's staff; and
6. HHSC will provide the Awarded Vendor staff with hardware (desktops or laptops), software, office supplies, and access to HHSC systems and tools required to support the scope of the Agency Contract.

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⁷ On February 11, 2020, the World Health Organization announced an official name for the disease that is causing the 2019 novel coronavirus outbreak. The new name of this disease is coronavirus disease 2019, abbreviated as COVID-19. The virus responsible for the COVID-19 pandemic, SARS-CoV-2, is part of a large family of coronaviruses. Coronaviruses usually cause mild to moderate upper-respiratory tract illnesses, like the common cold. However, SARS-CoV-2 can cause serious illness and even death.

11 Additional Customer Terms and Conditions

11.1 General Conditions

11.1.1 Solicitation Amendments

The Customer reserves the right to alter, amend, or modify any provision of this Solicitation, or to withdraw this Solicitation, at any time prior to award, if it is in the best interest of the State:

1. The HHSC/Procurement and Contracting Services (PCS) and the Customer reserve the right to alter, amend, or modify any provision of this Solicitation, or to withdraw this Solicitation (in whole or in part) at any time prior to the award of an Agency Contract if doing so is in the best interest of the State;
2. HHSC and the Customer also reserve the right to re-solicit for like or similar products and services whenever it determines re-solicitation to be in the best interest of the State; and
3. Any changes or additional information regarding this Solicitation will be provided as an Addendum, posted to the selected Vendors by the assigned HHSC Purchaser (see: Section 14.2 – Sole Point of Contact).

11.1.2 Offer Period

Solicitation Responses shall be binding for a period of **two hundred forty (240) days after the submission due date**. A Respondent may extend the time for which its Solicitation Response will be honored. Upon Contract execution, prices agreed upon by the successful Respondent(s) are an irrevocable offer for the term of the Contract and any Contract renewals or extension(s). No other costs, rates, or fees shall be payable to the Awarded Vendor unless expressly agreed upon in writing by HHSC.

11.1.3 Solicitation Obligations

The issuance of this Solicitation does not imply that the HHSC and the Customer are making an offer to do business with any awarded Recipient or Respondent:

1. No agreement or other binding obligation is implied or will occur unless and until a definitive agreement is executed; and
2. The issuance of this Solicitation and the submission of a Respondent's Response to this Solicitation do not create any obligation upon HHSC and the Customer to purchase products or services from the Respondent, or to enter into any binding legal relationship with **one (1)** or more of the Respondents.

11.1.4 Contract Responsibility

HHSC and the Customer will look solely to the Awarded Vendor for the performance of all contractual obligations that may result from an award based on this Solicitation. The Awarded Vendor shall not be relieved of its obligations for any nonperformance by its Subcontractors.

11.1.5 Costs Incurred

Respondents understand that issuance of this Solicitation in no way constitutes a commitment by HHSC and the Customer to award an Agency Contract or to pay any costs incurred by a Respondent in the preparation of a Response to this Solicitation:

1. HHSC and the Customer are not liable for any costs incurred by a Respondent.
2. Costs of developing Solicitation Responses, preparing for or participating in oral presentations and site visits, and/or any other similar expenses incurred by a Respondent are entirely the responsibility of the Respondent, and will not be reimbursed in any manner by the State of Texas.

11.1.6 Public Information Act - Respondent Requirements Regarding Disclosure

Proposals and contracts are subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552, and may be disclosed to the public upon request. Other legal authority also requires HHSC to post contracts and proposals on its public website and to provide such information to the Legislative Budget Board for posting on its public website. Under the PIA, certain information is protected from public release. If a Respondent asserts that information provided in its Solicitation Response (also referred to as proposal) is exempt from disclosure under the PIA, the Respondent must:

1. Mark Original Solicitation Response
 - a. Mark the Original Proposal, on the top of the front page, the words “CONTAINS CONFIDENTIAL INFORMATION” in large, bold, capitalized letters (the size of, or equivalent to, 12-point Times New Roman font or larger); and
 - b. Mark the bottom of each page on the Solicitation Response that contains information that Respondent claims is exempt from public disclosure with the words “CONTAINS CONFIDENTIAL INFORMATION”; and
 - c. Identify, adjacent to each portion of the Solicitation Response that Respondent claims is exempt from public disclosure, the claimed exemption from disclosure (**NOTE: no redactions are to be made in the Original Solicitation Response**).
2. Certify in Original Solicitation Response – HHS Solicitation Affirmations, Version 2.1 (attached as **Attachment C** to this Solicitation)

Certify, in the designated section of the HHS Solicitation Affirmations, Version 2.1, Respondent’s confidential information assertion and the filing of its Public Information Copy; and

3. Submit Public Information Act Copy of Solicitation Response

Submit a separate “Public Information Act Copy” of the Original Solicitation Response (in addition to the original and all copies otherwise required under the provisions of this Solicitation). The Public Information Act Copy must meet the following requirements:

- a. The copy must be clearly marked as “Public Information Act Copy” on the front page in large, bold, capitalized letters (the size of, or equivalent to, 12-point Times New Roman font or larger);
- b. Each portion Respondent claims is exempt from public disclosure must be redacted (blacked out);
- c. Respondent must identify, adjacent to each redaction, the claimed exemption from disclosure. Each identification provided as required in Subsection (c) of this section must be identical to those set forth in the Original Solicitation Response as required in Subsection (a)(2), above; and

- d. The only difference in required markings and information between the Original Solicitation Response and the “Public Information Act Copy” of the Solicitation Response will be redactions - which can only be included in the “Public Information Act Copy.” There must be no redactions in the Original Solicitation Response.

By submitting a Response to this Solicitation, the Respondent agrees that, if the Respondent does not mark the Original Solicitation Response, provide the required certification in the HHS Solicitation Affirmations Version 2.1, and submit the Public Information Act Copy, Respondent’s Solicitation Response will be considered to be public information that may be released to the public in any manner including, but not limited to, in accordance with the Public Information Act, posted on HHSC’s public website, and posted on the Legislative Budget Board’s public website.

If any or all Respondents submit partial, but not complete, information suggesting inclusion of confidential information and failure to comply with the requirements set forth in this section, HHSC, in its sole discretion and in any solicitation, reserves the right to (1) disqualify all Respondents that fail to fully comply with the requirements set forth in this section, or (2) to offer all Respondents that fail to fully comply with the requirements set forth in this section additional time to comply.

Respondent should not submit a Public Information Act Copy indicating that the entire Solicitation Response is exempt from disclosure. Merely making a blanket claim that the entire Response is protected from disclosure because it contains any amount of confidential, proprietary, trade secret, or privileged information is not acceptable.

A Solicitation Response should not be marked or asserted as copyrighted material. If Respondent asserts a copyright to any portion of its Response, by submitting a Response, Respondent agrees to reproduction and posting on public websites by the State of Texas, including HHSC and all other state agencies, without cost or liability and, additionally, agrees to allow the State of Texas to provide a copy of the Solicitation Response to individuals making a PIA request for the response.

HHSC will strictly adhere to the requirements of the PIA regarding the disclosure of public information. As a result, by participating in this Solicitation process, Respondent acknowledges that all information, documentation, and other materials submitted in the Solicitation Response in response to this Solicitation may be subject to public disclosure under the PIA. HHSC does not have authority to agree that any information submitted will not be subject to disclosure.

Disclosure is governed by the PIA and by rulings of the Office of the Texas Attorney General. Respondents are advised to consult with their legal counsel concerning disclosure issues resulting from this process and to take precautions to safeguard trade secrets and proprietary or otherwise confidential information. HHSC assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by Respondents.

For more information concerning the types of information that may be withheld under the PIA or questions about the PIA, please refer to the Public Information Act Handbook published by the Office of the Texas Attorney General or contact the Attorney General’s Open Government Hotline at (512) 478-OPEN (6736) or toll-free at (877) OPEN TEX (673-6839). To access the Public Information Act Handbook, please visit the attorney general’s website at <http://www.texasattorneygeneral.gov>.

11.1.7 Respondent Waiver – Intellectual Property

SUBMISSION OF ANY DOCUMENT TO HHSC IN RESPONSE TO THIS SOLICITATION CONSTITUTES AN IRREVOCABLE WAIVER, AND AGREEMENT BY THE SUBMITTING PARTY TO FULLY INDEMNIFY THE STATE OF TEXAS, HHSC AND THEIR EMPLOYEES FROM ANY CLAIM OF INFRINGEMENT BY HHSC REGARDING THE INTELLECTUAL PROPERTY RIGHTS OF THE SUBMITTING PARTY OR ANY THIRD PARTY FOR ANY MATERIALS SUBMITTED TO HHSC BY THE SUBMITTING PARTY.

11.1.8 Standards of Conduct for Vendors

Pursuant to Title 1 of the Texas Administrative Code Part 15, Chapter 391, Subchapter D, Rule §391.405(a), Contractors, Respondents, and Vendors interested in working with HHSC are required to implement standards of conduct for their own personnel and agents on terms at least as restrictive as those applicable to HHSC.

These standards must adhere to ethics requirements adopted in rule, in addition to any ethics policy, or code of ethics approved by the HHSC Executive Commissioner. A Respondent must sign and submit all ethics, disclosure, confidentiality, and other forms required under the procurement and any resulting Agency Contract.

The standards of conduct must include the ten standards of ethical conduct set forth in Section I of the [HHS Ethics Policy](#)⁸ and requirements to comply with ethical standards set forth in federal and state law (including, but not limited to, Title 1 of the Texas Administrative Code Part 15, Chapter 391, Subchapter D, Rule §391.405(a)).

Standards of conduct of any Contractor, Respondent, or Vendor may be reviewed and/or audited by the State Auditor and HHSC, The Contractor, Respondent, or Vendor must cooperate with the review and/or audit.

Additionally, pursuant to Title 1 of the Texas Administrative Code Part 15, Chapter 391, Subchapter D, Rule §391.405(a), HHSC may examine a Respondent's standards of conduct in the evaluation of a bid, offer, proposal, quote, or other applicable expression of interest in a proposed purchase of Goods or Services.

Any Vendor, Contractor, or Subcontractor, that violates a provision of Title 1 of the Texas Administrative Code Part 15, Chapter 391, Subchapter D may be barred from receiving future Agency Contracts or have an existing Agency Contract canceled. Additionally, HHSC may report these actions to the Comptroller of Public Accounts for statewide debarment, or law enforcement.

11.1.9 Ownership

HHS System assumes ownership of any source code and configuration files upon completion, and that code will reside within the IT-SSA source code system/repository.

11.1.10 Protests

Any protest shall be governed by the rules published by HHSC in the TAC, Title 1, Part 15, Chapter 391, Subchapter C, Protests.

⁸ Reference: <https://hhs.texas.gov/sites/default/files/documents/about-hhs/hhs-ethics-policy.pdf>

11.1.11 Insurance

HHS System reserves the right to request reasonable Optional Insurance methods of insuring the Customer's Agency Contract, inclusive of the insurance policies documented in a solicited Vendor's DIR Contract's Appendix A - Standard Terms and Conditions, within the REQUIRED INSURANCE COVERAGE section.

HHS System references these Optional Insurance methods as special and/or custom first- and third-party insurance coverages in Section 5.07 – Insurance of the DUA. HHS System provides a more detailed listing of Optional Insurance within the DUA's Attachment 2 (A-2) – HHS Security and Privacy Inquiry (SPI), Section A, Number 11:

1. An Awarded Vendor shall acquire insurance, bonds, or both (if applicable), with financially sound and reputable independent insurers, in the type and amount listed in **Attachment L** (Insurance);
2. HHS System makes the determination of which Optional Insurance methods apply based on prevailing industry standards associated with the risks affecting the Customer's unique program-specific solicitation;
3. It will be the Respondent's obligation to recommend to the HHS System alternative methods of insuring the Agency Contract;
4. Any alternatives proposed by the Respondent must be accompanied by a detailed explanation regarding Respondent's inability to obtain the industry standard insurance and/or bonds;
5. Failure to maintain insurance coverage or acceptable alternative methods of insurance will be deemed a Breach of Contract with the Customer, and HHS System; and
6. HHS System will be the sole and final judge as to the adequacy of any substitute form of insurance coverage.

11.1.12 EIR Accessibility and Section 508 Compliance

For each Electronic and Information Resource (EIR) accessible product or service included in Solicitation Responses subject to Texas Administrative Codes §§ 1 TAC 206 and 1 TAC 213, which include the US Revised Section 508 Amendment to the Rehabilitation Act of 1973 for technical specifications, the Respondent will provide documentation of how each requirement or specification is met:

1. It is the Respondents' responsibility to maintain the integrity of any accessibility documentation provided to the Customer;
2. Any documentation will be considered a self-attestation, unless expressly affirmed otherwise;
3. If the Respondent plans to provide Commercial-Off-The-Shelf (COTS) software as part or all of their Solicitation Response, the Respondent will provide a completed Voluntary Product Accessibility Template (VPAT) for each COTS product offered;
4. For third-party COTS products, the Respondent must obtain and submit VPATS or links to them from the third party as part of the Solicitation Response; and
5. The process to determine accessibility requirements for this Solicitation and, if applicable, any exceptions to the standards, can also be found at the HHS Accessibility Center:
 - <https://accessibility.hhs.texas.gov/index.htm>.

11.2 Precedence and Attachments

10.2.1 HHSC and the Customer may negotiate the terms and conditions of their Solicitation to suit their business needs, so long as their terms and conditions do not conflict or weaken the DIR Master Contract, addenda, appendices, attachments, and/or exhibits.

10.2.2 The DIR terms and conditions have precedence; other terms required by HHSC and the Customer may not conflict with or weaken the DIR terms.

10.2.3 By entering an Agency Contract with an HHSC and the Customer, the Awarded Vendor and their Subcontractors agree to follow the agency policies, procedures, standards, and guidelines governing this procurement and a potential Agency Contract by:

1. Complying with the following attachments;
 - a. Attachment A: HHS Uniform Terms and Conditions – Vendor, Version 3.2; and
 - b. Attachment B: HHS Additional Provisions, Version 1.0.
2. Completing, returning with the Proposal, and complying with the following attachments:
 - a. Attachment E: Certification Regarding Lobbying;
 - b. Attachment F: Federal Assurances - Non-Construction Programs;
 - c. Attachment G: Federal Funding Accountability and Transparency Act (FFATA) Certification;
 - d. Attachment C: HHS Solicitation Affirmations, Version 2.1; and
 - e. Attachment D: Data Use Agreement (DUA), Version 8.5, inclusive of:
 - i. the DUA’s Attachment 1 (A-1) – Subcontractor Agreement Form (SAF), if applicable; and
 - ii. the DUA’s Attachment 2 (A-2) – HHS Security and Privacy Inquiry (SPI).

NOTICES:

- Attachment designations are **tentative**, subject to change based on negotiations with a Qualified Respondent - or revisions to Texas Government Codes, Texas Administrative Codes, and/or HHSC and the Customer’s Policies, Procedures, Standards, and Guidelines.
 - Per HHSC and the Customer’s Policies, Procedures, Standards, and Guidelines – additional contractual documents (that may be incorporated into the Agency Contract as attachments to the Signature Packet with the Awarded Vendor, or are inferred by doing business with HHSC and the Customer), as applicable, are published on HHS’ [Vendor Resources](#) webpage⁹.
 - HHSC and the Customer reserve the right to reorder and/or revise the attachments prior to the execution of the finalized (signed) agreement, accordingly. If unchanged, it is intended for these completed and signed attachments to be utilized in the Signature Packet at award.
-

⁹ Reference: <https://www.hhs.texas.gov/business/contracting-hhs/vendor-resources>

12 Response Requirements

The Customer will select the qualified Response to this Solicitation that offers the best value as determined by the information provided in the solicited Vendor's Response.

12.1 Content Synopsis

The Respondent's Solicitation Response containing Business, Technical, and Costs Requirements (see Section 14.10.4 – Submission Checklist) will consist of the following:

1. Responses must include an active and valid DIR contract number referenced on the Response, and all products and services must be offered under that DIR contract through which the Respondent can provide solicited Deliverables;
2. In order to be eligible to respond to this Solicitation, the Respondent must hold a relevant DIR contract through which the Respondent can provide Kofax Product Solution Support and Services;
3. Responses will be phrased in terms and language easily understood by non-technical personnel. This does not prohibit the inclusion of relevant technical appendices;
4. All Document Deliverables must be in formats specified by the Customer - at a minimum, the mediums must be in industry standards (i.e., MS Word, MS PowerPoint, MS Project):
 - a. Submitted proposals may be in PDF or another portable format;
 - b. The proposed Project Schedule can be in Microsoft Project or Excel; and
 - c. Any documentation requiring legal review by either party will be submitted in editable Microsoft Word electronic copy, allowing "TRACK CHANGES" utilization.
5. The Respondent must demonstrate its knowledge and expertise of the environment (platforms, software, applications, network, tools) for which work is to be performed:
 - a. Outline of capability to deliver the required services - including process, functional, and technical expertise; and
 - b. Process Methodologies to be used to complete this Solicitation.
6. Submitted Solicitation Responses must be submitted in **two (2)** separate files, in the form of a **Business and Technical Proposal** (Business and Technical Requirements combined) and a **Cost Proposal**:
 - a. The Business and Technical Proposal must contain:
 - i. at a minimum the content detailed in Section 12.2 – Business Requirements and Section 12.3 – Technical Requirements;
 - ii. Solicitation Attachments of Affirmations, Assurances, and Certifications as detailed in Section 11.2.3, #2; and
 - iii. If applicable, **Attachment H** (Assumptions Form) and **Attachment I** (Exceptions Form) as detailed in Sections 12.4 and 12.5.
 - b. The Cost Proposal must contain at a minimum the content detailed in Section 13 – Costs and Pricing.

12.2 Business Requirements

12.2.1 Company Information

Respondent must provide satisfactory evidence of its ability to manage and coordinate the types of activities described in this Solicitation and to produce the specified Goods or Services on time. As a part of the Solicitation Response requested in this Section 12, Respondent must provide the following information.

12.2.2 Company Narrative

Respondent must provide a detailed narrative explaining why Respondent is qualified to provide the Services enumerated in Section 4 – Scope of Work, focusing on its company’s key strengths and competitive advantages.

12.2.3 Company Profile

Respondent must provide a company profile to include:

1. The company ownership structure (corporation, partnership, limited liability company (LLC), or sole proprietorship), including any wholly owned subsidiaries, affiliated companies, or joint ventures:
 - a. Provide this information in a narrative and as a graphical representation;
 - b. If Respondent is an affiliate of, or has a joint venture or strategic alliance with, another company, Respondent must identify the percentage of ownership and the percentage of the parent’s ownership;
 - c. The entity performing the majority of the work under an HHS System contract, throughout the duration of the Agency Contract, must be the primary bidder; and
 - d. Finally, provide proposed operating structure for the Services requested under this Solicitation and which entities (i.e., parent company, affiliate, joint venture, subcontractor) will be performing them.
2. The year the company was founded and/or incorporated; if incorporated, please indicate the state where the company is incorporated and the date of incorporation;
3. The location of company headquarters and any field office(s) that may provide Services for any resulting Agency Contract under this Solicitation;
4. The number of employees in the company, both locally and nationally, and the location(s) from which employees will be assigned;
5. The name, address, and telephone number of Respondent’s Point of Contact for any resulting HHS System contract under this Solicitation;
6. Indicate whether the company has ever been engaged under an Agency Contract by any Texas state agency; if “Yes,” specify when, for what duties, and for which agency; and
7. The Respondent must be currently authorized to do business in the State of Texas as evidenced by Certificate of Authority from the Texas Secretary of State submitted with the Solicitation Response.

12.2.4 References

Respondent must provide a minimum of **three (3)** references from similar contracts or projects performed, preferably for state and/or local government, within the last **three (3)** years. Information provided must be in accordance with **Attachment N** (Respondent Reference Form).

12.2.5 Litigation and Contract History

Respondent must include in its Solicitation Response a complete disclosure of any alleged or significant contractual failures:

1. Respondent must disclose any civil or criminal litigation or investigation over the last **five (5)** years that involves Respondent or in which Respondent has been judged guilty or liable including any allegations of such that are currently pending;
2. Respondent must also disclose any settlement agreements entered in the last **five (5)** years related to alleged contractual failures;
3. Failure to comply with the terms of this section may disqualify Respondent; and
4. Solicitation Response may be rejected based upon Respondent's prior history with the State of Texas or with any other party that demonstrates, without limitation, unsatisfactory performance, adversarial or contentious demeanor, or significant failure(s) to meet contractual obligations.

12.2.6 Conflicts

Respondent must certify that it does not have any personal or business interests that present a conflict of interest with respect to this Solicitation and any resulting Agency Contract:

1. Disclose all potential conflicts of interest, if applicable;
2. Describe the measures it will take to ensure that there will be no actual conflict of interest and that its fairness, independence, and objectivity will be maintained;
3. Include any activities of affiliated or parent organizations and individuals who may be assigned to the HHSC contract, if any;
4. HHS System will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the Agency Contract; and
5. Rules and filing instructions may be found on the Texas Ethics Commission's public website and additional instructions will be given by HHSC to Awarded Vendor(s).

Additionally, pursuant to Section 2252.908 of the Texas Government Code, a successful Respondent awarded an Agency Contract with a value of **One Million Dollars (\$1,000,000)** or more, or awarded a contract that would require the Awarded Vendor to register as a lobbyist under Texas Government Code Chapter 305, must submit a disclosure of interested parties form to HHSC at the time the Respondent submits the signed Agency Contract as the Awarded Vendor.

Rules and filing instructions may be found on the Texas Ethics Commission's public website and additional instructions will be given by HHSC to the Awarded Vendor(s).

12.2.7 Major Subcontractor Information

Respondent must identify any major subcontractors whom Respondent intends to utilize in performing **fifteen percent (15%)** or more of any Agency Contract awarded under this Solicitation:

1. Respondents must indicate whether Respondent holds any financial interest in any major subcontractor; and
2. It may be required as a condition of award that an authorized officer or agent of each proposed major subcontractor sign a statement to the effect that the subcontractor has read, and will agree to abide by, Respondent's obligations under any Agency Contract awarded pursuant to this Solicitation.

12.2.8 Staffing Capabilities

Respondent must provide a staffing profile and resumes for all staff who will be responsible for the performance of the services requested under this Solicitation:

1. Proposed staff must be aligned with Section 4.3 - Roles and Responsibilities as described ;
2. HHSC expects that the staff specified in a Respondent's Response to this Solicitation will be the persons that are provided to perform the services of this Solicitation, and in the case of the role defined as Key Personnel, HHSC requires the proposed staff be the individual staffing resources provided; and
3. Respondent must provide the resumes of each individual assigned to the effort, with each resume including:
 - a. Professional employment history, with dates;
 - b. Education (degrees received and major studies);
 - c. Knowledge of and expertise with the subject matter of the Scope of Work in this Solicitation;
 - d. Relevant experience in software development, Kofax product expertise, Agile environment, toolsets, Project Management, and other areas specific to their role;
 - e. Relevant state government experience;
 - f. Past performances; and
 - g. Professional certifications.

12.2.9 Project Work Plan

Respondents will provide a draft high-level Kofax Project Work Plan addressing the tasks specified in this Solicitation, including:

1. The established milestones and Work Breakdown Structure (WBS) will be used as the framework for status/issue tracking of deliverables. This list is representative of major sub-categories and is not a complete list of all activities required to meet a specified deliverable;
2. Work estimates must all include time, cost, and resources. Deliverables will be referenced back to the established milestones and WBS on all invoices for payment;

3. A description of key activities and milestones of the Respondent's approach to meeting the Project Delivery Schedule defined by IT-SSA. Reference **Attachment K** (IT-SSA Agile Process Guide) for current Release Cycle Set schedule;
4. A detailed methodology description of the Respondent's approach to analyze, assess, validate, document, and complete each milestone or iteration of their proposed processes and methodologies for providing all components of the Scope of Work described in Section 4 – Scope of Work;
5. A description of the resources necessary from HHSC to support the process, including estimates of time needed from HHSC IT's personnel and subject matter experts and high-level analysis of any additional HHSC requirements;
6. A description of their ability to commit sufficient staffing resources to fully meet the Staffing Plan (Section 4.3.1 –Staffing Requirements), as needed to execute the services required under this Solicitation;
7. Identifying all tasks to be performed, including all Project activities, materials, and other products, services, and reports to be generated during the Agency Contract period and relate them to the stated purpose(s) and specifications described in this Solicitation;
8. A detailed description of the Respondent's approach to manage ongoing Maintenance and Technical Lead activities, identifying all tasks to be performed, including all project activities, and other services and reports to be generated during the contract period and relate them to the stated purposes and specifications described in this Solicitation; and
9. Identifying in their Project Work Plan - beginning with the Agency Contract targeted commencement date and covering the Initial Term, Annual Renewals, and/or Additional Services – the following specifications in accordance with the work plan requirements as defined in the **Attachment K** (IT-SSA Agile Process Guide):
 - a. A detailed project schedule, which addresses the proposed project resources that will provide each identified service and must, at a minimum, include a description of each resource's qualifications and relevant experience for the identified service;
 - b. Expected effort (in person-hours or person-days) for each service area described above (Technical Lead, Maintenance, Enhancement);
 - c. Start and stop dates for each activity;
 - d. Submission of Deliverables identified in this Solicitation; and
 - e. Any assumptions and dependencies related to the Project.

12.3 Technical Requirements

Respondent must provide a detailed description of the proposed technical solution, which must support all business activities and requirements described in this Solicitation.

12.3.1 Technology Approach

Provide a detailed description of the nature of the work and include a detailed description of the proposed services.

12.3.2 IT-SSA Agile Process

Provide a description of the understanding of and intent to follow the IT-SSA Agile Process Guide (**Attachment K**).

12.3.3 Security

Provide a description of the understanding of and intent to comply with the HHS Enterprise Information Security Policy (EIS-Policy), with the current HHS Information Security Resource guidelines published on the HHS website [Vendor Resources](#), as noted in Section 11.2 - Precedence and Attachments.

12.4 Assumptions

In lieu of including Assumptions in their Solicitation Responses, Respondents are highly encouraged to address all issues that might be advanced by way of Assumptions by submitting such issues pursuant to Section 14.4 – Solicitation Questions.

Respondent must identify on the **Attachment H** (Assumptions Form) any business, economic, legal, programmatic, or practical assumptions that underlie the Respondent's Response to this Solicitation. HHSC reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into any Agency Contract resulting from this Solicitation are deemed rejected by HHSC.

12.5 Exceptions

In lieu of including exceptions in their Solicitation Responses, Respondents are highly encouraged to address all issues that might be advanced by way of Exceptions by submitting such issues as questions or requests for clarification pursuant to Section 14.4 - Solicitation Questions.

Any exception included in a Solicitation Response may result in a Respondent not being awarded an Agency Contract. If a Respondent includes exceptions in its Solicitation Response, Respondent is required to use the Exceptions Form included as **Attachment I** to this Solicitation and provide all information requested on the form. Any exception that does not provide all required information in the format set forth in **Attachment I** (Exceptions Form) may be rejected without consideration.

No exception, nor any other term, condition, or provision in a Solicitation Response that differs, varies from, or contradicts this Solicitation will be considered to be part of any Agency Contract resulting from this Solicitation unless expressly made a part of the Agency Contract in writing by HHSC.

12.6 Additional Considerations

1. Respondents will indicate their agreement to comply with the **Attachment D** (Data Use Agreement (DUA), Version 8.5) requirements stated in this Solicitation;
2. All written deliverables must be phrased in terms and language that can be easily understood by non-technical personnel (e.g., laypersons without subject matter expertise);
3. All items of this agreement must be done in accordance with the Key Performance Measures; and
4. HHSC may request oral presentations.

12.7 Page Limit and Supporting Documentation

The Business and Technical Proposal must not exceed **forty (40) pages** in length -- not including addenda, appendices, attachments, and/or exhibits - and should be formatted as follows:

1. Layout Size

- a. Letter: 8 ½" x 11" paper with 1-inch margins;
- b. Legal: 8 ½" x 14" paper with 1-inch margins; and/or
- c. Tabloid: 11" x 17" paper with 1-inch margins (if applicable).

2. Font Size

- a. 12-point font size; and
- b. No smaller than 10-point font size on Tables/Graphics/Figures.

3. Font Type

Use one of the more Accessible-rated fonts:

- a. Arial;
- b. Helvetica;
- c. Tahoma;
- d. Times New Roman; and/or
- e. Verdana.

Proposal pages must be numbered and contain an organized, tabbed, paginated table of contents corresponding to the section and pages of the Proposal. Variances to these specifications must be made in mutual agreement between the Parties.

If complete responses cannot be provided without referencing supporting documentation, such documentation must be provided with the Solicitation Response, with specific reference made to the file, page, section, and/or paragraph where the supporting information can be found.

ALL ITEMS OF THIS SECTION WILL BE DONE AS DETAILED, UNLESS OTHERWISE DIRECTED BY THE ASSIGNED HHSC PCS PURCHASER (SEE: SECTION 14.2 – SOLE POINT OF CONTACT).

[* THIS SPACE INTENTIONALLY BLANK. *]

13 Costs and Pricing

13.1 SOW Pricing

The main purpose of this section is to detail the pricing for the delivery of services detailed in Section 4 – Scope of Work. Respondents must provide a summary of any related Assumptions and Exceptions, if applicable (detailed in Sections 12.4 and 12.5).

1. Respondents must also provide hourly rates for this Solicitation;
2. Once HHS Systems Fiscal Year costs for the Agency Contract are established by an Agency Purchase Order based on the hourly rates, those costs may not be exceeded during the fiscal year, unless the agency issues an amended Agency Purchase Order to the Awarded Vendor. The actual Fiscal Year costs will be based on the actual labor hours delivered and may be less than the Agency Purchase Order fiscal year amount;
3. Travel and expenses that address State needs beyond the normal course of business may be reimbursed if travel is specifically requested from and approved in writing in advance by the Customer prior to that event (see: Section 13.3 - Incidental Expenses);
4. HHS-approved Agency Contract travel expenses will be reimbursed at the standard state of Texas rates (see: Section 13.3 - Incidental Expenses);
5. Local point-to-point mileage for travel to/from HHS Systems offices will not be reimbursed by the Customer; and
6. Respondents must provide the associated Section 13.2 – Pricing Sheets for Rates details.

13.2 Pricing Sheets for Rates

Except for hardware, software, tools, supplies and other personnel or support to be provided by HHSC, all costs related to services performed by the Awarded Vendor in response to this Solicitation must be included in the rates:

1. Rates for Subcontractor personnel to be charged to the Agency Contract must be provided and updated in the same manner as for the selected Respondent personnel;
2. Respondent's Role Description response must, where applicable, conform to the category and level identified with the Texas Department of Information Resources (DIR), IT Staff Augmentation Contract (ITSAC), Not-To-Exceed Pricing Final document for similar or substantially similar services:
 - a. found here: <https://dir.texas.gov/cooperative-contracts/it-staffing-services>
 - b. download from RESOURCES: [ITSAC 445 Category, Title, Level, NTE Rate](#)¹⁰
3. Rates provided will be the basis for any proposed change requests for additional work under the awarded Agency Contract; and
4. Add more rows corresponding to proposed SERVICES AREA SUPPORTED, as needed.

¹⁰ Reference: <https://dir.texas.gov/sites/default/files/ITSAC%20445%20Category%2C%20Title%2C%20Level%2C%20NTE%20Rate.xlsx>

13.2.1 Rates Schedules

RATE SCHEDULE TABLE 1: AGENCY CONTRACT INITIAL TERM - YEARS 1 and 2		
Service Area Supported	Role Description	Hourly Rate
Technical Lead		
Maintenance 1		
Maintenance 2		
Maintenance 3		
Maintenance 4		
Maintenance 5		
Maintenance 6		
Enhancement 1		
Enhancement 2		
Enhancement 3		
Enhancement 4		

RATE SCHEDULE TABLE 2: AGENCY CONTRACT ANNUAL RENEWAL - YEAR 1		
Service Area Supported	Role Description	Hourly Rate
Technical Lead		
Maintenance 1		
Maintenance 2		
Maintenance 3		
Maintenance 4		
Maintenance 5		
Maintenance 6		
Enhancement 1		
Enhancement 2		
Enhancement 3		
Enhancement 4		

RATE SCHEDULE TABLE 3: AGENCY CONTRACT ANNUAL RENEWAL - YEAR 2		
Service Area Supported	Role Description	Hourly Rate
Technical Lead		
Maintenance 1		
Maintenance 2		
Maintenance 3		
Maintenance 4		
Maintenance 5		
Maintenance 6		
Enhancement 1		
Enhancement 2		
Enhancement 3		
Enhancement 4		

RATE SCHEDULE TABLE 4: AGENCY CONTRACT ANNUAL RENEWAL - YEAR 3		
Service Area Supported	Role Description	Hourly Rate
Technical Lead		
Maintenance 1		
Maintenance 2		
Maintenance 3		
Maintenance 4		
Maintenance 5		
Maintenance 6		
Enhancement 1		
Enhancement 2		
Enhancement 3		
Enhancement 4		

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13.2.2 Costs Schedules

Populate the Cost Schedule tables with the planned Not-To-Exceed hours per Agency Contract month. Additional Services Costs must not be included Table 1, as they will be provided separately; reference **Cost Schedule Table 4: Contract Additional Services** below.

COST SCHEDULE TABLE 1: AGENCY CONTRACT INITIAL TERM - YEARS 1 and 2								
Service Month	Technical Lead		Maintenance		Enhancement		TOTAL Planned FTE Hours/ Month	TOTAL Planned Cost/ Month
	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month		
Year 1, Month 1								
Year 1, Month 2								
Year 1, Month 3								
Year 1, Month 4								
Year 1, Month 5								
Year 1, Month 6								
Year 1, Month 7								
Year 1, Month 8								
Year 1, Month 9								
Year 1, Month 10								
Year 1, Month 11								
Year 1, Month 12								
Year 2, Month 1								
Year 2, Month 2								
Year 2, Month 3								
Year 2, Month 4								

Department of Information Resources (DIR)
 Cooperative Contracts IT Products and Services
 for Kofax Product Solution Support and Services
 Solicitation: HHS0011016

COST SCHEDULE TABLE 1: AGENCY CONTRACT INITIAL TERM - YEARS 1 and 2								
Service Month	Technical Lead		Maintenance		Enhancement		TOTAL Planned FTE Hours/ Month	TOTAL Planned Cost/ Month
	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month		
Year 2, Month 5								
Year 2, Month 6								
Year 2, Month 7								
Year 2, Month 8								
Year 2, Month 9								
Year 2, Month 10								
Year 2, Month 11								
Year 2, Month 12								
CONTRACT TERM TOTALS								

- FTE: Full Time Equivalent

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Department of Information Resources (DIR)
 Cooperative Contracts IT Products and Services
 for Kofax Product Solution Support and Services
 Solicitation: HHS0011016

COST SCHEDULE TABLE 2: AGENCY CONTRACT ANNUAL RENEWAL - YEAR 1								
Service Month	Technical Lead		Maintenance		Enhancement		TOTAL Planned FTE Hours/ Month	TOTAL Planned Cost/ Month
	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month		
Year 1, Month 1								
Year 1, Month 2								
Year 1, Month 3								
Year 1, Month 4								
Year 1, Month 5								
Year 1, Month 6								
Year 1, Month 7								
Year 1, Month 8								
Year 1, Month 9								
Year 1, Month 10								
Year 1, Month 11								
Year 1, Month 12								
CONTRACT TERM TOTALS								

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Department of Information Resources (DIR)
 Cooperative Contracts IT Products and Services
 for Kofax Product Solution Support and Services
 Solicitation: HHS0011016

COST SCHEDULE TABLE 3: AGENCY CONTRACT ANNUAL RENEWAL - YEAR 2								
Service Month	Technical Lead		Maintenance		Enhancement		TOTAL Planned FTE Hours/ Month	TOTAL Planned Cost/ Month
	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month		
Year 2, Month 1								
Year 2, Month 2								
Year 2, Month 3								
Year 2, Month 4								
Year 2, Month 5								
Year 2, Month 6								
Year 2, Month 7								
Year 2, Month 8								
Year 2, Month 9								
Year 2, Month 10								
Year 2, Month 11								
Year 2, Month 12								
CONTRACT TERM TOTALS								

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Department of Information Resources (DIR)
 Cooperative Contracts IT Products and Services
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 Solicitation: HHS0011016

COST SCHEDULE TABLE 4: AGENCY CONTRACT ANNUAL RENEWAL - YEAR 3								
Service Month	Technical Lead		Maintenance		Enhancement		TOTAL Planned FTE Hours/ Month	TOTAL Planned Cost/ Month
	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month		
Year 3, Month 1								
Year 3, Month 2								
Year 3, Month 3								
Year 3, Month 4								
Year 3, Month 5								
Year 3, Month 6								
Year 3, Month 7								
Year 3, Month 8								
Year 3, Month 9								
Year 3, Month 10								
Year 3, Month 11								
Year 3, Month 12								
CONTRACT TERM TOTALS								

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Department of Information Resources (DIR)
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COST SCHEDULE TABLE 5: AGENCY CONTRACT ADDITIONAL SERVICES								
Type of Service	Technical Lead		Maintenance		Enhancement		TOTAL Planned FTE Hours/ Month	TOTAL Planned Cost/ Month
	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month		
Initial Transition Services								
Completion Turnover Services								
CONTRACT TERM TOTALS								

13.2.3 Total Costs

TABLE 6: AGENCY CONTRACT TOTALS PLANNED								
Type of Service	Technical Lead		Maintenance		Enhancement		TOTAL Planned FTE Hours/ Month	TOTAL Planned Cost/ Month
	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month	Total Planned Hours/ Month	Total Planned Cost/ Month		
Initial Term - Years 1 & 2								
Annual Renewal - Year 1								
Annual Renewal - Year 2								
Annual Renewal - Year 3								
Initial Transition Services								
Completion Turnover Services								
CONTRACT TERM TOTALS								

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13.3 Incidental Expenses

In accordance with a solicited Vendor's DIR Contract Appendix A, Standard Terms and Conditions, 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 THE CUSTOMER FOR ANY SERVICES RENDERED UNDER THIS SOLICITATION.

The Customer may reimburse the selected Respondent for reasonable, documented travel, lodging and meal expenses of the selected Respondent personnel engaged in performing Services for this Agreement **only if such expenses are incurred in response to a special request by the Customer:**

1. These anticipated travel expenses must be pre-approved in writing by the Customer prior to the event;
2. When reimbursement of travel expenses is authorized by the Customer, all such expenses will be reimbursed in accordance with the State of Texas TexTravel Rates and Requirements may be found on the Comptroller of Public Accounts' website¹¹;
3. All reimbursement rates will not exceed the maximum rates established for state employees under the current State Travel Management Program¹²;
4. In the event such a request by the Customer is due to a problem with the SOW Deliverables attributable to the selected Respondent, there will be no such reimbursement; and
5. The Customer reserves the right not to pay travel expenses which are not pre-approved in writing by the Customer.

13.4 Disputed Amounts

HHS System may withhold payment of any charges that it disputes in good faith and may set-off amounts the Awarded Vendor owes the Customer as credits against charges payable to the Awarded Vendor under the Agency Contract.

13.5 No Guarantee of Volume, Usage, or Compensation

HHSC makes no guarantee of volume, usage, or total compensation to be paid to any Respondent under any awarded Contract, if any, resulting from this Solicitation. Any awarded Contract is subject to appropriations and the continuing availability of funds. HHSC reserves the right to cancel, make partial award, or decline to award a Contract under this Solicitation at any time at its sole discretion.

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¹¹ Reference: <https://fmx.cpa.state.tx.us/fmx/travel/texttravel/index.php>

¹² Reference: <http://www.window.state.tx.us/procurement/prog/stmp/>

14 Response Submission Requirements

14.1 Schedule of Events

EVENT	DATE/TIME
Solicitation Posting Date	May 26, 2022
Deadline for Submitting Questions or Requests for Clarification (Section 14.4 - Solicitation Questions)	June 09, 2022 at 10:30 AM Central Time (CDST/CST)
Tentative Date Responses to Questions or Requests for Clarification Posted (Section 14.4 - Solicitation Questions)	June 23, 2022
Deadline for Submission of Responses	July 07, 2022 by 10:30 AM Central Time (CDST/CST)
Anticipated Contract Start Date	September 01, 2022

Respondents must submit their Responses to HHSC in accordance with the due date and time indicated in this Schedule of Events or as changed via an Addendum posted by HHSC.

BE ADVISED:

All dates are tentative and HHSC reserves the right to modify these dates at any time. At the sole discretion of HHSC, events listed in the Schedule of Events are subject to scheduling changes and cancellation.

Scheduling changes or cancellation determinations made prior to the Deadline for Submission will be published by posting an Addendum. After the Deadline for Submission, if there are delays that significantly impact the anticipated award date, HHSC, at its sole discretion, may post the updated regarding the anticipated award date to the [Procurement Forecast](#) on the HHS [Procurement Opportunities](#) webpage. Each Respondent is responsible for checking the posted addenda and [Procurement Forecast](#) for updates.

By submitting a Solicitation Response, Respondent represents and warrants that any individual submitting the Solicitation Response and any related documents on behalf of the Respondent is authorized to do so and to bind the Respondent under any Contract that may result from this Solicitation.

14.2 Sole Point of Contact

All requests, questions, or other communications about this Solicitation shall be made in writing to HHSC PCS addressed to the person listed below (Sole Point of Contact).

Additionally, a telephone number is provided for purposes such as instructing a potential Respondent through an IT system or website referenced in this Solicitation; communications via telephone are not binding.

Reference the title of the request (Solicitation Type: Kofax Product Solution Support and Services) in the SUBJECT line:

Name	Delia Arellano, CTCD, CTCM
Title	Purchaser VI
Address	1100 W. 49 th Street, MC 2020, Austin, TX 78756
Phone	(512) 406-2510
E-mail	Delia.Arellano@hhs.texas.gov

14.3 Prohibited Communication

Except as provided in Section 14.2 – Sole Point of Contact, Respondents are prohibited from any communication with HHSC regarding this Solicitation. HHSC and its representative(s), will not otherwise discuss the contents of this Solicitation with any potential Respondent or its representative(s). Attempts to ask questions by phone or in person will to be allowed or recognized as valid. Respondents shall rely only on written statements issued by or through HHSC PCS. This restriction does not preclude discussions between affected parties for the purposes of conducting business unrelated to this Solicitation. **Failure to comply with these restrictions may result in disqualification of the Respondent’s Response.**

14.4 Solicitation Questions

Respondents have the opportunity to submit questions prior to official submission of their Response. HHSC will allow written questions and Requests for Clarification regarding this Solicitation. On behalf of the Customer, HHSC/PCS will respond to questions received no later than the date and time specified in Section 14.1 - Schedule of Events:

1. A signed Solicitation Questions Form acknowledges the Respondent has had sufficient opportunity to ask questions and obtain information about the Solicitation prior to submission of their official proposals;
2. Solicitation Questions Form and Requests for Clarification must include the following information:
 - a. For each question:
 - 1) Under **Document Location** section:
 - a) Solicitation Number
 - b) Solicitation Document;
 - c) Section Number;
 - d) Paragraph Reference; and
 - e) Page Number.
 - 2) Under **Question** section:
 - a) Text of passage being questioned; and
 - b) The Respondent’s Question.
 - b. Submissions that deviate from this format may not be accepted;
3. If the Respondent has no questions, simply state “*No questions on this Solicitation*” in the first available textbox;

4. The Respondent's Solicitation Questions Form must be completed and submitted to HHSC/PCS either prior to (for questions) or accompanying the Solicitation Response (no questions) using the provided template [see: **Exhibit 3** (Solicitation Questions Form Template)];
5. Respondent's signed Solicitation Questions Form (for questions) must be submitted by e-mail to the Section 14.2 - Sole Point of Contact by the deadline established in Section 14.1 - Schedule of Events;
6. Requestor contact information below must be included in the body of their e-mail:
 - a. Company Name;
 - b. Company Representative Name;
 - c. Phone Number; and
 - d. E-mail Address.
7. HHSC/PCS will respond to Respondent inquiries via e-mail;
8. Respondent names will be removed from questions in any responses released;
9. HHSC/PCS will consolidate all written questions received from qualified Respondents;
10. All qualified Respondents will receive a copy of the consolidated questions submitted, with HHSC's responses, in the format of the addendum;
11. HHSC responses to written Requests for Clarification will be consolidated, de-identified, and posted as an addendum to this solicitation to all qualified Respondents - and will not be provided individually to requestors;
12. HHSC reserves the right to amend answers previously posted, prior to the Solicitation response deadline, with amended answers posted as an addendum to the Solicitation;
13. By submission of an inquiry, the Respondent acknowledges that the applicable inquiry and official answer may be shared with other Vendors and therefore Respondents **will not include any confidential or proprietary information in such inquiries**;
14. Solicitation Questions or Requests for Clarification received after the deadline in Section 14.1 - Schedule of Events, may be reviewed by HHSC but may not be answered; and
15. Neither the Customer nor HHSC/PCS will identify the Respondent that submitted any particular inquiry.

INFORMATION IN ANY FORM OTHER THAN THE MATERIALS CONSTITUTING THIS SOLICITATION, THE VENDOR QUESTION AND ANSWER DOCUMENT(S), AND ANY ADDENDUM WILL NOT BE BINDING.

14.5 Clarification

Respondents must notify the Sole Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specifications, omission, or other error in the Solicitation in the manner, and by the deadline, for submitting questions:

1. If a Respondent fails to properly and timely notify the Sole Point of Contact of such issues, the Respondent submits its Solicitation at its own risk;

2. If the selected Respondent is awarded an Agency Contract, they:
 - a. will have waived any claim of error or ambiguity in the Solicitation, and any resulting Agency Contract;
 - b. will not contest the interpretation by the Customer or HHSC of such provision(s); and
 - c. will not be entitled to additional compensation, relief, or time by reason of ambiguity, error, or later correction.

14.6 Changes, Modifications, and Cancellation

HHSC reserves the right to make changes to and/or cancel this Solicitation and will post all changes and modifications, whether made as a result of a potential Respondent's written inquiries or otherwise, and cancellation notices. It is the responsibility of the Respondent to adhere to any additional information or advisories regarding this Solicitation. If the Respondent fails to follow the instructions as received from the assigned PCS Purchaser (Section 14.2 – Sole Point of Contact) concerning any changes or modifications to the Solicitation, such failure will not relieve the Respondent of its obligation to fulfill the requirements as advised.

14.7 Irregularities

Any irregularities or lack of clarity in this Solicitation must be brought to the attention of the HHSC Purchaser listed in Section 14.2 – Sole Point of Contact as soon as possible, so corrective Addenda may be furnished to prospective Respondents.

14.8 Informalities

HHSC reserves the right to waive minor informalities in a Solicitation Response, if it is in the best interest of the Customer, or the HHS System. A "minor informality" is an omission or error that, in HHSC determination if waived or modified when evaluating Solicitation Responses, would not give a Respondent an unfair advantage over other Respondents, or result in a material change in the Solicitation Response or Solicitation requirements.

14.9 Solicitation Response Submission and Delivery

14.9.1 Deadline

Solicitation Responses must be received at the address in Section 14.10.5 - Labeling and Delivery for USB Submission and Other Materials and time-stamped by HHSC no later than the date and time specified in Section 14.1 - Schedule of Events. **Solicitation Responses received after the deadline specified in Section 14.1 - Schedule of Events will be rejected and not considered for Agency Contract award.**

14.9.2 Submission Ownership

All Solicitation Responses become the property of HHS Systems after submission and will not be returned to Respondent. HHS System reserves the right to use any and all information or materials presented in response to this Solicitation.

DISQUALIFICATION OF A RESPONDENT'S SOLICITATION RESPONSE AND AWARD OF AN AGENCY CONTRACT TO A DIFFERENT VENDOR DOES NOT ELIMINATE THIS RIGHT.

14.9.3 Response Submission Options

1. **Submission Option #1: Use this option only if the proposal is less than 30 MB.**

Respondent shall submit the following via e-mail to pcsbids@hhs.texas.gov. For Solicitation Responses sent to this PCS Bid Room mailbox, the PCS Bid Room Coordinator responds to the e-mail confirming receipt:

- a. One (1) file clearly labeled “**Original Proposal**” that contains the Respondent’s entire Business and Technical Proposal in searchable PDF;
- b. If the Business and Technical Proposal contains confidential information as defined in Section 11.1.6 - Public Information Act - Respondent Requirements Regarding Disclosure, one (1) file clearly labeled “**Public Information Act Copy**” that contains the Respondent’s redacted version of their Business and Technical Proposal, including all exhibits and attachments, in a searchable PDF;
- c. One (1) file clearly labeled “**Cost Proposal**” that contains the Respondent’s Cost Proposal in a format compatible with Microsoft Office 2016 products or later, such as Microsoft Word or Excel. If Excel is used, formulas must be active and observable;
- d. If the Cost Proposal contains confidential information as defined in Section 10.1.6 - Public Information Act - Respondent Requirements Regarding Disclosure, one (1) file clearly labeled “**Costs Proposal - Public Information Act Copy**” that contains the Respondent’s redacted version of their Cost Proposal, in a searchable PDF; and
- e. Include the following information in the e-mail SUBJECT line:
 - Solicitation No., Vendor Name, Due Date and Time.

2. **Submission Option #2:** Respondent shall submit the following on **two (2)** USB flash drives – one (1) clearly labeled “**Original Proposal**” and one (1) clearly labeled “**Copy**”, containing the following documents:

- a. Each USB must contain one (1) file named “**Original Proposal**” that contains the Respondent’s entire Business and Technical Proposal in searchable portable document format (PDF), unless otherwise specified for a particular attachment or exhibit.
- b. If the Business and Technical Proposal contains confidential information as defined in Section 11.1.6 - Public Information Act – Respondent Requirement Regarding Disclosure, each USB must contain **one (1)** file named “**Public Information Act Copy**” that contains the Respondent’s redacted version of their Business and Technical Proposal, including all exhibits and attachments, in searchable PDF.
- c. In accordance with Section 13 – Costs and Pricing, each USB must contain **one (1)** file named “**Cost Proposal**” that contains the Respondent’s cost proposal in a format compatible with Microsoft Office 2016 products or later, such as Microsoft Word or Excel. If Excel is used, formulas must be active and observable; and

- d. If the Cost Proposal contains confidential information as defined in Section 11.1.6 - Public Information Act - Respondent Requirements Regarding Disclosure, the USB must contain one (1) file clearly labeled “**Cost Proposal - Public Information Act Copy**” that contains the Respondent’s redacted version of their Cost Proposal, in a searchable PDF.
3. **Submission Option #3:** Respondent will submit the following through the Online Bid Room utilizing the procedures in **Attachment J** (HHS Online Bid Room):
- a. **One (1)** file named “**Original Proposal**” that contains the Respondent’s entire Business and Technical in searchable PDF;
 - b. If Business and Technical Proposal contains confidential information as defined in Section 11.1.6 - Public Information Act – Respondent Requirements Regarding Disclosure, **one (1)** file clearly labeled “**Public Information Act Copy**” that contains the Respondent’s redacted version of their Business and Technical Proposal, including all exhibits and attachments, in searchable PDF.
 - c. In accordance with Section 13 – Costs and Pricing, each USB must contain **one (1)** file named “**Cost Proposal**” that contains the Respondent’s Cost Proposal in a format compatible with Microsoft Office 2016 products or later, such as Microsoft Word or Excel. If Excel is used, formulas must be active and observable; and; and
 - d. If the Cost Proposal contains confidential information as defined in Section 11.1.6 - Public Information Act - Respondent Requirements Regarding Disclosure, each USB must contain one (1) file clearly labeled “**Cost Proposal - Public Information Act Copy**” that contains the Respondent’s redacted version of their Cost Proposal, in a searchable PDF.

14.9.4 Submission Checklist

The Response must be submitted using one of the approved submission methods identified in Section 14.10.3 - Response Submission Options. **Responses submitted through any other method will not be accepted or considered for evaluation.** Below are the specifications required to be submitted with the Solicitation Response. Where searchable PDF files are required, submission of non-searchable (image only) PDF files may result in disqualification from further consideration for Agency Contract award.

1. Business and Technical Proposal

a. Business Requirements	(Section 12.2)	_____
1) Company Information	(Section 12.2.1)	_____
2) Company Narrative	(Section 12.2.2)	_____
3) Company Profile	(Section 12.2.3)	_____
4) References	(Section 12.2.4)	_____
5) Litigation and Contract History	(Section 12.2.5)	_____
6) Conflicts	(Section 12.2.6)	_____
7) Major Subcontractor Information	(Section 12.2.7)	_____
8) Staff Capabilities	(Section 12.2.8)	_____
9) Project Work Plan	(Section 12.2.9)	_____

b. Technical Requirements	(Section 12.3)	_____
1) Technology Approach	(Section 12.3.1)	_____
2) IT-SSA Agile Process	(Section 12.3.2)	_____
3) Security	(Section 12.3.3)	_____
c. Assumptions, if applicable	(Section 12.4)	_____
d. Exceptions, if applicable	(Section 12.5)	_____
e. Affirmations, Assurances, and Certifications	(Section 11.2.3, #2)	_____
f. Minimum Qualifications	(Section 15.2.2)	_____

2. Cost Proposal

a. Costs and Pricing	(Section 13)	_____
b. SOW Pricing	(Section 13.1)	_____
c. Pricing Sheets for Rates	(Section 13.2)	_____
1) Rate Schedule	(Section 13.2.1)	_____
2) Costs Schedule	(Section 13.2.2)	_____
3) Total Costs	(Section 13.2.3)	_____

14.9.5 Labeling and Delivery for USB Submission and Other Materials

Respondent must deliver Solicitation Responses submitted via USB by one of the methods below.

Overnight/Express / Priority Mail	Hand Delivery
Health and Human Services Commission ATTN: Response Coordinator 1100 W. 49th St., MC 2020 Austin, Texas 78756	Procurement & Contracting Services Building ATTN: Response Coordinator 1100 W. 49th St., MC 2020 Austin, Texas 78756

BE ADVISED, all Solicitation Responses become the property of HHSC after submission and will not be returned to the Respondent. It is the Respondent’s responsibility to appropriately mark and deliver the Solicitation Response to HHSC PCS by the specified date. A U.S. Postal Service (USPS) postmark or round validation stamp; a mail receipt with the date of mailing, stamped by the USPS; a dated shipping label, invoice of receipt from a commercial carrier; or any other documentation in lieu of the on-site time stamp WILL NOT be accepted.

Each Respondent is solely responsible for ensuring its Solicitation Response is submitted in accordance with all Solicitation requirements, including, but not limited to, proper labeling of packages, sufficient postage or delivery fees, and ensuring timely receipt by HHSC.

In no event will HHSC be responsible or liable for any delay or error in delivery. Solicitation Response must be RECEIVED by HHSC PCS by the Solicitation Response Deadline identified in Section 14.1 -Schedule of Events.

Solicitation Responses submitted via USB by mail or hand delivery shall be placed in a sealed package. The sealed package and the USB drives shall be clearly labeled on the outside as follows:

SOLICITATION NO:	HHS0011016
SOLICITATION NAME	Kofax Product Solution Support and Services
SOLICITATION RESPONSE DEADLINE	07/07/2022, due by 10:30 AM Central Time (CDST/CST)
PURCHASER NAME:	Delia Arellano, CTCD, CTCM
RESPONDENT NAME:	

It is Respondent’s sole responsibility to ensure that packaging is sufficient to prevent damage to contents. HHSC will not be responsible or liable for any damage, and damaged Solicitation Responses will not be considered at HHSC’s sole discretion.

HHSC will not be held responsible for any Solicitation Response that is mishandled prior to receipt by HHSC PCS. It is the Respondent’s sole responsibility to mark appropriately and deliver the Solicitation Response to HHSC PCS by the specified date and time. HHSC will not be responsible for late delivery, inappropriately identified documents, or other submission errors that may lead to disqualification or nonreceipt of the Respondent’s Solicitation Response.

14.9.6 Modifications and Withdrawals

Prior to the Solicitation Response submission deadline in Section 14.1 -Schedule of Events, Respondent may:

1. withdraw its Solicitation Response by submitting a written request to the Sole Point of Contact identified in Section 14.2 - Sole Point of Contact; or
2. modify its Solicitation Response by submitting a written amendment to the Sole Point of Contact identified in Section 14.2 - Sole Point of Contact. When modifying its Solicitation Response, Respondent must include in writing the section(s) of its submission that will be replaced or removed by the amendment.

14.9.7 Discrepancies

Discrepancies or disparities between the contents of original Solicitation Responses and copies will be interpreted in favor of the Customer. If the Respondent fails to designate an “**Original Proposal**,” HHSC may reject the Solicitation Response or select a copy to be used as the original.

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15 Solicitation Response Evaluation

15.1 Conformance with State Law

1. Solicitation Responses will be evaluated in accordance with Title 10, Subtitle D of the Texas Government Code, including the applicable factors listed hereafter:
 - a. Texas Government Codes §§ 2155.074, 2155.144, 2156.007, and 2157.003 obligates the Customer to purchase products and services based on Best Value, as applicable; and
 - b. Texas Government Codes § 2155.075, for meeting the requirement to specify value factors in request for bids or proposals.
2. Per Texas Administrative Code 1 TAC §391.103(2), HHSC defines “Best Value” as the optimum combination of economy and quality that is the result of fair, efficient, and practical procurement decision-making and achieves HHS System procurement objectives; this Solicitation will not be awarded on low cost alone;
3. Per Texas Administrative Code 1 TAC §391.103(2)(A-I), HHSC will not be obligated to accept the lowest priced Solicitation Response, but will make an award to the Qualified Respondent that provides the best value to the State; and
4. Per Texas Administrative Code 1 TAC §391.101, the evaluation of proposals will be conducted using a formal evaluation process to select the successful proposal, and will consider capabilities or advantages that are clearly described in this SOW.

15.2 Best Value Determination

15.2.1 Selection Methodology

Solicitation Responses that meet the minimum qualifications will be submitted to the evaluation team for review and scoring. Each member of the evaluation team will receive a copy of each responsive Solicitation Response. The evaluators will review the Solicitation Responses considering the criteria listed in Section 15.2.5 - Written Response Evaluation Criteria.

Evaluators individually score the Solicitation Responses. This procurement will utilize an aggregated individual evaluation as outlined by this section. Interviews may be used to clarify the written responses. Oral Presentations or Site visits or Demonstrations may also be used to make a selection for Agency Contract award, as outlined by this section. The following subsections describe the evaluation process, including any criteria for advancement to the various phases of evaluation, if applicable.

15.2.2 Minimum Qualifications

Respondents must meet the minimum qualifications listed below.

1. Respondents must have recently been in business for a minimum of **three (3)** years, or the principals/owners must have had recent ownership/executive management experience in a previous company that provided Kofax Product Solution Support and Services;
2. The Respondent or Subcontractor personnel to be assigned to perform the services must meet the minimum certification and years of experience for their role as defined in Section 4.3.1 Staffing Requirement;

3. Respondent or Subcontractor personnel assigned to perform the services must be at least **eighteen (18)** years of age;
4. Respondents must be authorized to do business in the State of Texas;
5. Respondents have submitted the Solicitation Response in accordance with Section 14.10 - Solicitation Response Submission and Delivery, including all Solicitation Consideration and Award Consideration Documents (see Section 14.10.4 - Submission Checklist); and
6. Respondents who receive an overall score on the VPTS of less than a “C” may be disqualified from consideration for award.

15.2.3 Initial Compliance Screening

HHSC will review Solicitation Responses for compliance with Section 14.10.4 - Submission Checklist and for demonstrated ability to meet Section 15.2.2 - Minimum Qualifications required to advance to evaluations. Failure to meet Section 15.2.2 - Minimum Qualifications requirements will result in the disqualification of the Solicitation Response.

HHSC may contact references provided in response to this Solicitation. HHSC may contact Respondent’s clients, or solicit information from any available source, including the Comptroller’s VPTS. Any information received may be grounds for disqualification if that information, in HHSC’s sole discretion, suggests that the Respondent may perform poorly if selected.

15.2.4 Written Solicitation Response Evaluation

Each member of the evaluation team will read the Solicitation Responses in preparation for evaluation. The evaluation team will score all Solicitation Responses that pass initial screening (Section -15.2.3 Initial Compliance Screening). Solicitation Responses will be scored against the criteria in Section 15.2.5 - Written Response Evaluation Criteria.

Solicitation Responses will be evaluated utilizing aggregated individual scoring. The individual evaluators’ scores will be aggregated and weighted, resulting in the Final Written Response Scores, unless Interviews or Best and Final Offers (BAFOs) are conducted.

15.2.5 Written Response Evaluation Criteria

Solicitation Responses shall be consistently evaluated and scored in accordance with the following criteria. See also, Attachment M (Evaluation Tool).

Best Value Evaluation Criteria	Percent
1. Costs and Pricing	40%
2. Staff Capabilities, References, and Company Profile	35%
3. Technical Requirements and Project Work Plan	25%

15.2.6 Advancement Criteria

After the written Solicitation Response evaluation, Respondents may be selected for invitation to Interviews, Demonstrations, Oral Presentations and/ or Site Visits using the Advancement Criteria specified by this section. Advancement to Interviews, Demonstrations, Oral Presentations, and/or Site Visits will be determined by the Competitive Range. HHSC will limit advancement to secondary evaluation activities, and further award consideration, to Respondents that meet the specified Advancement Criteria.

The Competitive Range will consist of the Solicitation Responses that receive the highest scores or most satisfactory ratings, based on the published evaluation criteria and procedures governing this procurement. Cutoff for the Competitive Range will be based on the “natural break” in scores and on reasoned judgment that Solicitation Responses below the cutoff cannot be made successful through clarification and negotiation.

By way of example, in a scenario where initial evaluation scores are 97, 93, 82, 81, 79 and 68, the Competitive Range may include only the top two Respondents. HHSC is not obligated to enforce a natural break in scores and reserves the right to advance as many or as few Proposals as qualified under this criteria.

15.2.7 Interviews

At the sole discretion of HHSC, each Respondent submitting Solicitation Responses determined by HHSC to meet all minimum qualifications and submission requirements may be asked to participate in an Interview if they meet the Advancement Criteria specified in Section 15.2.6 - Advancement Criteria.

Interviews will be utilized to clarify the Respondent’s written Solicitation Response. Respondents attending Interviews will be asked questions related to the evaluation criteria and asked to provide additional clarifications regarding the Respondent’s specific offerings in its Solicitation Response.

Following each Respondent Interview, the evaluation team will update the scores from the Respondent’s written Solicitation Response based on the clarifications provided by the Respondent in the Interview. Respondent scores and rankings may increase or decrease from the original written evaluation scores, based on the clarifications provided by the Respondents during the Interviews.

The Respondent’s score prior to the Interview will no longer be considered its Final Written Response Score, and instead the post-interview score will be considered the Final Written Response Score for purposes of determining whether a Respondent meets Section 15.2.6 - Advancement Criteria, or for the purposes of award determination if there are no further evaluation activities.

Respondents will be provided with advance notice of any such Interview and are responsible for providing their own equipment, if applicable. Advance notice will include an agenda for the Interview specifying the Solicitation Response information expected to be clarified in the Interview.

Failure to participate in the requested Interview will eliminate a Respondent from further consideration. HHSC is not responsible for any costs incurred by the Respondent in preparation for, attendance at, participation in, or otherwise related to any Interview. All costs incurred by Respondent are the responsibility of Respondent.

15.2.8 Reference Checks

1. The Customer and HHSC may contact references provided in response to this Solicitation, contact the Respondent's clients, or solicit information from any available source, including the Comptroller's Vendor Performance Tracking System (VPTS), as described in the Texas Administrative Code, 34 TAC § 20.115; and
2. The Customer may conduct Reference Checks with other entities regarding past performance. In addition to evaluating performance through the Vendor Performance Tracking System, the Customer may examine other sources of Respondent performance including:
 - a. Assessments of Liquidated Damages;
 - b. Audit Report;
 - c. Cure Notices;
 - d. Litigation;
 - e. Non-renewals of Contracts; and
 - f. Notices of Termination.

15.2.9 Competitive Range / Best and Final Offer (BAFO)

HHSC, on behalf of the Customer, may determine that certain Solicitation Responses are within the Competitive Range and may use this range to award multiple Contracts or as a basis to request a Best and Final Offer (BAFO) from Respondents:

1. If the Customer and HHSC elects to limit award consideration to a competitive range, the competitive range will consist of the Solicitation Responses that receive the highest or most satisfactory ratings, based on the published evaluation criteria and procedures governing this procurement;
2. HHSC, in the interest of administrative efficiency, may place reasonable limits on the number of Solicitation Responses that will be included in the Competitive Range;
3. The Customer and HHSC may, at its discretion, request that any or all Respondents provide a BAFO;
4. If BAFOs are requested by the Customer and HHSC, and submitted by the Respondent, they will be evaluated using the criteria stated in the BAFO invitation - scored and ranked by the Customer Evaluation Committee;
5. A request for a BAFO from the Customer and HHSC does not guarantee an award or further negotiations;
6. The Customer and HHSC reserves the right to conduct more than one BAFO;
7. The award will be granted to the highest scoring Respondent;
8. A Respondent must provide its best offer in its original proposal; and
9. Respondents must not expect or assume that the Customer and HHSC will request a BAFO.

15.3 Questions or Requests for Clarification by HHSC

The Customer and HHSC reserve the right to ask questions or request clarifications from any Respondent at any time during the Solicitation process - including during oral presentations, site visits, and/or during the BAFO process.

16 Authority and Award

16.1 HHS System Authority

1. The Texas Health and Human Services Commission (HHSC) is the state agency that administers and/or provides health and human services in the State of Texas, through the Health and Human Services Systems (HHS Systems);
2. As set forth in Texas Government Code, Chapter 531, the HHS System refers to all HHSC offices and divisions and any other governmental entity (a “System Agency”), including the Texas Department of State Health Services (DSHS)¹³, that is under the administrative and operational control of the HHSC Executive Commissioner;
3. The agencies, offices, divisions, departments, sections, and units that receive procurement and contracting information, guidance, and services from HHSC are referred to as “Customer Organizations”. These Customer Organizations are agencies and/or areas of HHSC, DSHS, the Department of Family and Protective Services (DFPS), the Office of Inspector General (OIG), the Texas Civil Commitment Office (TCCO), and other governmental entities that the HHSC supports. HHSC provides specific procurement services to DFPS¹⁴ and TCCO¹⁵; and
4. HHS Systems Solicitation Authority:
 - a. HHSC is statutorily accountable for the oversight of all Texas HHS Systems Agencies. HHSC has the responsibility of overseeing and coordinating the planning and delivery of Health and Human Service Programs in the State of Texas, as established by Texas Government Code § 531.0055 (b)(2) and (k);
 - b. HHSC has the authority to solicit for goods and services in accordance with Texas Government Code § 2155, authorized to enter into contracts thru Texas Health and Safety Code Chapter 1001; and
 - c. HHSC’s Chief Executive Officer is Cecile E. Young, Executive Commissioner.

16.2 HHS System Award

On behalf of the Customer Organization initiating this Solicitation:

1. HHSC executes awards in accordance with Texas Administrative Code, 1 TAC §391;
2. HHSC may make no Agency Contract award, if no offer received is acceptable;
3. HHSC reserves the right to accept or reject all or any part of any response, waiver minor technicalities and award to the Qualified Respondent to best serves the State;
4. Agency Contract(s) for this Solicitation will be awarded only to direct-service providers and not to brokers or third-party representatives; and
5. For procurements greater than **Twenty-Five Thousand Dollars (\$25,000.00)**, awards will be posted on the ELECTRONIC STATE BUSINESS DAILY (ESBD) and the HHSC’s [Contracting with HHS](#) → [Contracts Awarded by HHS](#) website.

¹³ Reference: *Tex. Gov’t Code* §§ [531.001\(4\)\(B\)](#), [2155.144\(p\)](#).

¹⁴ Reference: *Tex. Hum. Res. Code* § [40.058\(i\)](#).

¹⁵ Reference: *Tex. Gov’t Code* § [420A.011](#).

Exhibit 1: Change Request Form Example

Date:			
Project Name/Number:			
Customer:			
Purchase Order Number:			
Change Request Number:			
Change Requested by:			
Description of Change/Issue:			
Reason for Change/Need for Resolution (<i>Include Benefits</i>):			
Importance:	Essential	Highly Desirable	Low Priority
Action Required to Implement Change:			
Affected Deliverables (Products, Services, &/or Milestones), Projects, or Tasks:			
Expected Costs and Timescale:			
Effect on Schedule:	Extension	Increase/Reduce	No Effect
Decision:			
Accepted / Rejected	Vendor Representative:		Date:
Accepted / Rejected	Agency Representative:		Date:

Exhibit 2: Kofax Product Solution Architecture

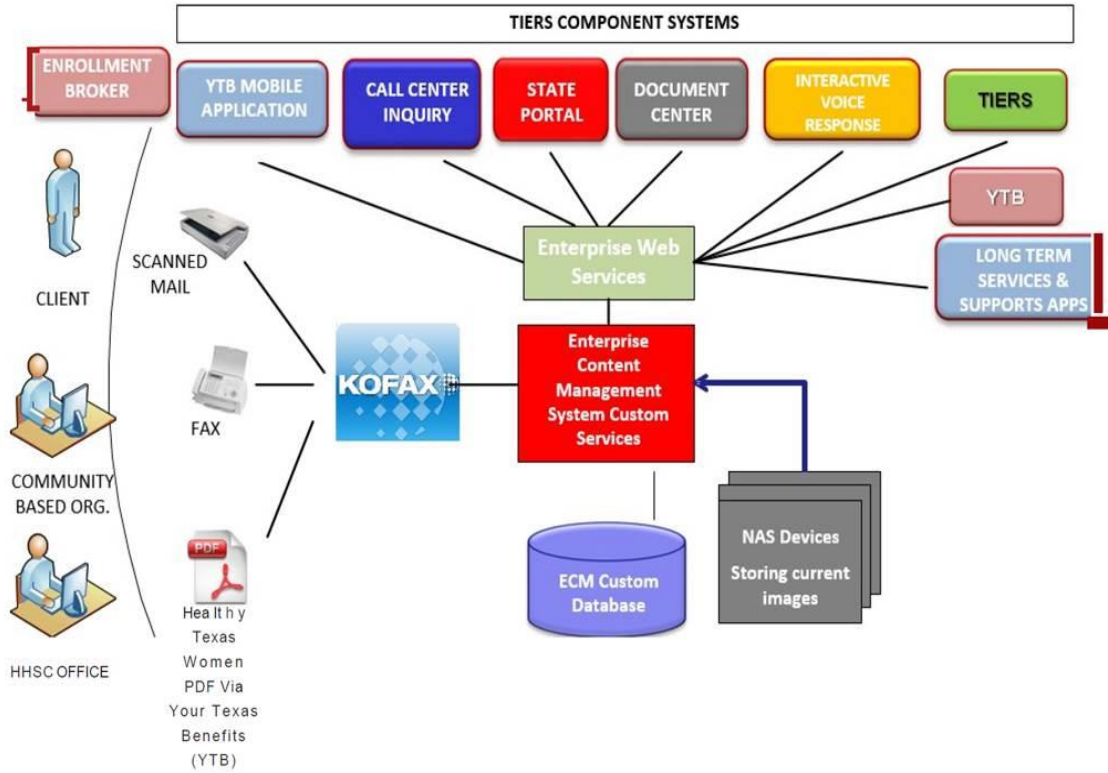


Exhibit 3: Solicitation Questions Form Template

Solicitation Questions		Solicitation HHS0011016
No.	Document Location	Question
#	<i>Reference data location, as directed.</i>	<i>Respondent Written Question</i> <i>Or</i> <i>“No questions on this Solicitation.”</i>
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
Failure to acknowledge receipt of this acknowledgement may result in response rejection. Respondents may acknowledge receipt by signing and returning this acknowledgement to PCS with the solicitation response.		
Authorized Signature:		<i>Sign Here</i>
Name of Authorized Signature:		<i>Print or Typed Signatory Name</i>
Business Entity Name:		<i>Respondent Company Name</i>
Date:		<i>Date Signed</i>

Exhibit 4: Attachments

1. Attachment A (HHS Uniform Terms and Conditions – Vendor, Version 3.2)
2. Attachment B (HHS Additional Provisions, Version 1.0)
3. Attachment C (HHS Solicitation Affirmations, Version 2.1)
4. Attachment D (Data Use Agreement (DUA), Version 8.5)
5. Attachment D-1: DUA Attachment 1 (A-1 - Subcontractor Agreement Form (SAF))
6. Attachment D-2: DUA Attachment 2 (A-2 - HHS Security and Privacy Inquiry (SPI))
7. Attachment E (Certification Regarding Lobbying)
8. Attachment F (Federal Assurances – Non-Construction Programs)
9. Attachment G (Federal Funding Accountability and Transparency Act)
10. Attachment H (Assumptions Form)
11. Attachment I (Exceptions Form)
12. Attachment J (HHS Online Bid Room)
13. Attachment K (IT-SSA Agile Process Guide)
14. Attachment L (Insurance)
15. Attachment M (Evaluation Tool)
16. Attachment N (Respondent Reference Form)



TEXAS

Health and Human Services

Health and Human Services (HHS)
Uniform Terms and Conditions - Vendor
Version 3.2

Effective: April 2021

Responsible Office: Chief Counsel

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ARTICLE I. DEFINITIONS AND INTERPRETIVE PROVISIONS

1.1 DEFINITIONS

As used in this Contract, unless the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

“Amendment” means a written agreement, signed by the Parties, which documents changes to the Contract other than those permitted by Work Orders.

“Attachment” means documents, terms, conditions, or information added to this Contract following the Signature Document or included by reference and made a part of this Contract.

“Contract” means the Signature Document, these Uniform Terms and Conditions, along with any Attachments, and any Amendments, purchase orders, or Work Orders that may be issued by the System Agency, to be incorporated by reference for all purposes.

“Contractor” means the Party selected to provide the goods or Services to the State under this Contract.

“Deliverable” means a Work Product(s), including all reports and project documentation, prepared, developed, or procured by Contractor as part of the Services under the Contract for the use or benefit of the System Agency or the State of Texas.

“Effective Date” means the date agreed to by the Parties as the date on which the Contract takes effect.

“Federal Fiscal Year” means the period beginning October 1 and ending September 30 each year, which is the annual accounting period for the United States government.

“GAAP” means Generally Accepted Accounting Principles.

“GASB” means the Governmental Accounting Standards Board.

“Goods” means supplies, materials, or equipment.

“Health and Human Services Commission” or “HHSC” means the administrative agency established under Chapter 531, Texas Government Code, or its designee.

“Health and Human Services” or “HHS” includes the Department of State Health Services (DSHS), in addition to the Health and Human Services Commission.

“HUB” means Historically Underutilized Business, as defined by Chapter 2161 of the Texas Government Code.

“Intellectual Property Rights” means the worldwide proprietary rights or interests, including patent, copyright, trade secret, and trademark rights, as such rights may be evidenced by or embodied in:

- i. any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement;

- ii. any work of authorship, including any compilation, computer code, website or web page design, literary work, pictorial work, or graphic work;
- iii. any trademark, service mark, trade dress, trade name, branding, or other indicia of source or origin;
- iv. domain name registrations; and
- v. any other proprietary or similar rights. The Intellectual Property Rights of a Party include all worldwide proprietary rights or interests that the Party may have acquired by assignment, by exclusive license, or by license with the right to grant sublicenses.

“[Parties](#)” means the System Agency and Contractor, collectively.

“[Party](#)” means either the System Agency or Contractor, individually.

“[Project](#)” means the goods or Services described in the Signature Document or a Work Order of this Contract.

“[Scope of Work](#)” means the description of Services and Deliverables specified in the Contract and as may be amended.

“[Services](#)” means the tasks, functions, and responsibilities assigned and delegated to Contractor under the Contract.

“[Signature Document](#)” means the document executed by both Parties that specifically sets forth all of the documents that constitute the Contract.

“[Solicitation](#)” means the document issued by the System Agency (including any published addenda, exhibits, and Attachments) under which the goods or Services provided under the Contract were initially requested, which is incorporated by reference for all purposes in its entirety.

“[Solicitation Response](#)” means Contractor’s full and complete response (including any Attachments and addenda) to the Solicitation, which is incorporated by reference for all purposes in its entirety.

“[State Fiscal Year](#)” means the period beginning September 1 and ending August 31 each year, which is the annual accounting period for the State of Texas.

“[State of Texas Textravel](#)” means the State Travel Management Program through the Texas Comptroller of Public Accounts website and Texas Administrative Code, Title 34, Part 1, Chapter 5, Subchapter C, Section 5.22, relative to travel reimbursements under this Contract, if any.

“[Subcontract](#)” means any written agreement between Contractor and a third party to fulfill the requirements of the Contract. All Subcontracts are required to be in writing.

“[Subcontractor](#)” means any individual or entity that enters a contract with the Contractor to perform part or all of the obligations of Contractor under this Contract.

“[System Agency](#)” means HHSC or any of the agencies of the State of Texas that are overseen by HHSC under authority granted under state law and the officers, employees, authorized representatives, and designees of those agencies. These agencies include: HHSC and the Department of State Health Services.

“[Third Party IP](#)” means the Intellectual Property Rights of any third party that is not a party to this Contract, and that is not a Subcontractor.

“[Work](#)” means all Services to be performed, goods to be delivered, and any appurtenant actions performed, and items produced, conceived, or developed, including Deliverables.

“[Work Order](#)” means an individually negotiated document that is executed by both Parties and which authorizes a Project, if any, in an indefinite quantity Contract.

“[Work Product](#)” means any and all works, including work papers, notes, materials, approaches, designs, specifications, systems, innovations, improvements, inventions, software, programs, source code, documentation, training materials, audio or audiovisual recordings, methodologies, concepts, studies, reports, whether finished or unfinished, and whether or not included in the Deliverables, that are developed, produced, generated, or provided by Contractor in connection with Contractor’s performance of its duties under the Contract or through use of any funding provided under this Contract.

1.2 INTERPRETIVE PROVISIONS

- A. The meanings of defined terms include the singular and plural forms.
- B. The words “hereof,” “herein,” “hereunder,” and similar words refer to this Contract as a whole and not to any particular provision, section, Attachment, or schedule of this Contract unless otherwise specified.
- C. The term “including” is not limiting and means “including without limitation” and, unless otherwise expressly provided in this Contract, (i) references to contracts (including this Contract) and other contractual instruments shall be deemed to include all subsequent Amendments and other modifications, but only to the extent that such Amendments and other modifications are not prohibited by the terms of this Contract, and (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting the statute or regulation.
- D. Any references to “sections,” “appendices,” or “attachments” are references to sections, appendices, or attachments of the Contract.
- E. Any references to agreements, contracts, statutes, or administrative rules or regulations in the Contract are references to these documents as amended, modified, or supplemented from time to time during the term of the Contract.
- F. The captions and headings of this Contract are for convenience of reference only and do not affect the interpretation of this Contract.
- G. All Attachments, including those incorporated by reference, and any Amendments are considered part of the terms of this Contract.
- H. This Contract may use several different limitations, regulations, or policies to regulate the same or similar matters. All such limitations, regulations, and policies are cumulative, and each will be performed in accordance with its terms.
- I. Unless otherwise expressly provided, reference to any action of the System Agency or by the System Agency by way of consent, approval, or waiver will be deemed modified by the phrase “in its sole discretion.”
- J. Time is of the essence in this Contract.

ARTICLE II. PAYMENT PROVISIONS

2.1 PROMPT PAYMENT

Payment shall be made in accordance with Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act. Chapter 2251 of the Texas Government Code shall govern remittance of payment and remedies for late payment and non-payment.

2.2 ANCILLARY AND TRAVEL EXPENSES

- A. Except as otherwise provided in the Contract, no ancillary expenses incurred by the Contractor in connection with its provision of the Services or Deliverables will be reimbursed by the System Agency. Ancillary expenses include, but are not limited to costs associated with transportation, delivery, and insurance for each Deliverable.
- B. When the reimbursement of travel expenses is authorized by the Contract, all such expenses will be reimbursed in accordance with the rates set by the State of Texas *Textravel* available at the Texas Comptroller of Public Accounts State Travel Management Program website.

2.3 NO QUANTITY GUARANTEES

The System Agency makes no guarantee of volume or usage of work under this Contract. All Work requested may be on an irregular and as needed basis throughout the Contract term.

2.4 TAXES

Purchases made for State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. Contractor represents and warrants that it shall pay all taxes or similar amounts resulting from the Contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Contractor or its employees. System Agency shall not be liable for any taxes resulting from the contract.

ARTICLE III. STATE AND FEDERAL FUNDING

3.1 EXCESS OBLIGATIONS PROHIBITED

The Contract is subject to termination or cancellation, without penalty to the System Agency, either in whole or in part, subject to the availability of state funds. System Agency is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If System Agency becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either System Agency's or Contractor's delivery or performance under the Contract impossible or unnecessary, the Contract will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this Section, System Agency will not be liable to Contractor for any damages that are caused or associated with such termination, or cancellation, and System Agency will not be required to give prior notice.

3.2 NO DEBT AGAINST THE STATE

This Contract will not be construed as creating any debt by or on behalf of the State of Texas.

3.3 DEBT AND DELINQUENCIES

Contractor agrees that any payments due under the Contract shall be directly applied towards eliminating any debt or delinquency it has to the State of Texas including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support.

3.4 REFUNDS AND OVERPAYMENTS

- A. At its sole discretion, the System Agency may:
 - i. withhold all or part of any payments to Contractor to offset overpayments, unallowable or ineligible costs made to the Contractor, or if any required financial status report(s) is not submitted by the due date(s); or,
 - ii. require Contractor to promptly refund or credit - within thirty (30) calendar days of written notice - any funds erroneously paid by System Agency which are not expressly authorized under the Contract.
- B. "Overpayments," as used in this Section, include payments:
 - i. made by the System Agency that exceed the maximum allowable rates;
 - ii. that are not allowed under applicable laws, rules, or regulations; or,
 - iii. that are otherwise inconsistent with this Contract, including any unapproved expenditures. Contractor understands and agrees that it will be liable to the System Agency for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Contract. Contractor further understands and agrees that reimbursement of such disallowed costs shall be paid by Contractor from funds which were not provided or otherwise made available to Contractor under this Contract.

ARTICLE IV. WARRANTY, AFFIRMATIONS, ASSURANCES, AND CERTIFICATIONS

4.1 WARRANTY

Contractor warrants that all Work under this Contract shall be completed in a manner consistent with standards under the terms of this Contract, in the applicable trade, profession, or industry; shall conform to or exceed the specifications set forth in the Contract; and all Deliverables shall be fit for ordinary use, of good quality, and with no material defects. If System Agency, in its sole discretion, determines Contractor has failed to complete Work timely or to perform satisfactorily under conditions required by this Contract, the System Agency may require Contractor, at its sole expense, to:

- i. Repair or replace all defective or damaged Work;
- ii. Refund any payment Contractor received from System Agency for all defective or damaged Work and, in conjunction therewith, require Contractor to accept the return of such Work; and,
- iii. Take necessary action to ensure that Contractor's future performance and Work conform to the Contract requirements.

4.2 GENERAL AFFIRMATIONS

Contractor certifies that, to the extent General Affirmations are incorporated into the Contract under the Signature Document, the Contractor has reviewed the General Affirmations and that Contractor is in compliance with all requirements.

4.3 FEDERAL ASSURANCES

Contractor certifies that, to the extent federal assurances are incorporated into the Contract under the Signature Document, the Contractor has reviewed the federal assurances and that Contractor is in compliance with all requirements.

4.4 FEDERAL CERTIFICATIONS

Contractor certifies that, to the extent federal certifications are incorporated into the Contract under the Signature Document, the Contractor has reviewed the federal certifications and that Contractor is in compliance with all requirements. In addition, Contractor certifies that it is and shall remain in compliance with all applicable federal laws, rules, and regulations, as they may pertain to this Contract.

ARTICLE V. INTELLECTUAL PROPERTY

5.1 OWNERSHIP OF WORK PRODUCT

- A. All right, title, and interest in the Work Product, including all Intellectual Property Rights therein, is exclusively owned by System Agency. Contractor and Contractor's employees will have no rights in or ownership of the Work Product or any other property of System Agency.
- B. Any and all Work Product that is copyrightable under United States copyright law is deemed to be "work made for hire" owned by System Agency, as provided by Title 17 of the United States Code. To the extent that Work Product does not qualify as a "work made for hire" under applicable federal law, Contractor hereby irrevocably assigns and transfers to System Agency, its successors and assigns, the entire right, title, and interest in and to the Work Product, including any and all Intellectual Property Rights embodied therein or associated therewith, and in and to all works based upon, derived from, or incorporating the Work Product, and in and to all income, royalties, damages, claims and payments now or hereafter due or payable with respect thereto, and in and to all causes of action, either in law or in equity for past, present or future infringement based on the copyrights, and in and to all rights corresponding to the foregoing.
- C. Contractor agrees to execute all papers and to perform such other acts as System Agency may deem necessary to secure for System Agency or its designee the rights herein assigned.
- D. In the event that Contractor has any rights in and to the Work Product that cannot be assigned to System Agency, Contractor hereby grants to System Agency an exclusive, worldwide, royalty-free, transferable, irrevocable, and perpetual license, with the right to sublicense, to reproduce, distribute, modify, create derivative works of, publicly perform and publicly display, make, have made, use, sell and offer for sale the Work Product and any products developed by practicing such rights.
- E. The foregoing does not apply to Incorporated Pre-existing Works or Third-Party IP that are incorporated in the Work Product by Contractor. Contractor shall provide System Agency access during normal business hours to all Vendor materials, premises, and computer files containing the Work Product.

5.2 CONTRACTOR'S PRE-EXISTING WORKS

- A. To the extent that Contractor incorporates into the Work Product any works of Contractor that were created by Contractor or that Contractor acquired rights in prior to the Effective Date of this Contract (“**Incorporated Pre-existing Works**”), Contractor retains ownership of such Incorporated Pre-existing Works.
- B. Contractor hereby grants to System Agency an irrevocable, perpetual, non-exclusive, royalty-free, transferable, worldwide right and license, with the right to sublicense, to use, reproduce, modify, copy, create derivative works of, publish, publicly perform and display, sell, offer to sell, make and have made, the Incorporated Pre-existing Works, in any medium, with or without the associated Work Product.
- C. Contractor represents, warrants, and covenants to System Agency that Contractor has all necessary right and authority to grant the foregoing license in the Incorporated Pre-existing Works to System Agency.

5.3 THIRD PARTY IP

- A. To the extent that any Third Party IP is included or incorporated in the Work Product by Contractor, Contractor hereby grants to System Agency, or shall obtain from the applicable third party for System Agency’s benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for System Agency’s internal business purposes only,
 - i. to use, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Third-Party IP and any derivative works thereof embodied in or delivered to System Agency in conjunction with the Work Product, and
 - ii. to authorize others to do any or all of the foregoing.
- B. Contractor shall obtain System Agency’s advance written approval prior to incorporating any Third-Party IP into the Work Product, and Contractor shall notify System Agency on delivery of the Work Product if such materials include any Third Party IP.
- C. Contractor shall provide System Agency all supporting documentation demonstrating Contractor’s compliance with this **Section 5.3**, including without limitation documentation indicating a third party’s written approval for Contractor to use any Third Party IP that may be incorporated in the Work Product.

5.4 AGREEMENTS WITH EMPLOYEES AND SUBCONTRACTORS

Contractor shall have written, binding agreements with its employees and subcontractors that include provisions sufficient to give effect to and enable Contractor’s compliance with Contractor’s obligations under this **Article V**.

5.5 DELIVERY UPON TERMINATION OR EXPIRATION

No later than the first calendar day after the termination or expiration of the Contract or upon System Agency’s request, Contractor shall deliver to System Agency all completed, or partially completed, Work Product, including any Incorporated Pre-existing Works, and any and all versions thereof. Contractor’s failure to timely deliver such Work Product is a material breach of the Contract. Contractor will not retain any copies of the Work Product or any documentation or other products or results of Contractor’s activities under the Contract without the prior written consent of System Agency.

5.6 SURVIVAL

The provisions and obligations of this **Article V** survive any termination or expiration of the Contract.

5.7 SYSTEM AGENCY DATA

- A. As between the Parties, all data and information acquired, accessed, or made available to Contractor by, through, or on behalf of System Agency or System Agency contractors, including all electronic data generated, processed, transmitted, or stored by Contractor in the course of providing data processing services in connection with Contractor's performance hereunder (the "**System Agency Data**"), is owned solely by System Agency.
- B. Contractor has no right or license to use, analyze, aggregate, transmit, create derivatives of, copy, disclose, or process the System Agency Data except as required for Contractor to fulfill its obligations under the Contract or as authorized in advance in writing by System Agency.
- C. For the avoidance of doubt, Contractor is expressly prohibited from using, and from permitting any third party to use, System Agency Data for marketing, research, or other non-governmental or commercial purposes, without the prior written consent of System Agency.
- D. Contractor shall make System Agency Data available to System Agency, including to System Agency's designated vendors, as directed in writing by System Agency. The foregoing shall be at no cost to System Agency.
- E. Furthermore, the proprietary nature of Contractor's systems that process, store, collect, and/or transmit the System Agency Data shall not excuse Contractor's performance of its obligations hereunder.

ARTICLE VI. PROPERTY

6.1 USE OF STATE PROPERTY

- A. Contractor is prohibited from using State Property for any purpose other than performing Services authorized under the Contract.
- B. State Property includes, but is not limited to, System Agency's office space, identification badges, System Agency information technology equipment and networks (*e.g.*, laptops, portable printers, cell phones, iPads or tablets, external hard drives, data storage devices, any System Agency-issued software, and the System Agency Virtual Private Network (VPN client)), and any other resources of System Agency.
- C. Contractor shall not remove State Property from the continental United States. In addition, Contractor may not use any computing device to access System Agency's network or e-mail while outside of the continental United States.
- D. Contractor shall not perform any maintenance services on State Property unless the Contract expressly authorizes such Services.
- E. During the time that State Property is in the possession of Contractor, Contractor shall be responsible for:
 - i. all repair and replacement charges incurred by State Agency that are associated with loss of State Property or damage beyond normal wear and tear, and

- ii. all charges attributable to Contractor's use of State Property that exceeds the Contract scope. Contractor shall fully reimburse such charges to System Agency within ten (10) calendar days of Contractor's receipt of System Agency's notice of amount due. Use of State Property for a purpose not authorized by the Contract shall constitute breach of contract and may result in termination of the Contract and the pursuit of other remedies available to System Agency under contract, at law, or in equity.

6.2 DAMAGE TO GOVERNMENT PROPERTY

- A. In the event of loss, destruction, or damage to any System Agency or State of Texas owned, leased, or occupied property or equipment by Contractor or Contractor's employees, agents, Subcontractors, and suppliers, Contractor shall be liable to System Agency and the State of Texas for the full cost of repair, reconstruction, or replacement of the lost, destroyed, or damaged property.
- B. Contractor shall notify System Agency of the loss, destruction, or damage of equipment or property within one (1) business day. Contractor shall reimburse System Agency and the State of Texas for such property damage within 10 calendar days after Contractor's receipt of System Agency's notice of amount due.

6.3 PROPERTY RIGHTS UPON TERMINATION OR EXPIRATION OF CONTRACT

In the event the Contract is terminated for any reason, or upon its expiration State Property remains the property of the System Agency and must be returned to the System Agency by the end date of the Contract or upon System Agency's request.

ARTICLE VII. WORK ORDERS

7.1 WORK ORDERS

If the Contract is for indefinite quantities of Services, as specified in the Signature Document, all Work will be performed in accordance with properly executed Work Orders.

7.2 PROPOSALS

For Work Order contracts, the Contractor shall submit to System Agency separate proposals, including pricing and a project plan, for each Project.

7.3 RESPONSIBILITY

For each approved Project, the Contractor shall be responsible for all Work assigned under the Work Order. Multiple Work Orders may be issued during the term of this Contract, all of which will be in writing and signed by the Parties. Each Work Order will include a scope of Services; a list of tasks required; a time schedule; a list of Deliverables, if any; a detailed Project budget; and any other information or special conditions as may be necessary for the Work assigned.

7.4 TERMINATION

If this Work Order is in effect on the day the Contract would otherwise expire, the Contract will remain in effect until this Work Order is terminated or expires; and the Contract and this Work Order may be amended after such termination or expiration to

extend the performance period or add ancillary deliverables or services, only to the extent necessary.

ARTICLE VIII. RECORD RETENTION, AUDIT, AND CONFIDENTIALITY

8.1 RECORD MAINTENANCE AND RETENTION

- A. Contractor shall keep and maintain under GAAP or GASB, as applicable, full, true, and complete records necessary to fully disclose to the System Agency, the Texas State Auditor's Office, the United States Government, and their authorized representatives sufficient information to determine compliance with the terms and conditions of this Contract and all state and federal rules, regulations, and statutes.
- B. Contractor shall maintain and retain legible copies of this Contract and all records relating to the performance of the Contract including supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements. These records shall be maintained and retained by Contractor for a minimum of seven (7) years after the Contract expiration date or seven (7) years after the completion of all audit, claim, litigation, or dispute matters involving the Contract are resolved, whichever is later.

8.2 AGENCY'S RIGHT TO AUDIT

- A. Contractor shall make available at reasonable times and upon reasonable notice, and for reasonable periods, work papers, reports, books, records, supporting documents kept current by Contractor pertaining to the Contract for purposes of inspecting, monitoring, auditing, or evaluating by System Agency and the State of Texas.
- B. In addition to any right of access arising by operation of law, Contractor and any of Contractor's affiliate or subsidiary organizations, or Subcontractors shall permit the System Agency or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, unrestricted access to and the right to examine any site where business is conducted or Services are performed, and all records, which includes but is not limited to financial, client and patient records, books, papers or documents related to this Contract. If the Contract includes federal funds, federal agencies that shall have a right of access to records as described in this section include: the federal agency providing the funds, the Comptroller General of the United States, the General Accounting Office, the Office of the Inspector General, and any of their authorized representatives. In addition, agencies of the State of Texas that shall have a right of access to records as described in this section include: the System Agency, HHSC, HHSC's contracted examiners, the State Auditor's Office, the Texas Attorney General's Office, and any successor agencies. Each of these entities may be a duly authorized authority.
- C. If deemed necessary by the System Agency or any duly authorized authority, for the purpose of investigation or hearing, Contractor shall produce original documents related to this Contract.
- D. The System Agency and any duly authorized authority shall have the right to audit billings both before and after payment, and all documentation that substantiates the billings.

- E. Contractor shall include this provision concerning the right of access to, and examination of, sites and information related to this Contract in any Subcontract it awards.

8.3 RESPONSE/COMPLIANCE WITH AUDIT OR INSPECTION FINDINGS

- A. Contractor must act to ensure its and its Subcontractors' compliance with all corrections necessary to address any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle, or any other deficiency identified in any audit, review, or inspection of the Contract and the Services and Deliverables provided. Any such correction will be at Contractor's or its Subcontractor's sole expense. Whether Contractor's action corrects the noncompliance shall be solely the decision of the System Agency.
- B. As part of the Services, Contractor must provide to System Agency upon request a copy of those portions of Contractor's and its Subcontractors' internal audit reports relating to the Services and Deliverables provided to the State under the Contract.

8.4 STATE AUDITOR'S RIGHT TO AUDIT

- A. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the Contract or indirectly through a subcontract under the Contract. The acceptance of funds directly under the Contract or indirectly through a subcontract under the Contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
- B. The Contractor shall comply with any rules and procedures of the state auditor in the implementation and enforcement of Section 2262.154 of the Texas Government Code.

8.5 CONFIDENTIALITY

Contractor shall maintain as confidential and shall not disclose to third parties without System Agency's prior written consent, any System Agency information including but not limited to System Agency Data, System Agency's business activities, practices, systems, conditions and services. This section will survive termination or expiration of this Contract. The obligations of Contractor under this section will survive termination or expiration of this Contract. This requirement must be included in all subcontracts awarded by Contractor.

ARTICLE IX. CONTRACT REMEDIES AND EARLY TERMINATION

9.1 CONTRACT REMEDIES

To ensure Contractor's full performance of the Contract and compliance with applicable law, the System Agency reserves the right to hold Contractor accountable for breach of contract or substandard performance and may take remedial or corrective actions, including, but not limited to:

- i. suspending all or part of the Contract;
- ii. requiring the Contractor to take specific actions in order to remain in compliance with the Contract;

- iii. recouping payments made by the System Agency to the Contractor found to be in error;
- iv. suspending, limiting, or placing conditions on the Contractor's continued performance of Work; or
- v. imposing any other remedies, sanctions, or penalties authorized under this Contract or permitted by federal or state law.

9.2 TERMINATION FOR CONVENIENCE

The System Agency may terminate the Contract, in whole or in part, at any time when, in its sole discretion, the System Agency determines that termination is in the best interests of the State of Texas. The termination will be effective on the date specified in the System Agency's notice of termination.

9.3 TERMINATION FOR CAUSE

Except as otherwise provided by the U.S. Bankruptcy Code, or any successor law, the System Agency may terminate the Contract, in whole or in part, upon either of the following conditions:

i. Material Breach

The System Agency will have the right to terminate the Contract in whole or in part if the System Agency determines, in its sole discretion, that Contractor has materially breached the Contract or has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction and such violation prevents or substantially impairs performance of Contractor's duties under the Contract. Contractor's misrepresentation in any aspect of Contractor's Solicitation Response, if any, or Contractor's addition to the System for Award Management (SAM) exclusion list will also constitute a material breach of the Contract.

ii. Failure to Maintain Financial Viability

The System Agency may terminate the Contract if, in its sole discretion, the System Agency has a good faith belief that Contractor no longer maintains the financial viability required to complete the Work, or otherwise fully perform its responsibilities under the Contract.

9.4 CONTRACTOR RESPONSIBILITY FOR SYSTEM AGENCY'S TERMINATION COSTS

If the System Agency terminates the Contract for cause, the Contractor shall be responsible to the System Agency for all costs incurred by the System Agency and the State of Texas to replace the Contractor. These costs include, but are not limited to, the costs of procuring a substitute vendor and the cost of any claim or litigation attributable to Contractor's failure to perform any Work in accordance with the terms of the Contract.

ARTICLE X. INDEMNITY

10.1 GENERAL INDEMNITY

A. CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND SYSTEM AGENCY, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL

RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT.

- B. THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE CONTRACTOR TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE SYSTEM AGENCY FOR ANY CLAIMS OR LIABILITIES RESULTING FROM THE NEGLIGENT ACTS OF OMISSIONS OF THE SYSTEM AGENCY OR ITS EMPLOYEES.**
- C. For the avoidance of doubt, System Agency shall not indemnify Contractor or any other entity under the Contract.**

10.2 INTELLECTUAL PROPERTY

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE SYSTEM AGENCY AND THE STATE OF TEXAS FROM AND AGAINST ANY AND ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS, OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR OTHER INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, AND/OR IN CONNECTION WITH OR ARISING FROM:

- i. THE PERFORMANCE OR ACTIONS OF CONTRACTOR PURSUANT TO THIS CONTRACT;**
- ii. ANY DELIVERABLE, WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED HEREUNDER; AND/OR**
- iii. SYSTEM AGENCY'S AND/OR CONTRACTOR'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO SYSTEM AGENCY BY CONTRACTOR OR OTHERWISE TO WHICH SYSTEM AGENCY HAS ACCESS AS A RESULT OF CONTRACTOR'S PERFORMANCE UNDER THE CONTRACT.**

10.3 ADDITIONAL INDEMNITY PROVISIONS

- A. CONTRACTOR AND SYSTEM AGENCY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY INDEMNITY CLAIM. CONTRACTOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES.**
- B. THE DEFENSE SHALL BE COORDINATED BY THE CONTRACTOR WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL.**
- C. CONTRACTOR SHALL REIMBURSE SYSTEM AGENCY AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES OR OTHER AMOUNTS, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS'**

FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM. IF THE SYSTEM AGENCY DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF CONTRACTOR OR IF SYSTEM AGENCY IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, SYSTEM AGENCY WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND CONTRACTOR SHALL PAY ALL REASONABLE COSTS OF SYSTEM AGENCY'S COUNSEL.

ARTICLE XI. GENERAL PROVISIONS

11.1 AMENDMENT

The Contract may only be amended by an Amendment executed by both Parties.

11.2 INSURANCE

- A. Unless otherwise specified in this Contract, Contractor shall acquire and maintain, for the duration of this Contract, insurance coverage necessary to ensure proper fulfillment of this Contract and potential liabilities thereunder with financially sound and reputable insurers licensed by the Texas Department of Insurance, in the type and amount customarily carried within the industry as determined by the System Agency. Contractor shall provide evidence of insurance as required under this Contract, including a schedule of coverage or underwriter's schedules establishing to the satisfaction of the System Agency the nature and extent of coverage granted by each such policy, upon request by the System Agency. In the event that any policy is determined by the System Agency to be deficient to comply with the terms of this Contract, Contractor shall secure such additional policies or coverage as the System Agency may reasonably request or that are required by law or regulation. If coverage expires during the term of this Contract, Contractor must produce renewal certificates for each type of coverage.
- B. These and all other insurance requirements under the Contract apply to both Contractor and its Subcontractors, if any. Contractor is responsible for ensuring its Subcontractors' compliance with all requirements.

11.3 LIMITATION ON AUTHORITY

- A. The authority granted to Contractor by the System Agency is limited to the terms of the Contract.
- B. Contractor shall not have any authority to act for or on behalf of the System Agency or the State of Texas except as expressly provided for in the Contract; no other authority, power, or use is granted or implied. Contractor may not incur any debt, obligation, expense, or liability of any kind on behalf of System Agency or the State of Texas.
- C. Contractor may not rely upon implied authority and is not granted authority under the Contract to:
 - i. Make public policy on behalf of the System Agency;
 - ii. Promulgate, amend, or disregard administrative regulations or program policy decisions made by State and federal agencies responsible for administration of a System Agency program; or
 - iii. Unilaterally communicate or negotiate with any federal or state agency or the Texas Legislature on behalf of the System Agency regarding System Agency

programs or the Contract. However, upon System Agency request and with reasonable notice from System Agency to the Contractor, the Contractor shall assist the System Agency in communications and negotiations regarding the Work under the Contract with state and federal governments.

11.4 LEGAL OBLIGATIONS

Contractor shall comply with all applicable federal, state, and local laws, ordinances, and regulations, including all federal and state accessibility laws relating to direct and indirect use of information and communication technology. Contractor shall be deemed to have knowledge of all applicable laws and regulations and be deemed to understand them.

11.5 CHANGE IN LAWS AND COMPLIANCE WITH LAWS

Contractor shall comply with all laws, regulations, requirements and guidelines applicable to a vendor providing services and products required by the Contract to the State of Texas, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the Contract. System Agency reserves the right, in its sole discretion, to unilaterally amend the Contract to incorporate any modifications necessary for System Agency's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

11.6 E-VERIFY PROGRAM

Contractor certifies that for Contracts for Services, Contractor shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of the Contract to determine the eligibility of:

- i. all persons employed by Contractor to perform duties within Texas; and
- ii. all persons, including subcontractors, assigned by the Contractor to perform Work pursuant to the Contract within the United States of America.

11.7 PERMITTING AND LICENSURE

At Contractor's sole expense, Contractor shall procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, insurance, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or Services required by this Contract.

Contractor shall be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law. Contractor shall be responsible for payment of any such government obligations not paid by its Subcontractors during performance of this Contract.

11.8 SUBCONTRACTORS

Contractor may not subcontract any or all of the Work and/or obligations under the Contract without prior written approval of the System Agency. Subcontracts, if any, entered into by the Contractor shall be in writing and be subject to the requirements of the Contract. Should Contractor Subcontract any of the services required in the Contract, Contractor expressly understands and acknowledges that in entering into such Subcontract(s), System Agency is in no manner liable to any subcontractor(s) of Contractor. In no event shall this provision relieve Contractor of the responsibility for

ensuring that the services performed under all Subcontracts are rendered in compliance with the Contract.

11.9 INDEPENDENT CONTRACTOR

Contractor and Contractor's employees, representatives, agents, Subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services under the Contract. Neither Contractor nor System Agency is an agent of the other and neither may make any commitments on the other party's behalf. Contractor shall have no claim against System Agency for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. The Contract shall not create any joint venture, partnership, agency, or employment relationship between Contractor and System Agency.

11.10 GOVERNING LAW AND VENUE

This Contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the Contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the System Agency.

11.11 SEVERABILITY

If any provision of the Contract is held to be illegal, invalid or unenforceable by a court of law or equity, such construction will not affect the legality, validity or enforceability of any other provision or provisions of this Contract. It is the intent and agreement of the Parties this Contract shall be deemed amended by modifying such provision to the extent necessary to render it valid, legal and enforceable while preserving its intent or, if such modification is not possible, by substituting another provision that is valid, legal and enforceable and that achieves the same objective. All other provisions of this Contract will continue in full force and effect.

11.12 SURVIVABILITY

Expiration or termination of the Contract for any reason does not release Contractor from any liability or obligation set forth in the Contract that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the Contract, including without limitation the provisions regarding warranty, indemnification, confidentiality, and rights and remedies upon termination.

11.13 FORCE MAJEURE

Neither Contractor nor System Agency shall be liable to the other for any delay in, or failure of performance of, any requirement included in the Contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to

avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.

11.14 DISPUTE RESOLUTION

- A. The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used to attempt to resolve any dispute arising under the Contract. If the Contractor's claim for breach of contract cannot be resolved informally with the System Agency, the claim shall be submitted to the negotiation process provided in Chapter 2260. To initiate the process, the Contractor shall submit written notice, as required by Chapter 2260, to the individual identified in the Contract for receipt of notices. Any informal resolution efforts shall in no way modify the requirements or toll the timing of the formal written notice of a claim for breach of contract required under §2260.051 of the Texas Government Code. Compliance by the Contractor with Chapter 2260 is a condition precedent to the filing of a contested case proceeding under Chapter 2260.
- B. The contested case process provided in Chapter 2260 is the Contractor's sole and exclusive process for seeking a remedy for an alleged breach of contract by the System Agency if the Parties are unable to resolve their disputes as described above.
- C. Notwithstanding any other provision of the Contract to the contrary, unless otherwise requested or approved in writing by the System Agency, the Contractor shall continue performance and shall not be excused from performance during the period of any breach of contract claim or while the dispute is pending. However, the Contractor may suspend performance during the pendency of such claim or dispute if the Contractor has complied with all provisions of Section 2251.051, Texas Government Code, and such suspension of performance is expressly applicable and authorized under that law.

11.15 NO IMPLIED WAIVER OF PROVISIONS

The failure of the System Agency to object to or to take affirmative action with respect to any conduct of the Contractor which is in violation or breach of the terms of the Contract shall not be construed as a waiver of the violation or breach, or of any future violation or breach.

11.16 MEDIA RELEASES

- A. Contractor shall not use System Agency's name, logo, or other likeness in any press release, marketing material, or other announcement without System Agency's prior written approval. System Agency does not endorse any vendor, commodity, or service. Contractor is not authorized to make or participate in any media releases or public announcements pertaining to this Contract or the Services to which they relate without System Agency's prior written consent, and then only in accordance with explicit written instruction from System Agency.
- B. Contractor may publish, at its sole expense, results of Contractor performance under the Contract with the System Agency's prior review and approval, which the System Agency may exercise at its sole discretion. Any publication (written, visual, or sound) will acknowledge the support received from the System Agency and any Federal agency, as appropriate.

11.17 NO MARKETING ACTIVITIES

Contractor is prohibited from using the Work for any Contractor or third-party marketing, advertising, or promotional activities, without the prior written consent of System Agency. The foregoing prohibition includes, without limitation, the placement of banners, pop-up ads, or other advertisements promoting Contractor's or a third party's products, services, workshops, trainings, or other commercial offerings on any website portal or internet-based service or software application hosted or managed by Contractor as part of the Work.

11.18 PROHIBITION ON NON-COMPETE RESTRICTIONS

Contractor shall not require any employees or Subcontractors to agree to any conditions, such as non-compete clauses or other contractual arrangements that would limit or restrict such persons or entities from employment or contracting with the State of Texas.

11.19 SOVEREIGN IMMUNITY

Nothing in the Contract shall be construed as a waiver of the System Agency's or the State's sovereign immunity. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the System Agency or the State of Texas. The failure to enforce, or any delay in the enforcement of, any privileges, rights, defenses, remedies, or immunities available to the System Agency or the State of Texas under the Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. System Agency does not waive any privileges, rights, defenses, or immunities available to System Agency by entering into the Contract or by its conduct prior to or subsequent to entering into the Contract.

11.20 ENTIRE CONTRACT AND MODIFICATION

This Contract constitutes the entire agreement of the Parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Any additional or conflicting terms in any future document incorporated into the Contract will be harmonized with this Contract to the extent possible.

11.21 COUNTERPARTS

This Contract may be executed in any number of counterparts, each of which will be an original, and all such counterparts will together constitute but one and the same Contract.

11.22 CIVIL RIGHTS

- A. Contractor agrees to comply with state and federal anti-discrimination laws, including:
- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.);
 - ii. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
 - iii. Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.);
 - iv. Age Discrimination Act of 1975 (42 U.S.C. §§6101-6107);
 - v. Title IX of the Education Amendments of 1972 (20 U.S.C. §§1681-1688);
 - vi. Food and Nutrition Act of 2008 (7 U.S.C. §2011 et seq.); and
 - vii. The System Agency's administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Contract.

- B. Contractor agrees to comply with all amendments to the above-referenced laws, and all requirements imposed by the regulations issued pursuant to these laws. These laws provide in part that no persons in the United States may, on the grounds of race, color, national origin, sex, age, disability, political beliefs, or religion, be excluded from participation in or denied any aid, care, service or other benefits provided by Federal or State funding, or otherwise be subjected to discrimination.
- C. Contractor agrees to comply with Title VI of the Civil Rights Act of 1964, and its implementing regulations at 45 C.F.R. Part 80 or 7 C.F.R. Part 15, prohibiting a contractor from adopting and implementing policies and procedures that exclude or have the effect of excluding or limiting the participation of clients in its programs, benefits, or activities on the basis of national origin. State and federal civil rights laws require contractors to provide alternative methods for ensuring access to services for applicants and recipients who cannot express themselves fluently in English. Contractor agrees to take reasonable steps to provide services and information, both orally and in writing, in appropriate languages other than English, in order to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits, and activities.
- D. Contractor agrees to post applicable civil rights posters in areas open to the public informing clients of their civil rights and including contact information for the HHS Civil Rights Office. The posters are available on the HHS website at: <https://hhs.texas.gov/about-hhs/your-rights/civil-rights-office/civil-rights-posters>
- E. Contractor agrees to comply with Executive Order 13279, and its implementing regulations at 45 C.F.R. Part 87 or 7 C.F.R. Part 16. These provide in part that any organization that participates in programs funded by direct financial assistance from the United States Department of Agriculture or the United States Department of Health and Human Services shall not discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.
- F. Upon request, Contractor shall provide HHSC's Civil Rights Office with copies of the Contractor's civil rights policies and procedures.
- G. Contractor must notify HHSC's Civil Rights Office of any complaints of discrimination received relating to its performance under this Contract. This notice must be delivered no more than ten (10) calendar days after receipt of a complaint. Notice provided pursuant to this section must be directed to:
HHSC Civil Rights Office
701 W. 51st Street, Mail Code W206
Austin, Texas 78751
Phone Toll Free: (888) 388-6332
Phone: (512) 438-4313
Fax: (512) 438-5885
Email: HHSCivilRightsOffice@hhsc.state.tx.us

11.23 ENTERPRISE INFORMATION MANAGEMENT STANDARDS

Contractor shall conform to HHS standards for data management as described by the policies of the HHS Chief Data and Analytics Officer. These include, but are not limited to, standards for documentation and communication of data models, metadata, and other data definition methods that are required by HHS for ongoing data governance, strategic portfolio analysis, interoperability planning, and valuation of HHS System data assets.

11.24 DISCLOSURE OF LITIGATION

- A. The Contractor must disclose in writing to the contract manager assigned to this Contract any material civil or criminal litigation or indictment either threatened or pending involving the Contractor. “Threatened litigation” as used herein shall include governmental investigations and civil investigative demands. “Litigation” as used herein shall include administrative enforcement actions brought by governmental agencies. The Contractor must also disclose any material litigation threatened or pending involving Subcontractors, consultants, and/or lobbyists. For purposes of this section, “material” refers, but is not limited, to any action or pending action that a reasonable person knowledgeable in the applicable industry would consider relevant to the Work under the Contract or any development such a person would want to be aware of in order to stay fully apprised of the total mix of information relevant to the Work, together with any litigation threatened or pending that may result in a substantial change in the Contractor’s financial condition.
- B. This is a continuing disclosure requirement; any litigation commencing after Contract Award must be disclosed in a written statement to the assigned contract manager within seven calendar days of its occurrence.

11.25 NO THIRD-PARTY BENEFICIARIES

The Contract is made solely and specifically among and for the benefit of the Parties named herein and their respective successors and assigns, and no other person shall have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the Contract as a third-party beneficiary or otherwise.

11.26 BINDING EFFECT

The Contract shall inure to the benefit of, be binding upon, and be enforceable against, each Party and their respective permitted successors, assigns, transferees, and delegates.



TEXAS

Health and Human Services

Health and Human Services (HHS)

Additional Provisions

Version 1.0

Effective: November 7, 2019

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ADDITIONAL PROVISIONS

The terms and conditions of these ADDITIONAL PROVISIONS are incorporated into and made a part of the Agency Contract. Capitalized items used in these ADDITIONAL PROVISIONS and not otherwise defined have the meanings assigned to them in the HHS0011016 IT-SSA DIR SOW and/or the HHSC Uniform Terms and Conditions – Vendor (Version 3.2):

1. HHSC APPROVAL OF STAFFING

The Awarded Vendor shall not employ or contract with or permit the employment of unfit or unqualified persons or persons not skilled in the tasks assigned to them:

- A. The Awarded Vendor shall at all times employ sufficient labor to carry out functions and services in the manner and time prescribed by the Agency Contract;
- B. The Awarded Vendor shall be responsible to HHSC for the acts and omissions of the Awarded Vendor's employees, agents (including, but not limited to, lobbyists) and Subcontractors, and the Awarded Vendor shall enforce strict discipline among the Awarded Vendor's employees, agents (including, but not limited to, lobbyists) and Subcontractors performing the services under the Agency Contract; and
- C. Any person employed by the Awarded Vendor shall, at the written request of HHSC, and within HHSC's sole discretion, be removed immediately by the Awarded Vendor from work relating to the Agency Contract.

2. TURNOVER PLAN

HHSC, in its sole discretion, may require the Awarded Vendor to develop and submit a Turnover Plan at any time during the term of the Agency Contract. The Awarded Vendor must submit the Turnover Plan to HHSC for review and approval. The Turnover Plan must describe the Awarded Vendor's policies and procedures that will ensure:

- A. The least disruption in the delivery of the Work during Turnover to HHSC or its designee; and
- B. Full cooperation with HHSC or its designee in transferring the Work and the obligations of the Agency Contract.

3. TURNOVER ASSISTANCE

The Awarded Vendor will provide any assistance and actions reasonably necessary to enable HHSC or its designee to effectively close out the Agency Contract and transfer the Work and the obligations of the Agency Contract to another Vendor or to perform the Work by itself. The Awarded Vendor agrees that this obligation survives the termination, regardless of whether for cause or convenience, or the expiration of the Agency Contract and remains in effect until completed to the satisfaction of HHSC.

4. TRADEMARK OWNERSHIP

The Awarded Vendor acknowledges and agrees that the Trademarks remain the exclusive property of HHSC, that all right, title and interest in and to the trademarks is exclusively held by HHSC, and all goodwill associated with such Trademarks inures solely to HHSC.

5. DISCOUNTS

If the Awarded Vendor at any time during the term of the Agency Contract provides a discount on the final Agency Contract costs, the Awarded Vendor will notify HHSC in writing at least ten (10) business days prior to the effective date of the discount. HHSC will generate a Purchase Order Change Notice and send a revised Purchase Order to the Awarded Vendor.

6. NOTICE OF CRIMINAL ACTIVITY AND DISCIPLINARY ACTIONS

A. The Awarded Vendor shall immediately report in writing to its assigned HHSC Contract Manager when the Awarded Vendor learns of or has any reason to believe it or any person with ownership or controlling interest in the Awarded Vendor, or their agent, employee, subcontractor or volunteer who is providing services under this Agency Contract has:

- i. Engaged in any activity that could constitute a criminal offense equal to or greater than a Class A misdemeanor or grounds for disciplinary action by a state or federal regulatory authority; or
- ii. Been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to involvement in any financial matter, federal or state program or felony sex crime.

B. The Awarded Vendor shall not permit any person who engaged, or was alleged to have engaged, in any activity subject to reporting under this section to perform direct client services or have direct contact with clients, unless otherwise directed in writing by HHSC.

7. NOTICE OF IRS OR TWC INSOLVENCY

The Awarded Vendor shall notify in writing its assigned HHSC Contract Manager of any insolvency, incapacity or outstanding unpaid obligations of the Awarded Vendor owed to the Internal Revenue Service (IRS) or the State of Texas (e.g., the Texas Workforce Commission [TWC]), or any agency or political subdivision of the State of Texas within five (5) business days of the date of the Awarded Vendor's becoming aware of such.

8. SOFTWARE AND OWNERSHIP RIGHTS

In accordance with 45 C.F.R. Part 95.617, all appropriate federal agencies will have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, translate, or otherwise use, and to authorize others to use for government purposes all Work, materials, Custom Software and modifications thereof, source code, associated documentation designed, developed, or installed with Federal Financial Participation under the Agency Contract, including but not limited to those materials covered by copyright.

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Solicitation Number _____

Exhibit A. HHS SOLICITATION AFFIRMATIONS

In this document, HHS includes both the Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS). System Agency refers to HHSC, DSHS, or both, that will be a party to any contract resulting from the Solicitation. In this document, the terms Respondent, Contractor, Applicant, and Vendor, when referring to the following affirmations (whether framed as certifications, representations, warranties, or in other terms) refer to Respondent, and the affirmations apply to all Respondents regardless of their business form (e.g., individual, partnership, corporation).

Respondent must provide information, as applicable, and affirms, without exception, as follows:

- 1.** Respondent represents and warrants that all certifications, representations, warranties, and other provisions in this Affirmations and Solicitation Acceptance apply to Respondent and all of Respondent's principals, officers, directors, shareholders, partners, owners, agents, employees, subcontractors, independent contractors, and any other representatives who may provide services under, who have a financial interest in, or otherwise are interested in this Solicitation or any contract resulting from this Solicitation.
- 2. Complete and Accurate Information.** Respondent represents and warrants that all statements and information provided to HHS are current, complete, and accurate. This includes all statements and information in this Solicitation Response.
- 3. Public Information Act.** Respondent understands that HHS will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material prepared and submitted in connection with this Solicitation or any resulting contract may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Respondent is required to make any information created or exchanged with the State pursuant to the contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.
- 4. Contracting Information Requirements.** Respondent represents and warrants that it will comply with the requirements of Section 552.372(a) of the Texas Government Code. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J (Additional Provisions Related to Contracting Information), Chapter 552 of the Government Code, may apply to the contract and the Respondent agrees that the contract can be terminated if the Respondent knowingly or intentionally fails to comply with a requirement of that subchapter.
- 5. Confidential or Proprietary Information.** Respondent acknowledges its obligation to specifically identify information it contends to be confidential or proprietary and, if Respondent designated substantial portions of its Solicitation Response or its entire Solicitation Response as confidential or proprietary, the Solicitation Response is subject to being disqualified.

6. **Binding Offer.** Respondent's Solicitation Response will remain a firm and binding offer for 240 days from the date the Solicitation Response is due.
7. **Assignment.** Respondent shall not assign its rights under the contract or delegate the performance of its duties under the contract without prior written approval from System Agency. Any attempted assignment in violation of this provision is void and without effect.
8. **Terms and Conditions.** Respondent accepts the Solicitation terms and conditions unless specifically noted by exceptions advanced in the form and manner directed in the Solicitation. No exceptions, terms, or conditions will be considered if not advanced in the form and manner directed in the Solicitation. Respondent agrees that all exceptions to the Solicitation as well as terms and conditions advanced by Respondent that differ in any manner from HHS' terms and conditions are rejected unless expressly accepted by System Agency in writing in a fully executed contract.
9. **HHS Right to Use.** Respondent agrees that HHS has the right to use, produce, and distribute copies of and to disclose to HHS employees, agents, and contractors and other governmental entities all or part of Respondent's Solicitation Response as HHS deems necessary to complete the procurement process or comply with state or federal laws.
10. **Release from Liability.** Respondent generally releases from liability and waives all claims against any party providing information about the Respondent at the request of HHS.
11. **Addenda and Amendments to Solicitation.** Respondent acknowledges all addenda and amendments to the Solicitation.
12. **Texas Bidder.** Respondent certifies that if a Texas address is shown as the address of Respondent on this Response, Respondent qualifies as a Texas Bidder as defined in Section 2155.444(c) of the Texas Government Code.
13. **Preferences.** Respondent represents and warrants that it qualifies for all preferences claimed under 34 Texas Administrative Code, Section 20.306 or Chapter 2155, Subchapter H of the Texas Government Code as indicated below (check applicable boxes):
 - Goods produced or offered by a Texas bidder that is owned by a Texas resident service-disabled veteran
 - Goods produced in Texas or offered by a Texas bidder that is not owned by a Texas resident service-disabled veteran
 - Agricultural products grown in Texas
 - Agricultural products offered by a Texas bidder
 - Services offered by a Texas bidder that is owned by a Texas resident service-disabled veteran
 - Services offered by a Texas bidder that is not owned by a Texas resident service-disabled veteran
 - Texas Vegetation Native to the Region
 - USA-produced supplies, materials or equipment
 - Products of persons with mental or physical disabilities
 - Products made of recycled, remanufactured, or environmentally sensitive materials including recycled steel

- Energy efficient products
- Rubberized asphalt paving material
- Recycled motor oil and lubricants
- Products produced at facilities located on formerly contaminated property
- Products and services from economically depressed or blighted areas
- Vendors that meet or exceed air quality standards
- Recycled or reused computer equipment of other manufacturers
- Foods of higher nutritional value
- Commercial production company or advertising agency located in Texas

- 14. Dealings with Public Servants.** Respondent has not given, has not offered to give, and does not 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 this Solicitation Response, this Solicitation, or any contract resulting from this Solicitation.
- 15. Financial Participation Prohibited.** Under Section 2155.004, Texas Government Code (relating to financial participation in preparing solicitations), Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
- 16. Prior Disaster Relief Contract Violation.** Under Sections 2155.006 and 2261.053 of the Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), the Respondent certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
- 17. Child Support Obligation.** Under Section 231.006(d) of the Texas Family Code regarding child support, Respondent certifies that the individual or business entity named in this Response is not ineligible to receive the specified payment and acknowledges that the contract may be terminated and payment may be withheld if this certification is inaccurate. Furthermore, any Respondent subject to Section 231.006 of the Texas Family Code must include in the Response the names and social security numbers (SSNs) of each person with at least 25% ownership of the business entity submitting the Response:

Name: _____	SSN: _____
Name: _____	SSN: _____
Name: _____	SSN: _____
Name: _____	SSN: _____

FEDERAL PRIVACY ACT NOTICE: This notice is given pursuant to the Federal Privacy Act. Disclosure of requested SSNs is required under Section 231.006(c) and Section 231.302(c)(2), Texas Family Code. The SSNs will be used to identify persons that may owe child support. The SSNs will be kept confidential to the fullest extent permitted by law.

If submitted by email, Responses containing SSNs must be encrypted. Failure by a Respondent to provide or encrypt the SSNs as required may result in disqualification of the Respondent's Response.

18. **Suspension and Debarment.** Respondent certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the *System for Award Management (SAM)* maintained by the General Services Administration. This certification is made pursuant to the regulations implementing Executive Order 12549 and Executive Order 12689, Debarment and Suspension, 2 C.F.R. Part 376, and any relevant regulations promulgated by the Department or Agency funding this project. This provision shall be included in its entirety in Respondent's subcontracts, if any, if payment in whole or in part is from federal funds.
19. **Excluded Parties.** Respondent certifies that it is not listed in the prohibited vendors list authorized by Executive Order 13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism,*" published by the United States Department of the Treasury, Office of Foreign Assets Control.
20. **Foreign Terrorist Organizations.** Respondent represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.
21. **Executive Head of a State Agency.** In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Respondent certifies that it is not (1) the executive head of an HHS agency, (2) a person who at any time during the four years before the date of the contract was the executive head of an HHS agency, or (3) a person who employs a current or former executive head of an HHS agency.
22. **Human Trafficking Prohibition.** Under Section 2155.0061 of the Texas Government Code, the Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
23. **Franchise Tax Status.** Respondent represents and warrants that it is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171 of the Texas Tax Code.
24. **Debts and Delinquencies.** Respondent agrees that any payments due under any contract resulting from this Solicitation shall be applied towards any debt or delinquency that is owed to the State of Texas.
25. **Lobbying Prohibition.** Respondent represents and warrants that payments to Respondent and Respondent's receipt of appropriated or other funds under any contract resulting from this Solicitation are not prohibited by Sections 556.005, 556.0055, or 556.008 of the Texas Government Code (relating to use of appropriated money or state funds to employ or pay lobbyists, lobbying expenses, or influence legislation).
26. **Buy Texas.** Respondent agrees to comply with Section 2155.4441 of the Texas Government Code, requiring the purchase of products and materials produced in the State of Texas in performing service contracts.

27. **Disaster Recovery Plan.** Respondent agrees that upon request of HHS, Respondent shall provide copies of its most recent business continuity and disaster recovery plans.
28. **Computer Equipment Recycling Program.** If Respondent is submitting a Response for the purchase or lease of computer equipment, then Respondent certifies that it is in compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code related to the Computer Equipment Recycling Program and the Texas Commission on Environmental Quality rules in 30 TAC Chapter 328.
29. **Television Equipment Recycling Program.** If Respondent is submitting a Response for the purchase or lease of covered television equipment, then Respondent certifies that it is compliance with Subchapter Z, Chapter 361 of the Texas Health and Safety Code related to the Television Equipment Recycling Program.
30. **Cybersecurity Training.** Respondent represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.
31. **Restricted Employment for Certain State Personnel.** Respondent acknowledges that, pursuant to Section 572.069 of the Texas Government Code, a former state officer or employee of a state agency who during the period of state service or employment participated on behalf of a state agency in a procurement or contract negotiation involving Respondent may not accept employment from Respondent before the second anniversary of the date the contract is signed or the procurement is terminated or withdrawn.
32. **No Conflicts of Interest.** Respondent represents and warrants that it has no actual or potential conflicts of interest in providing the requested goods or services to System Agency under this Solicitation and any resulting contract and that Respondent's provision of the requested goods and/or services under this Solicitation and any resulting contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.
33. **Fraud, Waste, and Abuse.** Respondent understands that HHS does not tolerate any type of fraud, waste, or abuse. Violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. Pursuant to Texas Government Code, Section 321.022, if the administrative head of a department or entity that is subject to audit by the state auditor has reasonable cause to believe that money received from the state by the department or entity or by a client or contractor of the department or entity may have been lost, misappropriated, or misused, or that other fraudulent or unlawful conduct has occurred in relation to the operation of the department or entity, the administrative head shall report the reason and basis for the belief to the Texas State Auditor's Office (SAO). All employees or contractors who have reasonable cause to believe that fraud, waste, or abuse has occurred (including misconduct by any HHS employee, Grantee officer, agent, employee, or subcontractor that would constitute fraud, waste, or abuse) are required to immediately report the questionable activity to the Health and Human Services Commission's Office of Inspector General. Respondent agrees to comply with all applicable laws, rules, regulations, and System Agency policies regarding fraud, waste, and abuse including, but not limited to, HHS Circular C-027.

A report to the SAO must be made through one of the following avenues:

- SAO Toll Free Hotline: 1-800-TX-AUDIT
- SAO website: <http://sao.fraud.state.tx.us/>

All reports made to the OIG must be made through one of the following avenues:

- OIG Toll Free Hotline 1-800-436-6184
- OIG Website: ReportTexasFraud.com
- Internal Affairs Email: InternalAffairsReferral@hhsc.state.tx.us
- OIG Hotline Email: OIGFraudHotline@hhsc.state.tx.us.
- OIG Mailing Address: Office of Inspector General

Attn: Fraud Hotline
MC 1300
P.O. Box 85200
Austin, Texas 78708-5200

- 34. Antitrust.** The undersigned affirms under penalty of perjury of the laws of the State of Texas that (a) in connection with this Response, neither I nor any representative of the Respondent has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15; (b) in connection with this Response, neither I nor any representative of the Respondent has violated any federal antitrust law; and (c) neither I nor any representative of the Respondent has directly or indirectly communicated any of the contents of this Response to a competitor of the Respondent or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Respondent.
- 35. Legal and Regulatory Actions.** Respondent represents and warrants that it is not aware of and has received no notice of any court or governmental agency proceeding, investigation, or other action pending or threatened against Respondent or any of the individuals or entities included in numbered paragraph 1 of this Affirmations and Solicitation Acceptance within the five (5) calendar years immediately preceding the submission of this Solicitation response that would or could impair Respondent's performance under any contract resulting from this Solicitation, relate to the contracted or similar goods or services, or otherwise be relevant to System Agency's consideration of entering into a contract. If Respondent is unable to make the preceding representation and warranty, then Respondent instead represents and warrants that it has included as a detailed attachment to this Solicitation Affirmations document a complete, detailed disclosure of any such court or governmental agency proceeding, investigation, or other action that would or could impair Respondent's performance under a contract awarded as a result of this Solicitation, relate to the contracted or similar goods or services, or otherwise be relevant to System Agency's consideration of entering into a contract. Respondent must identify here how many pages, if any, are attached: _____. Respondent acknowledges this is a continuing disclosure requirement. In addition, Respondent represents and warrants that, if awarded a contract as a result of this Solicitation, Respondent shall notify System Agency in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update System Agency shall constitute breach of contract and may result in immediate contract termination.
- 36. E-Verify.** Respondent certifies that for contracts for services, Respondent shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of the contract to determine the eligibility of:
- A. all persons employed by Respondent to perform duties within Texas; and
 - B. all persons, including subcontractors, assigned by Respondent to perform work pursuant to the contract within the United States of America.

37. Former Agency Employees – Certain Contracts. If this Solicitation is for an employment contract, a professional services contract under Chapter 2254 of the Texas Government Code, or a consulting services contract under Chapter 2254 of the Texas Government Code, Respondent represents and warrants that neither Respondent nor any of Respondent’s employees including, but not limited to, those authorized to provide services under the contract, were former employees of an HHS Agency during the twelve (12) month period immediately prior to the date of the execution of the contract.

38. Disclosure of Prior State Employment – Consulting Services. If this Solicitation is for consulting services,

A. In accordance with Section 2254.033 of the Texas Government Code, a Respondent offering to provide consulting services in response to this solicitation who has been employed by, or employs an individual who has been employed by, System Agency or another State of Texas agency at any time during the two years preceding the submission of Respondent's Solicitation Response must disclose the following information in its Solicitation Response and hereby certifies that this information is true, correct, and complete:

(1) Name of individual(s) (Respondent or employee(s)):

(2) Status (check one): Respondent Employee

(3) The nature of the previous employment with System Agency or the other State of Texas agency:

(4) The date the employment was terminated and the reason for the termination:

(5) The annual rate of compensation for the employment at the time of its termination: _____

If more than one individual is identified in A(1) above, Respondent must provide responses to A(2)-(5) as to each identified individual. To satisfy this requirement, Respondent must attach a separate page or pages, as necessary, and include the information required in Section A, including subsections (1)-(5). Respondent must identify here how many pages, if any, are attached: _____. Respondent acknowledges, agrees, and certifies that all information provided is true, correct, and complete on this and all attached pages.

B. If no information is provided in response to Section A above, Respondent certifies that neither Respondent nor any individual employed by Respondent was employed by System Agency or any other State of Texas agency at any time during the two years preceding the submission of Respondent's Solicitation Response.

- 39. Entities that Boycott Israel.** Pursuant to Section 2271.002 of the Texas Government Code, Respondent certifies that either (1) it meets an exemption criteria under Section 2271.002; or (2) it does not boycott Israel and will not boycott Israel during the term of the contract resulting from this Solicitation. If Respondent refuses to make that certification, Respondent shall state here any facts that make it exempt from the boycott certification:
-

- 40. Abortion Funding Limitation.** Respondent understands, acknowledges, and agrees that, pursuant to Article IX of the General Appropriations Act (the Act), to the extent allowed by federal and state law, money appropriated by the Texas Legislature may not be distributed to any individual or entity that, during the period for which funds are appropriated under the Act: (1) performs an abortion procedure that is not reimbursable under the state's Medicaid program; (2) is commonly owned, managed, or controlled by an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program; or (3) is a franchise or affiliate of an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program. The provision does not apply to a hospital licensed under Chapter 241, Health and Safety Code, or an office exempt under Section 245.004(2), Health and Safety Code. Respondent represents and warrants that it is not ineligible, nor will it be ineligible during the term of the contract resulting from this Solicitation, to receive appropriated funding pursuant to Article IX.

- 41. Funding Eligibility.** Respondent understands, acknowledges, and agrees that, pursuant to Chapter 2272 (eff. Sept. 1, 2021, Ch. 2273) of the Texas Government Code, except as exempted under that Chapter, System Agency cannot contract with an abortion provider or an affiliate of an abortion provider. Respondent certifies that it is not ineligible to contract with System Agency under the terms of Chapter 2272 (eff. Sept. 1, 2021, Ch. 2273) of the Texas Government Code. If Respondent refuses to make that certification, Respondent shall state here any facts that make it exempt from the certification:
-

- 42. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment (2 CFR 200.216).** Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract or funding pursuant to 2 CFR 200.216.

43. **COVID-19 Vaccine Passports.** Pursuant to Texas Health and Safety Code, Section 161.0085(c), Respondent certifies that it does not require its customers to provide any documentation certifying the customer's COVID-19 vaccination or post-transmission recovery on entry to, to gain access to, or to receive service from the Respondent's business. Respondent acknowledges that such a vaccine or recovery requirement would make Respondent ineligible for a state-funded contract.
44. **Entities that Boycott Energy Companies.** In accordance with Senate Bill 13, Acts 2021, 87th Leg., R.S., if Respondent is required to make a verification pursuant to Section 2274.002 of the Texas Government Code (relating to prohibition on contracts with companies boycotting certain energy companies), Respondent verifies that Respondent does not boycott energy companies and will not boycott energy companies during the term of the Contract. If Respondent does not make that verification, Respondent must state here why the verification is not required:
-
45. **Entities that Discriminate Against Firearm and Ammunition Industries.** In accordance with Senate Bill 19, Acts 2021, 87th Leg., R.S., if Respondent is required to make a verification pursuant to Section 2274.002 of the Texas Government Code (relating to prohibition on contracts with companies that discriminate against firearm and ammunition industries), Respondent verifies that it (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association. If Respondent does not make that verification, Respondent must state here why the verification is not required:
-
46. **Security Controls for State Agency Data.** In accordance with Senate Bill 475, Acts 2021, 87th Leg., R.S., pursuant to Texas Government Code, Section 2054.138, Respondent understands, acknowledges, and agrees that if awarded a contract pursuant to this Solicitation and under which Respondent will be authorized to access, transmit, use, or store data for System Agency, Respondent is required to meet the security controls the System Agency determines are proportionate with System Agency's risk under the contract based on the sensitivity of System Agency's data and that Respondent must periodically provide to System Agency evidence that Respondent meets the security controls required under the contract.
47. **Cloud Computing State Risk and Authorization Management Program.** In accordance with Senate Bill 475, Acts 2021, 87th Leg., R.S., pursuant to Texas Government Code, Section 2054.0593, Respondent acknowledges and agrees that, if providing cloud computing services for System Agency, Respondent must comply with the requirements of the state risk and authorization management program and that System Agency may not enter or renew a contract with a vendor to purchase cloud computing services for the agency that are subject to the state risk and authorization management program unless the vendor demonstrates compliance with program requirements. If

providing cloud computing services for System Agency that are subject to the state risk and authorization management program, Respondent certifies it will maintain program compliance and certification throughout the term of the Contract.

- 48. Foreign-Owned Companies in Connection with Critical Infrastructure.** If Texas Government Code, Section 2274.0102(a)(1) (relating to prohibition on contracts with certain foreign-owned companies in connection with critical infrastructure) is applicable to a contract resulting from this Solicitation, pursuant to Government Code Section 2274.0102, Respondent certifies that neither it nor its parent company, nor any affiliate of Respondent or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code Section 2274.0103, or (2) headquartered in any of those countries.
- 49. Critical Infrastructure Subcontracts.** For purposes of this Paragraph, the designated countries are China, Iran, North Korea, Russia, and any countries lawfully designated by the Governor as a threat to critical infrastructure. Pursuant to Section 113.002 of the Business and Commerce Code, Respondent shall not enter into a subcontract that will provide direct or remote access to or control of critical infrastructure, as defined by Section 113.001 of the Texas Business and Commerce Code, in this state, other than access specifically allowed for product warranty and support purposes to any subcontractor unless (i) neither the subcontractor nor its parent company, nor any affiliate of the subcontractor or its parent company, is majority owned or controlled by citizens or governmental entities of a designated country; and (ii) neither the subcontractor nor its parent company, nor any affiliate of the subcontractor or its parent company, is headquartered in a designated country. Respondent will notify the System Agency before entering into any subcontract that will provide direct or remote access to or control of critical infrastructure, as defined by Section 113.001 of the Texas Business & Commerce Code, in this state.
- 50. Enforcement of Certain Federal Firearms Laws Prohibited.** In accordance with House Bill 957, Acts 2021, 87th Leg., R.S., if Texas Government Code, Section 2.101 is applicable to Respondent, Respondent certifies that it is not ineligible to receive state grant funds pursuant to Texas Government Code, Section 2.103.
- 51. Prohibition on Abortions.** Respondent understands, acknowledges, and agrees that, pursuant to Article II of the General Appropriations Act, (1) no funds shall be used to pay the direct or indirect costs (including marketing, overhead, rent, phones, and utilities) of abortion procedures provided by contractors of HHSC; and (2) no funds appropriated for Medicaid Family Planning, Healthy Texas Women Program, or the Family Planning Program shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures. Respondent represents and warrants that it is not ineligible, nor will it be ineligible during the term of the contract resulting from this Solicitation, to receive appropriated funding pursuant to Article II.

- 52. Public Information Act Copy.** Respondent understands, acknowledges, and agrees, that solicitation responses and contracts are subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552, and may be disclosed to the public upon request or through posting on the System Agency’s website, the LBB’s website, or as otherwise required by law. Respondent certifies that it:
- asserts that information provided in its response is exempt from disclosure under the PIA, and Respondent, therefore, has submitted a “Public Information Act Copy” as required under the solicitation; or
 - asserts that there is no information provided in its response that is exempt from disclosure under the PIA, and Respondent, therefore, has not submitted a “Public Information Act Copy.”
- 53. No Felony Criminal Convictions.** Respondent represents that neither Respondent nor any of its employees, agents, or representatives, including any subcontractors and employees, agents, or representative of such subcontractors, have been convicted of a felony criminal offense or that if such a conviction has occurred Respondent has fully advised System Agency in writing of the facts and circumstances surrounding the convictions.
- 54. Unfair Business Practices.** Respondent represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or court suit and that Respondent has not been found to be liable for such practices in such proceedings. Respondent certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.
- 55. False Representation.** Respondent understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Respondent is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of any contract resulting from this Solicitation.
- 56. Permits and Licenses.** Respondent represents and warrants that it will comply with all applicable laws and maintain all permits and licenses required by applicable city, county, state, and federal rules, regulations, statutes, codes, and other laws that pertain to any contract resulting from this Solicitation.
- 57. False Statements.** Respondent represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a Response with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void the submitted Response and any resulting contract.
- 58. Signature Authority.** By submitting this Response, Respondent represents and warrants that the individual submitting this document and the documents made part of this Response is authorized to sign such documents on behalf of the Respondent and to bind the Respondent under any contract that may result from the submission of this Response.

Signature Page Follows

Authorized representative on behalf of Respondent must complete and sign the following:

Legal Name of Respondent

Assumed Business Name of Respondent, if applicable (d/b/a or 'doing business as')

Texas County(s) for Assumed Business Name (d/b/a or 'doing business as')
Attach Assumed Name Certificate(s) filed with the Texas Secretary of State and Assumed Name Certificate(s), if any, for each Texas County Where Assumed Name Certificate(s) has been filed.

Signature of Authorized Representative

Date Signed

**Printed Name of Authorized Representative
First, Middle Name or Initial, and Last Name**

Title of Authorized Representative

Physical Street Address

City, State, Zip Code

Mailing Address, if different

City, State, Zip Code

Phone Number

Fax Number

Email Address

DUNS Number

Federal Employer Identification Number

Texas Identification Number (TIN)

Texas Franchise Tax Number

Texas Secretary of State Filing Number

SAM.gov Unique Entity Identifier (UEI)

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION

* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Prefix: * First Name: Middle Name:

* Last Name: Suffix:

* Title:

* SIGNATURE:

* DATE:

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.




PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE 
APPLICANT ORGANIZATION 	DATE SUBMITTED 