



THE TEXAS
STATE
UNIVERSITY
SYSTEM

REQUEST FOR PROPOSAL

Request for Proposal (“RFP”) No: 758-22-00077

FOR

INSURANCE BROKER SERVICES

ALL PROPOSALS MUST BE RECEIVED NO LATER THAN:

Thursday, September 8, 2022, AT 2:30 PM CENTRAL

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Issue Date: 8/8/22

TABLE OF CONTENTS

	PAGE
Section 1 – General Information	1
Section 2 – Notice to Proposers	5
Section 3 – Requirements of Proposal	9
Section 4 – Terms & Conditions of Proposal	12
Section 5 – Scope of Work.....	17
Section 6 – Pricing & Delivery	23
Section 7 – Execution of Offer	25
Section 8 – Proposer’s Questionnaire	26
Section 9 – Additional Questions Specific to RFP	29
Section 10 – General Terms & Conditions of Contract	33
APPENDIX ONE – Agreement	34

Section 1 – General Information

1.1 OBJECTIVE

The Texas State University System (“**TSUS**” or “**The System**”) is soliciting proposals in response to this Request for Proposal No. 758-22-00077 (this “**RFP**”), from qualified vendors to provide insurance brokerage services and risk management services at a reasonable cost (the “**Services**” or “**Project**”). The System expects to enter into a contract with the selected firm or firms to provide the Services as further described in **Section 5** of this RFP.

This solicitation sets forth, at a minimum, the specifications, terms, conditions, and requirements to be considered for this solicitation. The System will select the proposal(s) that offers the “best value” based on the published selection criteria and on its ranking evaluation of submitted proposals. Firms that respond to this RFP will be referred to as “**Proposers.**”

1.2 DESCRIPTION OF THE SYSTEM

The Texas State University System, founded in 1911, is the first higher education system that was established in Texas. Beginning as an administrative means to consolidate the support and management of state teacher colleges, The System has evolved into a network of higher education institutions stretching from the Texas–Louisiana border to the Big Bend region of West Texas. Throughout The System, faculty and staff are preparing students to work in and contribute to our global society.

The System includes the system administration office (**TSUS Administration**) and seven (7) component institutions (**Component Institutions**) that offer a broad range of academic and career opportunities:

- TSUS Administration
- Lamar University
- Sam Houston State University
- Sul Ross State University
- Texas State University
- Lamar Institute of Technology
- Lamar State College Orange
- Lamar State College Port Arthur

The Texas State University System is governed by a nine-member Board of Regents appointed by the governor. In addition, a nonvoting student regent is appointed annually to the board. TSUS Administration, which is led by a board-appointed chancellor, is based in Austin, where it provides support to the Component Institutions and state government.

1.3 BACKGROUND & SPECIAL CIRCUMSTANCES

The System's insurance program is administered by the Office of Finance at TSUS Administration. Insurance is purchased by TSUS Administration on behalf of The System, including the Component Institutions.

The types of insurance policies The System currently carries or anticipates carrying include, but are not limited to, the following:

1. Property Insurance

Property coverage includes:

- fine art,
- inland marine,
- boiler & machinery

2. Automobile Liability and Physical Damage Insurance (High Retention)
3. Directors and Officers Liability / Employment Practices Liability Insurance
4. Crime Insurance
5. Foreign Travel Insurance
6. Special Events Liability Insurance
7. Play / Practice and Travel accidental medical for NCAA athletes
8. Cyber Liability Insurance

The System does not represent or guarantee that TSUS Administration or its Component Institutions will renew or purchase the policies and coverage included on the above list.

Exposure Summary

TIV	\$4.4 B	\$1.2 B in CAT
Auto	Liability: 1,200	Phy. Dam.: 200
Students		~87,000
Employees		~15,000
OP Budget		\$1.5 B

Premium information and current broker fees / compensation will not be released as part of this solicitation.

1.4 CONTRACT TERM

The base contract term shall begin on the effective date of the Agreement and continue through August 31, 2027. The System may renew the contract for up to two (2) additional two (2) year renewal terms.

Note: As The System’s Broker of Record, the firm selected by this RFP will take to market any coverage that is bound prior to the expiration of the contract term noted above unless a transfer to another broker is agreed to by the parties.

The System intends for Services to be provided seamlessly during any transitional time that may be required after award, if any, of this RFP. The selected firm must allow time to put in place any staffing, equipment or supplies required to begin providing the Services as of January 1, 2023.

1.5 SCHEDULE OF EVENTS

Below is the anticipated schedule of events for this RFP. The System reserves the right to revise this schedule. Any such revision will be formalized by the issuance of a written addendum to the RFP (ref. **Section 2.4**, Clarifications and Interpretations).

Solicitation Event	Anticipated Date
RFP issued	August 8, 2022
Deadline to Submit Questions (the “ Question Deadline ”)	August 17, 2022
Release of Addendum (if applicable)	No later than August 26, 2022
Responses due (the “ Submittal Deadline ”)	September 8, 2022, at 2:30 p.m. (Central Time)

The System will be closed in observance of the following holiday:

Labor Day: Monday, September 5, 2022

1.6 CLASS AND ITEM (NIGP) CODES

The related Class and Item code(s) for goods / services requested are: 958-61

1.7 GROUP PURCHASING AUTHORITY

Texas law authorizes institutions of higher education (defined by Section 61.003, Education Code) to use the group purchasing procurement method (ref. Section 51.9335, Education Code). Additional Texas institutions of higher education may therefore elect to enter into a contract with the successful Proposer under this RFP.

Texas institutions of higher education (“**IHEs**”) routinely evaluate whether a contract resulting from a procurement conducted by another IHE might be suitable for use, and if so, this RFP could give rise to additional purchase volumes. As a result, in submitting its proposal, Proposer should consider proposing a pricing model and other commercial terms that consider the higher volumes and other expanded opportunities that could result from the

eventual inclusion of other IHEs in the purchase contemplated by this RFP. Any purchases made by other IHEs based on this RFP will be the sole responsibility of those IHEs.

Section 2 – Notice to Proposers

2.1 PUBLIC INFORMATION

All information, documentation, and other materials submitted in response to this Solicitation are considered non-confidential and/or non-proprietary and are subject to public disclosure under the Texas Public Information Act (*Texas Government Code*, Chapter 552.001, et seq.) after the Solicitation is completed.

- 2.1.1 The System strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information under the *Texas Public Information Act*, Chapter 552, and *Texas Government Code*.
- 2.1.2 Proposer is required to make any information created or exchanged with the state pursuant to this contract, and not otherwise exempted 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.
- 2.1.3 Information provided to Proposer by The System, including information from representatives of TSUS or any of its Component Institutions, and information provided to Proposer by members of the public or any other third party shall belong to The System.
- 2.1.4 Information created or otherwise produced by Proposer shall remain the exclusive property of Proposer. Proposer acknowledges any final report or papers will be provided in accordance with this RFP, and that any information contained in any report or papers, which Proposer believes is confidential under Texas law will be clearly designated as such by Proposer.
- 2.1.5 If The System receives a request for public information for any portion of any final report or papers that have been designated by Proposer to be confidential, The System will provide notice to Proposer and Proposer may submit a brief to the Office of the Attorney General, as provided by Chapter 552, Tex. Govt. Code.

2.2 POINT OF CONTACT

The System designates the following person as its representative and Point of Contact for this RFP:

Jenn DeLeon

Email: Jennifer.deleon@tsus.edu

The System instructs interested parties to restrict all contact and questions regarding this RFP to **written** communications with the Point of Contact. Proposers shall restrict all contact with The System and direct all questions regarding this RFP in writing to the Point of Contact.

2.3 PROPOSER QUESTIONS

After the RFP is advertised, Proposers will have until the Question Deadline (ref. **Section 1.5**, Schedule of Events) to submit written questions, including questions regarding terms and conditions or for clarification of the proposal, to The System's Point of Contact (ref. **Section 2.2**). All questions submitted and received prior to the deadline will be reviewed, consolidated where possible, and answered in a written addendum. The addendum will be posted on the Texas Electronic State Business Daily ("**ESBD**") at: <http://www.txsmartbuy.com/sp>. Enter "**758**" in the **Agency Number** field to search ESBD for The Texas State University System solicitations. The System will provide responses as soon as practicable following the Question Deadline however, The System reserves the right to decline to respond to any question. It is the Proposer's responsibility to continually check the ESBD for Addenda.

2.4 CLARIFICATIONS AND INTERPRETATIONS

Any clarifications or interpretations of this RFP that materially affect or change its requirements will be issued formally by The System as a written addendum. Addenda, if required, will be issued by The System and posted on the ESBD (ref. **Section 2.3**). It is the responsibility of all Proposers to check the status of formal addenda before the submission deadline and to obtain this information in a timely manner. The System intends to issue any required addenda a minimum of five (5) business days prior to the Submittal Deadline (ref. **Section 3.1**) to allow time for Proposers to review information and complete responses. All such addenda issued by The System must be acknowledged by Proposers and incorporated into the RFP response (ref. **Section 7**).

2.5 EVALUATION OF PROPOSALS

It is the intent of The System to award a contract to the responsible, responsive Proposer(s) that submits a proposal meeting the minimum criteria set forth herein, and that represents the best value, per 51.9335 (b) Texas Education Code, to The System. Best value is determined by considering: the purchase price, the total long-term cost to the institution of acquiring the vendor's goods or services, the reputation of the vendor and of the vendor's goods or services, the vendor's past relationship with the institution, the quality of the vendor's goods or services, the extent to which the goods or services meet the institution's needs, and any other relevant factor that a private business entity would consider in selecting a vendor.

- 2.5.1 RFP Specific Evaluation Criteria and Weights (100% maximum): To determine best value, all properly submitted proposals will be reviewed, evaluated, and ranked by The System according to the specific RFP Evaluation criteria, and the associated weights of each, described in **Section 9** of this RFP.
- 2.5.2 Presentations: Upon completion of the initial review and evaluation of the proposals, The System may invite one or more select responsive firm(s) within the competitive range, at the firm(s) expense, to give an oral and / or written presentation and respond to questions. Presentations, at The System's discretion, may be either on site at The System's offices in Austin, Texas or by video conference.

- 2.5.3 Best and Final Offers (BAFOs): After the initial evaluation process or at the conclusion of oral presentations and discussions but, before final selection of Contractor is made, The System may permit a Proposer to revise its proposal in order to obtain the Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. The System will provide each Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. The System is not obligated to select the Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to overall, as determined by The System.
- 2.5.4 Negotiations: If possible, an award will be made without negotiating. If negotiations are necessary, they will be scheduled after all proposals are evaluated. Negotiations will only be held with Proposer(s) who have a reasonable chance of receiving contract award. Proposers are strongly encouraged to submit the best offer at the time proposals are due.

2.6 AWARD OF CONTRACT

- 2.6.1 A response to this RFP is an offer to contract based upon the best price, terms, conditions and specifications contained herein. Proposals do not become contracts until they are accepted through a purchase order or fully executed contract. Any contract shall be governed, construed and interpreted under the laws of the State of Texas, and TSUS Administration policy as the same may be amended from time to time. Any legal actions must be filed in Travis County, Austin, Texas.
- 2.6.2 Tie Proposals: Awards will be made in accordance with Rule 1 TAC Section 113.6 (b) and 113.8 (preferences).
- 2.6.3 Multiple Awards and Utilization: It may be determined that having the Services provided by multiple Proposers is more advantageous to The System. The System reserves the right to make multiple awards against this RFP. The System will only pay for Services utilized and makes no guarantee of a maximum amount to be paid over the course of any contract that may result from the RFP.
- 2.6.4 No Guarantee of Award: The System makes no warranty or guarantee that an award will be made as a result of this RFP. The System reserves the right to accept or reject any or all proposals, waive any formalities or minor technical inconsistencies and delete any requirement or specification from this RFP or the Agreement when deemed to be in The System's best interest. The System reserves the right to seek clarification of any item contained in Proposer's proposal prior to final selection. Such clarification may be provided by telephone or personal meetings with or in writing to The System, at The System's discretion. Representations made by Proposer within its proposal will be binding on Proposer. The System will not be bound to act by any previous communication or response submitted by Proposer, other than this RFP.

2.7 THE SYSTEM'S RESERVATION OF RIGHTS

The System may evaluate the Proposals based on the anticipated completion of all or any portion of the Project. The System reserves the right to divide the Project into multiple parts,

to reject any and all proposals and re-solicit for new proposals, or to reject any and all proposals and temporarily or permanently abandon the Project. The System makes no representations, written or oral, that it will enter into any form of agreement with any Proposer to this RFP for any project and no such representation is intended or should be construed by the issuance of this RFP.

2.8 ACCEPTANCE OF EVALUATION METHODOLOGY

By submitting its proposal in response to this RFP, Proposer accepts the evaluation process and acknowledges and accepts that the determination of the “best value” firm(s) will require subjective judgments by The System.

2.9 NON-REIMBURSEMENT FOR COSTS

Proposer acknowledges and accepts that any costs incurred from the Proposer’s participation in this RFP process shall be at the sole risk and responsibility of the Proposer. Proposers submit proposals at their own risk and expense.

2.10 CONFLICTS/CONTACT

Proposers shall not contact existing members of the TSUS Board of Regents, The System employees, including those of Component Institutions about this RFP until the resulting contract(s), if any, are fully executed.

2.11 OWNERSHIP AND USE OF WORK MATERIAL

All work material, whether accepted or rejected by The System, is the sole property of The System and for its exclusive use and re-use at any time without further compensation and without any restriction.

2.12 TERMINATION / CANCELLATION

The System may terminate any resulting agreement for any reason, including material changes to selected Proposer’s firm, upon thirty (30) days written notice to the other party.

2.13 CERTIFICATE OF INTERESTED PARTIES

Pursuant to Texas Government Code 2252.908 and Texas Ethic Commission Rule 46, for contracts that either have a value of at least \$1 million or require approval of the TSUS Board of Regents, a business entity (vendor) must submit a copy of the Disclosure of Interested Parties (Texas Ethics Commission Form 1295) filed with the Texas Ethics Commission when the business entity submits the signed contract. No such contract may be presented to the TSUS Board of Regents for approval without the disclosure. By submitting a proposal in response to this RFP, Proposer agrees to comply with this law. Information on the Disclosure of Interested Parties can be found at: <https://www.ethics.state.tx.us/filinginfo/1295/>

Section 3 – Requirements of Proposal

3.1 PROPOSAL SUBMITTAL DEADLINE AND LOCATION

The System will receive proposals for this RFP at the time and location described below. The Proposer (not The System, the carrier, mail service/courier, or other party) is solely responsible for ensuring that the proposal is received by the Point of Contact, in the format described below (ref. **Section 3.3**), **prior** to the Submittal Deadline.

Submittal Deadline: Thursday, September 8, 2022, at 2:30 PM CENTRAL

The Texas State University System
Attn: Jenn DeLeon
601 Colorado Street
Austin, Texas 78701
Re: RFP 758-22-00077

NOTE: A public opening of responses will not be conducted for this RFP.

3.2 HISTORICALLY UNDERUTILIZED BUSINESSES

It is the policy of The System to promote and encourage contracting and subcontracting opportunities for Historically Underutilized Businesses (“**HUBs**”). Accordingly, The System has adopted a policy on the Utilization of Historically Underutilized Businesses. The policy applies to all contracts with an expected value of \$100,000 or more. If The System determines that subcontracting opportunities are probable, then a HUB Subcontracting Plan is a required element of the proposal. Failure to submit a required HUB Subcontracting Plan form will result in rejection of the proposal.

3.2.1 The System has determined that subcontracting opportunities are not probable under this RFP.

3.2.2 A HUB Subcontracting Plan is not required for this RFP.

3.3 PROPOSAL FORMAT AND REQUIRED COPIES

3.3.1 **Unacceptable Proposal Delivery Methods:** The System will not accept proposals in response to this RFP that are submitted by telephone, facsimile (fax) transmission, or electronic mail.

3.3.2 **Proposal Envelope/Box/Container:** Proposal must be placed in a sealed envelope, box, or container that is completely and properly identified with the name of Proposer’s firm, RFP number, due date and time. It is the Proposer’s responsibility to have the proposal correctly marked, addressed and delivered to The System by the Submittal Deadline for receipt by the Point of Contact.

- 3.3.3 **Format for Proposal:** Proposer shall make every effort to present the required information in a detailed, orderly, and compact presentation. Proposer should provide visual examples of functionality to clarify and reinforce key product features and services. Long or elaborate proposals are not desired. Sections will be tabbed and clearly labeled for ease of review and evaluation.

Proposer should submit the complete proposals, both the paper and electronic copies, using a format substantially like the following in terms of order of content:

- A. Cover Page
- B. Table of Contents
- C. Executive Summary of Proposal
- D. Pricing and Delivery Schedule (ref. **Section 6**)
- E. Execution of Offer (ref. **Section 7**)
- F. Proposer's Questionnaire (ref. **Section 8**)
- G. Additional Questions Specific to RFP (ref. **Section 9**)
- H. General Terms & Conditions of Contract (ref. **Section 10** and **APPENDIX ONE**)
- I. Redlined APPENDIX ONE
- J. Supplemental Information: Proposer may submit any additional information Proposer feels is relevant to the proposal. This information must be clearly labeled as "Supplemental Information" and in a separate tabbed section of the proposal.

NOTE: Proposers are responsible for submitting all required information as requested in this RFP. The above listing of items to be included in the proposal submission is a summary provided to aid Proposers in putting together the proposal package. Any items stated in other Sections of the RFP, but not listed in this Section, are still required to be provided as part of the proposal submission.

- 3.3.4 **Required Copies:** Proposer must submit (a) one (1) complete paper copy of its entire proposal, and (b) one (1) USB flash drive with the individual and separate files as described below. The USB flash drive must include a protective cover and be labeled with Proposer's name and the RFP number. An original signature by an authorized officer of Proposer's firm must appear on the Execution of Offer (ref. **Section 7**) included in the submitted proposals, both paper and electronic.

The USB flash drive must contain the following three (3) individual and separate files:

- A. One (1) complete electronic copy of the entire proposal, in a single .pdf file
- B. One (1) electronic copy of the proposal in a single .pdf file that **does not** contain pricing information relative to **Section 6**
- C. One (1) redlined electronic copy of APPENDIX ONE in an editable format (i.e., Microsoft Word)

3.4 PRICING

Proposer shall provide all-inclusive pricing as requested in **Section 6** of this RFP. All pricing must be in United States Dollars.

3.5 EXECUTION OF OFFER

Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 7**) as part of the proposal. The Execution of Offer must be signed by an authorized officer of Proposer's firm duly authorized to bind the Proposer to its proposal. Failure to sign and return the Execution of Offer will result in the rejection of the proposal.

3.6 PROPOSER'S QUESTIONNAIRE

Proposer must completely answer all questions asked in **Section 8** (Proposer's Questionnaire). By submitting a proposal, Proposer certifies that, to the best of its knowledge, all responses are true, correct and complete.

3.7 ADDITIONAL QUESTIONS SPECIFIC TO RFP

Proposer must completely answer all questions asked in **Section 9** (Additional Questions Specific to RFP). By submitting a proposal, Proposer certifies that, to the best of its knowledge, all responses are true, correct and complete.

3.8 GENERAL TERMS AND CONDITIONS OF CONTRACT

Proposer must completely answer all questions asked in **Section 10** (General Terms and Conditions of Contract). Any proposed changes or additions to The System's intended agreement for the Services (ref. **APPENDIX ONE**) must be submitted with Proposer's proposal in the form of a redlined **APPENDIX ONE** with track changes engaged and comments to support Proposer's requested change(s) included.

3.9 VALIDITY PERIOD

By submitting a proposal in response to this RFP, Proposer accepts that the proposal will remain valid for a minimum of one-hundred twenty (120) days after the submittal deadline to allow time for evaluation of proposals, award determination, and any unforeseen delays.

Section 4 – Terms & Conditions of Proposal

The items below apply to and become a part of the proposal. Exceptions cannot be taken to the RFP document itself, nor can it be redlined. These actions may result in Proposer's disqualification. Only additions / modifications to **APPENDIX ONE** (ref. **Section 10**) will be subject to consideration by The System.

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

4.1 PROPOSAL REQUIREMENTS AND GENERAL INSTRUCTIONS

- 4.1.1 **Rules, Regulations & Statutes:** The System is an agency of the State of Texas. Proposers must comply with all rules, regulations, and statutes relating to purchasing of the State of Texas, The Texas State University System Rules and Regulations, in addition to the Terms and Conditions of this form. Upon engagement, any successful Proposer shall confirm its compliance with all necessary State and/or Federal requirements relative to work performed.
- 4.1.2 **Submittal Deadline Exception:** If The System is closed due to inclement weather and / or emergency situations on the designated Submittal Deadline, the Submittal Deadline will default to the next open business day at the same time.
- 4.1.3 **Late or Unsigned Proposals:** Late and/or unsigned proposals will not be considered under any circumstances. Person signing the proposal must have the authority to bind Proposer's firm in a contract. The Proposer (not The System, the carrier, mail service/courier, or other party) is solely responsible for ensuring that the complete proposal is received in The Texas State University System's Office prior to the specified opening date and time.
- 4.1.4 **FOB Designation:** Shipping terms will be FOB Destination, freight prepaid and allowed unless otherwise stated within the specifications.
- 4.1.5 **Pricing:** Proposal prices are requested to be firm for The System acceptance for 90 days from proposal opening date (unless otherwise stated in specifications). Proposers must price per unit shown. Unit prices shall govern in the event of extension errors. "Discount from list" proposals are not acceptable unless requested. Cash discounts are not considered in determining an award. Cash discounts will be taken if earned. All costs/pricing must be in United States dollars. The System will not recognize or accept any charges or fees to perform Services that are not specifically stated in the Pricing and Delivery Schedule.
- 4.1.6 **Tax Exempt:** Purchases made for State use are exempt from the State Sales tax and Federal Excise tax, per Texas Tax Code, Section 151.309(4). Do not include tax in the proposal.

- 4.1.7 **Right to Accept or Reject:** The System reserves the right to accept or reject all or any part of any proposal, waive minor technicalities and award the proposal to best serve the interests of The System and the State of Texas.
- 4.1.8 **Withdrawal:** Any proposal may be withdrawn prior to the date and time set for receipt of proposals. Any proposal not so withdrawn shall constitute an irrevocable offer, for a period of 90 days, to provide the commodity or service set forth in the specifications, or until a selection has been made by The System.
- 4.1.9 **Proposal Costs:** Proposers electing to respond to this RFP are responsible for any and all costs of proposal preparation. The System is not liable for any costs incurred by a Proposer in response to this RFP.
- 4.1.10 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by The System, at The System's sole discretion.
- 4.1.11 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by The System, at The System's sole discretion.

4.2 SPECIFICATIONS

- 4.2.1 **Brand Name Descriptive:** Catalogs, brand names or manufacturer's references indicate the type and quality required by The System. Proposals on brands of like nature and quality will not be considered unless otherwise stated in the RFP. If proposing other than brand referenced, proposal will show manufacturer, brand or trade name, and other description of product offered. If other than brand(s) specified is offered, illustrations and complete description of product offered are requested to be made part of the proposal.
- 4.2.2 **New Items:** Unless otherwise specified, items shall be new and unused and of current production.
- 4.2.3 **Samples:** Samples, when requested, must be furnished free of expense to the State. Each sample should be marked with the Proposer's name, address, and RFP number. Do not enclose in or attach proposal to sample. All samples become the property of The System.
- 4.2.4 **Oral Statements:** The System will not be bound by any oral statement or representation contrary to the written specifications of the RFP.
- 4.2.5 **Manufacturer's Warranty:** Manufacturer's standard warranty shall apply unless otherwise stated in the RFP.
- 4.2.6 **Warranty-Product:** Proposer shall not limit or exclude any implied warranties and any attempt to do so shall render any potential contract voidable at the option of The

System. Proposer warrants that the goods proposed and furnished will conform to the specifications, drawings, and descriptions listed in the RFP, and to the sample(s) furnished by Proposer, if any. In the event of a conflict between the specifications, drawings, and descriptions, the specifications shall govern.

- 4.2.7 **Secure Erase of Hard Disk Capability:** All equipment provided to The System that is equipped with hard disk drives (i.e., computers, telephones, printers, fax machines, scanners, multifunction devices, etc.) shall have the capability to securely erase data written to the hard drive prior to final disposition of such equipment, either at the end of the equipment's useful life or the end of the related services agreement for such equipment, in accordance with 1 TAC § Chapter 202.

4.3 NON-DISCLOSURE

No public disclosures or news releases pertaining to this RFP shall be made without prior written approval of The System.

4.4 CONFLICTS

In event of a conflict between standard proposal requirements and conditions and the attached detailed specification, the detailed specification shall govern.

4.5 PROPOSER AFFIRMATION

Submitting a proposal with a false statement is material breach of contract and shall void the submitted proposal or any resulting contracts, and the Proposer shall be removed from all proposal lists. By submitting a proposal, the Proposer herein affirms:

- 4.5.1 **Vendor Ethics - Gratuities:** As an agency of the State of Texas, The System holds the trust of the public. All Proposers and persons doing business with The System must provide the highest level of ethics and service in all business interactions. A Proposer shall not give, offer to give, nor intend to give at any time any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to an employee of The System that might reasonably appear to influence the employee in the discharge of official duties. The System may, by written notice to the Proposer, cancel any resulting contract without incurring liability if it determined that gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the Proposer, or any agent or representative of the Proposer, to any officer or employee of The System or its Components with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making or any determinations with respect to the performing of such a contract. In the event any contract resulting from this RFP is cancelled by The System pursuant to this provision, The System shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by Proposer in providing such gratuities.
- 4.5.2 If Proposer is a taxable entity as defined by Chapter 171, Texas Tax Code ("Chapter 171"), then Proposer certifies that it is not currently delinquent in the payment of any

taxes due under Chapter 171, or that Proposer is exempt from the payment of those taxes, or that Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable.

- 4.5.3 Neither the Proposer nor the firm, corporation, partnership, or institution represented by the Proposer, or anyone acting for such firm, corporation or institution has violated the antitrust laws of this State or the Federal Antitrust Laws nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.
- 4.5.4 Under Section 2155.004, Texas Government Code, a state agency may not accept a proposal or award a contract that includes proposed financial participation by a person who received compensation from the agency to participate in preparing the specifications or request for proposals on which the proposal or contract is based. By submitting a proposal in response to this RFP, Proposer certifies and affirms that: 1) Proposer has not received compensation for participation in the preparation of the specifications for this RFP; and 2) 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.
- 4.5.5 If applicable, pursuant to Texas Family Code, Title 5, Subtitle D, Section 231.006(d), regarding child support, the Proposer certifies that the individual or business entity named in this proposal is not ineligible to receive the specified payment and acknowledges that any contract resulting from this RFP may be terminated, and payment may be withheld if this certification is inaccurate. Furthermore, any proposer subject to Section 231.006 must include the names and Social Security numbers of each person with at least 25% ownership of the business entity submitting the proposal. If awarded this RFP, Proposer will provide this information to The System prior to contract execution.
- 4.5.6 Pursuant to Section 2155.004 Government code regarding collection of state and local sales and use taxes, the Proposer certifies that the individual or business entity named in this proposal is not ineligible to receive the specified contract and acknowledges that the contract may be terminated and/or payment withheld if this certification is inaccurate.
- 4.5.7 Proposer agrees that any payments due under any resulting contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas.
- 4.5.8 Proposer certifies that they are in compliance with Texas Government Code, Title 6, Subtitle B, Section 669.003 of the Government Code, relating to contracting with the executive head of a State agency. If Section 669.003 applies, Proposer will submit the following information in response to this Section with their response in order for the proposal to be evaluated:

Name of Former Executive: _____

Name of State Agency: _____

Date of separation from State Agency: _____

Position with Proposer: _____

Date of Employment with Proposer: _____

4.5.9 Proposer represents and warrants that Proposer's provision of services or other performance under any contract resulting from this RFP will not constitute an actual or potential conflict of interest and represents and warrants that it will not reasonably create even the appearance of impropriety.

4.5.10 Proposer and any of its principals (including, but not limited to, an owner, proprietor, sole or majority shareholder, director, president, or managing partner) are not debarred, suspended, or otherwise excluded from doing business with The System.

4.5.11 Proposer certifies that if a Texas address is shown as the address of the Proposer on its proposal, Proposer qualifies as a Texas Bidder as defined in Section 2155.444(c) of the Texas Government Code.

4.6 TERMS AND CONDITIONS ATTACHED TO RESPONSE

Any terms and conditions attached to the proposal will not be considered unless referred to in the proposal (ref. **Section 10**).

Section 5 – Scope of Work

The purpose of this RFP is to solicit proposals to enter into a contract with a qualified and experienced firm(s) to obtain timely and professional Services as described herein. The successful Proposer, if any, is referred to as the “**Contractor.**” Services described in this RFP will be provided to, and on behalf of, The System which includes TSUS Administration and its Component Institutions.

Proposers shall submit a complete response to all requirements and specifications set forth in this RFP. Proposers may expand or offer any additional suggestions and / or services that their firm feels may benefit The System in addition to the requirements listed in this RFP (ref. **Section 8.4**).

Contractor will provide the following Insurance Program Services to The System:

5.1 Design, Market & Implement The System’s Insurance Program

5.1.1 Provide administrative services, including, but not limited to:

- A. Maintain appropriate staffing levels to be responsive to The System’s inquiries.
- B. Answer phone calls and field questions during regular business hours and be available during non-business hours for emergency claim submission and other services.
- C. Organize, schedule, and attend meetings as requested. Meetings may be held in-person or conducted via audio / video conference call. Contractor will document meeting discussions and, if requested by The System, disseminate meeting minutes.
- D. Notify The System of any pending or actual material changes to Contractor’s business or insurer’s business with whom Contractor is insuring The System (e.g., changes in financial status, changes in organizational structure at local or corporate office, etc.).

5.1.2 Notify The System of new insurance products.

5.1.3 Provide marketing recommendations.

5.1.4 Provide access to necessary insurance markets.

5.1.5 Prepare program specifications and underwriting submissions.

5.1.6 Assist in the selection of the insurers most suitable for risk.

5.1.7 Be aware of and provide access to specialty insurance markets.

- 5.1.8 Assemble and format The System's data for consideration by insurance carriers.
- 5.1.9 Upon request, identify insurance carriers who can provide the insurance coverage and programs required by The System.
- 5.1.10 Request, implement and monitor coverage changes requested by The System.
- 5.1.11 Allocate insurance premiums by Component Institution, if requested.
- 5.1.12 Solicit and evaluate quotes for insurance.
- A. Identify carriers rated A- or better (according to A.M. Best) who could provide the coverage and program desired.
 - B. Verification of Qualifications: Contractor will verify that carriers and insurance companies meet the following minimum qualifications:
 - Shall be licensed by the State of Texas and permitted to contract with the State of Texas or any of its Subdivisions.
 - Be recommended in the latest edition of Best's Key Rating Guide and have at least a policyholder's rating of "A" and a Financial Size Category Rating of at least XI.
 - Any agents of record must be appointed by the carrier. The System is to be informed of the agent's office location and the agents serviced to be provided.
 - C. Provide a written summary of quotations and declinations from insurance carriers including analysis and comparison of program alternatives with best recommendation.
 - D. Facilitate negotiations with insurance carriers who submit the most favorable quotes to maximize coverage and minimize costs to The System. Contractor will maintain complete records of the insurance solicitation process and shall provide copies of such records to The System.
 - E. When needed, attend work sessions and / or meetings to discuss recommendations and subsequent insurance negotiations with designated representatives of The System.
- 5.1.13 Seek competitive programs and market on an unbiased basis and in the best interest of The System, including additional coverages not initially included / in use by The System.

- 5.1.14 Prepare an Annual Market Analysis and forecast for each line of insurance coverage procured by The System at the start of the marketing process. This summary will include information on trends, market availability, pricing, and long-term market directions.
- 5.1.15 Identify, analyze, and evaluate The System's exposure to losses. Analyze The System's risk bearing capacity and recommend appropriate level of risk retention and transfer.
- 5.1.16 Thoroughly review The System's coverage and make written recommendations to The System regarding any changes in coverage based on unintentional self-insurance, gaps in coverage, overlapping coverage, restrictive limits, higher education industry trends and projections, cost of coverage, etc.

5.2 Contractor Placed Coverage

For lines of coverage placed by the Contractor, Contractor will:

- 5.1.1 Assist The System in the completion of applications and the collection and tabulation of underwriting data for the renewal marketing submission. Develop underwriting submission and present final draft of market submissions to The System's Office of Risk Management for approval prior to marketing the program.
- 5.1.2 Make introductions to underwriters as mutually agreed upon and involve The System in negotiations on price and coverage.
- 5.1.3 Verify that rates and premiums are properly calculated and charged.
- 5.1.4 Communicate information between The System and selected insurance carriers including information regarding policy renewals, premium pay-ins, audit returns and buy-out provisions.
- 5.1.5 Bind coverage and issue binders of insurance, certificates, and policies in a timely manner when requested or required.
- 5.1.6 Maintain insurance policies and coverage without lapses or duplication.
- 5.1.7 Coordinate premium and deductible billing. Verify the accuracy of any invoices, bills, audits, and other premium adjustments. Contractor shall pay all premiums to the insurance carrier and then be reimbursed by The System. When appropriate, allocation of billings for The System's individual institutions will be required. Contractor will allocate billings for each of the institutions and supply The System with electronic invoices on a per institution basis.
- 5.1.8 Obtain support documentation from underwriters which detail the basis for premiums and other miscellaneous charges to assist in the administration of fair and equitable cost allocations to The System's institutions.

- 5.1.9 Review policies to verify conformance with specifications. Provide complete and accurate insurance policies to The System when requested.
- 5.1.10 Coordinate ongoing insurer services among the parties. Communicate with and secure all data required by insurance carrier or requested by The System.
- 5.1.11 Assist The System in any coverage disputes with the insurance carrier.
- 5.1.12 Work with The System and insurance carrier's claims adjusters to settle claims promptly and intercede actively on behalf of The System for any settlement of claims.
Note: Intensive, long-term claim assistance for catastrophic claims is not included in this scope of services.
- 5.1.13 Assist The System throughout the year in coordinating and documenting insurance claims with the insurance company's adjuster.

5.3 Policyholder / Client Services

- 5.3.1 Keep The System up to date on current and expected property and casualty market conditions, coverage issues, insurer solvency, and insurance cost and availability trends for all lines of coverage.
- 5.3.2 Assist The System in review of contract documents and provide analysis and recommendations regarding contractual risk transfer, changes in authority, wording and forms. Provide advice on insurance to be required of vendors, suppliers, contractors, and providers of professional services.
- 5.3.3 Provide written policy outlines including but not limited to coverage type, policy number, insurance carrier, renewal date, and exclusions.
- 5.3.4 Monthly, provide The System with a written Open Items Report that details all outstanding tasks on current projects including, but not limited to, endorsement requests, policy issuance, upcoming renewals, and pending coverage questions.
- 5.3.5 Monitor exposure changes and amend policies with The System's approval as appropriate.
- 5.3.6 Prepare customized reports and quote analyses as requested by The System.
- 5.3.7 Provide annual comprehensive loss history for all policies during renewal process.

5.4 Safety and Loss Prevention Services

Contractor will provide any needed liability risk related safety / loss control services required and / or coordinate such services through the insurance carrier. When designated by The System, Contractor, prior to the purchase of a policy, will conduct inspections, tests and other safety and loss prevention services. Contractor will have the capacity to secure safety and loss prevention services from insurance carriers for application with The System.

5.5 Claims Handling

As determined by The System, Contractor will:

- A. Communicate information to insurance carrier, report and monitor claims activity.
- B. Provide or obtain periodic loss runs from insurance carrier.

5.6 Billing & Payments

For all insurance premium types, Contractor will bill The System (or specific Component Institution, if appropriate) after Contractor binds the insurance.

5.7 Transition Upon Termination / Expiration

- 5.7.1 **Final Report**: Upon any expiration or termination of Agreement, Contractor will prepare a final report. The final report shall consist of the results of all completed projects that have not yet been reported to The System, the status of any projects or activities not completed, and identification of necessary information related to transition issues. The final report shall be delivered no later than two (2) weeks prior to the termination date.
- 5.7.2 **Contract Transition**: Prior to Agreement's expiration or termination, Contractor will assist any subsequent broker (if requested by The System and said broker) to ensure a smooth contract transition. All data, information and work products provided under the Agreement will remain the property of The System.

5.8 Additional Risk Management Services

Contractor may be asked by any member institution of The System to provide additional risk management services (requested and billed separately from the broker services described in **Sections 5.1 – 5.7**) as described below:

- 5.8.1 When requested by The System, Contractor will perform additional risk management services. Examples of such services would include, but are not limited to:
 - A. Business continuity planning,
 - B. Crisis management,
 - C. Modeling (including loss),
 - D. Captive feasibility studies,
 - E. Policy & procedure drafting,
 - F. Property appraisals,
 - G. Property loss prevention,
 - H. Building engineering reviews,
 - I. Risk management reviews, and
 - J. Risk assessments.
- 5.8.2 **Project Engagement**: No work shall be initiated by Contractor unless specifically authorized by an institution of The System in the form of a signed Purchase Order.

Each Purchase Order will delineate the details / specific tasks to be accomplished, the estimated period within which the Services will be performed and shall contain a “Not to Exceed” price / amount.

- A. To request Risk Management Services, The System’s Contract Manager, or his / her designee, shall notify the designated Point of Contact at Contractor’s Firm and identify the specific scope and nature of Services requested.
- B. Contractor and The System will agree upon the specific scope of services required for the project and a not-to-exceed estimate of the fees required based on the project scope. Contractor will provide a written quote that will delineate the details / specific tasks to be accomplished, the estimated period within which the Services will be performed and a “Not to Exceed” price / amount.
- C. Should the project scope be changed, by mutual agreement of The System and Contractor, a revised estimate shall be provided to The System for approval followed by the issuance of a revised Purchase Order.

5.8.3 Payments to Contractor for Risk Management Services will be made by The System institution that issued the Purchase Order.

- A. Billable time, if any, for dedicated hours of work includes, but is not limited to, travel time; communications and meetings with The System, external parties, and between Contractor staff; review of electronic correspondence and attachments; research; analysis; planning; budgeting and other administrative tasks performed to support The System.
- B. Billable time, if any, will be tracked by Contractor and rounded to the nearest quarter hour. *(Note: Contractor will submit tracking information with invoices as support for payment amounts.)*
- C. Contractor will bill / invoice upon completion of work.

5.9 Perform additional duties, tasks or services not specifically identified but related to the Services described in this RFP if needed and when mutually agreed upon in writing by both parties.

Section 6 – Pricing & Delivery

6.1 PRICING FOR WORK AND EXPENSES

Proposer shall include in response to this Section any and all compensation, including contingent commissions, associated with the Services as requested in **Section 5** or any other part of this solicitation. Pricing must be in United States Dollars and is considered all inclusive.

The System will *not* reimburse Contractor for expenses.

Indicate fee to be charged to The System for provision of Services:

- A. Provide a complete and total compensation schedule for Insurance Brokerage Services. Provide the compensation schedule, in the form of a brief narrative, for each of the coverage categories in the table below:

Coverage Category	Compensation Schedule
Property	
Auto Liability & Physical Damage	
Directors & Officers	
Crime	
Foreign Travel	
Special Events	
NCAA Athlete Play/Practice/Travel	
Cyber Liability	

- B. Provide the complete and total compensation schedule for additional coverage categories, not included in Section 6.1 A, that Proposer can provide if requested by The System. Additional lines can be added to the table as needed.

Coverage Category	Compensation Schedule

C. Provide a description of the compensation model Proposer prefers to use for the optional services described in **Section 5.8, Additional Risk Management Services**, that may be provided in response to this RFP. *Note: The System reserves the right to negotiate a different compensation model when actual risk management services are needed.*

6.2 DELIVERY

Indicate number of calendar days needed to commence performance of the Services after contract execution:

_____ Calendar Days

6.3 INVOICING: Invoices will be submitted by electronic means and must contain the resulting agreement number and supporting documentation for the invoiced amounts as described in the Agreement.

6.4 PAYMENT TERMS: The System’s standard payment terms are “net 30 days” as mandated by the *Texas Prompt Payment Act* (ref. [Chapter 2251, Government Code](#)).

Indicate below the prompt payment discount that Proposer offers:

Prompt Payment Discount: _____% _____ days/net 30 days.

The System, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on goods and services in accordance with [§151.309, Tax Code](#), and [Title 34 TAC §3.322](#). Pursuant to [34 TAC §3.322\(c\)\(4\)](#), The System is not required to provide a tax exemption certificate to establish its tax exempt status.

Section 7 – Execution of Offer

Proposer shall complete, sign, and submit this Execution of Offer with their proposal response. The Execution of Offer must be signed by an authorized officer of Proposer duly authorized to bind the Proposer to its proposal. Failure to sign the Execution of Offer will result in the rejection of proposal.

7.1 In compliance with this RFP, and subject to all the conditions herein, the undersigned offers and agrees to furnish any and all commodities or services at the prices quoted.

7.2 By signature hereon, the offeror hereby certifies that he/she is not currently delinquent in payment of any franchise taxes owed the State of Texas under Chapter 11, Tax Code.

7.3 By executing this offer, offeror represents and warrants that he/she has not given, offered, or intends to give at any time hereafter, any economic opportunity, future employment, gift loan, gratuity, special discount, trip, favor, or service to public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the offeror shall be removed from all proposal lists.

7.4 By the signature hereon affixed, the offeror hereby certifies that neither the offeror or the firm, corporation, partnership, or institution represented by the offeror or anyone acting for such firm, corporation, or institution has violated the antitrust laws of this State, codified in Section 15.01, et. seq., Texas Business and Commerce Code, or the Federal anti-trust laws, nor communicated directly or indirectly the offer made to any competitor or any other person engaged in such line of business. By signing this offer, offeror certifies that if a Texas address is shown as the address of the offeror, offeror qualified as a Texas Resident Proposer as defined in Rule 1 TAC 113.8.

7.5 Acknowledgement of Addenda: The undersigned Proposer hereby acknowledges receipt of the following Addenda issued as a part of this solicitation (initial only if applicable).

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

Note: If there was only one (1) Addendum issued, initial just the first blank after No. 1, not all five (5) blanks above.

Federal Employer Identification Number (FEIN): _____

Proposer/Company: _____

Signature: _____ Date: _____

Name (typed/printed): _____

Title: _____

Address: _____

Telephone Number: _____ E-mail: _____

Section 8 – Proposer’s Questionnaire

The Proposer recognizes that in selecting a Contractor, The System will rely in part on the answers provided in response to this Section. Accordingly, Proposer certifies that to the best of its knowledge, all responses are true, correct and complete.

All Proposals submitted must contain full and complete responses to each of the following questions about Proposer’s firm (“**Company**”). Proposer must demonstrate the ability to successfully provide the Services. If a Proposer cannot meet any qualifications or responsibilities, it must state that, and when appropriate, offer an alternative response. Failure to respond to any item listed may disqualify the Proposal.

8.1 COMPANY PROFILE

8.1.1 Provide the following information:

Legal name of Company	
Federal Tax ID #	
State of incorporation	
Identify the organizational status of the Company (i.e., corporation, partnership, or sole proprietorship). Include: <ul style="list-style-type: none"> • date of incorporation, • name of corporate president / principals 	
Address of principal place of business	
Address of office that would be providing service under the Agreement	
Number of Employees	
Annual Revenue	
Name of Parent Corporation (if any)	

NOTE: If Proposer is a subsidiary, The System prefers to enter into a contract or agreement with the Parent Corporation or to receive assurances of performance from the Parent Corporation.

- 8.1.2 State whether Proposer will provide a copy of Company financial statements for the past two (2) years, if requested by The System.
- 8.1.3 Provide financial rating of Company and any related documentation (such as a Dunn and Bradstreet analysis) that indicates the financial stability of Proposer.
- 8.1.4 Provide a brief history of the Company. Indicate the number of years the Company has provided the type of services for which this proposal is submitted.
- 8.1.5 Is the Company licensed to solicit business in the State of Texas? If yes, include a copy of the license(s).
- 8.1.7 Disclose any relationships, to the best of Company's knowledge, between Company and employees of The System:
- A. Is there any current or past relationship(s), including familial relationships through marriage or consanguinity, business relationships, capital-funding agreements or arrangements, or any other such similar business or personal relationship(s), between the Company and any employee, officer or Regent of The Texas State University System, including the Component Institutions? If yes, please explain.
 - B. Does the Company have any current or former employees who are / were employees of The Texas State University System or Component Institutions? If yes, please explain.
 - C. Does the Company have any personnel it is proposing to work on this account who are, or are related to, current or former employees of The Texas State University System, including the Component Institutions? If yes, please explain.
- 8.1.8 Is the Company currently for sale or involved in any transaction to expend or to become acquired by another business entity? If yes, please explain the impact both in organizational and directional terms.
- 8.1.9 Is the Company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, specify date(s), details, circumstances, and prospects for resolution.
- 8.1.10 Provide any details of all past or pending litigation or claims filed against the Company that would negatively impact the Company's performance under any agreement with The System.
- 8.1.11 Provide the name, title, email and telephone number of the individual who will serve as the primary day-to-day contact for The System should a contract be awarded to Company.

8.2 QUALITY OF SERVICE

- 8.2.1 Discuss how Company maintains relationships with clients and provides high-level customer service to clients.
- 8.2.2 Describe the Company's plan to maintain effective communication with The System.

8.3 MISCELLANEOUS

- 8.3.1 Provide a list of any additional services or benefits not otherwise identified in this RFP that Proposer would propose to provide to The System. Additional services or benefits must be directly related to the goods and services solicited under this RFP. Any additions, changes, or suggestions should be clearly described and defined in response to this section and also included in Agreement redlines as a new Exhibit (ref. **Section 10**), for The System's consideration.
- 8.3.2 Describe, or provide a copy of, Company's contingency plan or disaster recovery plan in the event of a disaster.
- 8.3.3 Indicate whether the Company intends to subcontract any of the work associated with the performance of the Services. If so, describe the roles of such subcontractors and Company's process in working with and integrating them into the successful performance of the Services. This question must be answered even if there is no HSP submittal requirement (ref. **Section 3.2.2**) for this RFP.

****NOTE:** If Proposer intends to subcontract any of the work in this RFP and is selected for contract award, regardless of the HUB Subcontracting Plan (HSP) submittal requirement for this RFP (ref. **Section 3.2**), Proposer must submit a completed HSP to The System prior to execution of any Agreement regardless of whether Proposer is a certified Texas HUB or not. Visit the Texas Comptroller of Public Account's webpage (<https://comptroller.texas.gov/purchasing/vendor/hub/forms.php>) to review / download the current "HUB Subcontracting Plan Form."*

8.4 ADDITIONAL CONSIDERATIONS

Describe any additions or changes to the Scope of Work that Company would suggest to successfully meet the objective of this RFP or that may be of benefit to The System. Any additions, changes or suggestions should be clearly described and defined in response to this section and included in Agreement redlines (ref. **Section 10**), for The System's consideration. The System reserves the right to incorporate any such additions, changes, or suggestions into the Agreement.

Section 9 – Additional Questions Specific to RFP

The Proposer recognizes that in selecting a Contractor, The System will rely in part on the answers provided in response to this Section. Accordingly, Proposer certifies that to the best of its knowledge, all responses are true, correct and complete. The System reserves the right to contact each reference or contact name listed in response to this RFP at any time and shall be free from any liability to Proposer for conducting such inquiry. Failure to respond to any item in this section may disqualify the Response.

Per **Section 2.5** the specific RFP Evaluation Criteria, and relative weights of each, that will be used to evaluate Proposals are as follows:

Criteria	Weight
Proposed Cost	20%
Vendor Experience	45%
Service Approach	30%
Exceptions to Terms & Conditions (ref. Section 10)	5%
Total:	100%

When considering 'best value' and award, The System reserves the right to set a minimum score requirement regarding the non-cost criteria listed in the table above.

To be considered, Proposer must submit the following information, using the same numbering format and in the order asked, as part of Proposer's proposal:

9.1 VENDOR EXPERIENCE

- 9.1.1 Provide references from up to three (3) of Proposer's customers from the past five (5) years for services that are similar in scope, size, and complexity to the Services described in this RFP.

Provide the following information for each customer:

- Customer name and address;
- Contact name with email address and phone number;
- Time period in which work was performed and length of overall business relationship; and
- Short description of the types of insurance policies / risk management services provided.

- 9.1.2 Has Proposer worked with The System or one of the Component Institutions in the past five (5) years? If "yes," state The System contact (or Component Institution name, department name, and department contact) and provide a brief description of work performed.

- 9.1.3 Provide a brief narrative describing the history of Proposer's firm, relevant experience, and overall capabilities that make Proposer's firm uniquely suited to provide the Services. Include the following information in response to this question:
- attest that Proposer is licensed to do business in the State of Texas and permitted to contract with the State or any of its subdivisions
 - attest that Proposer is a certified / licensed firm fully qualified to place coverage and perform the services described in this RFP
 - attest that Proposer is in good standing with the Texas Department of Insurance (**TDI**) and disclose any actions that are pending or in process with TDI
 - describe any national resources Proposer has in place for higher education customers
 - provide a list of any state or national professional organizations Proposer is a member of, or with which Proposer is actively involved
- 9.1.4 Provide information that demonstrates Proposer's firm has sufficient financial stature and operational capacity to successfully complete the Services and accommodate the needs of The System.
- 9.1.5 Provide the following information for the office or branch that will service The System's account, including (without limitation) the following qualifications:
- Total number of Employees
 - Approximate Total Number of Clients
 - Number of Private College, University, Academic, Medical Center and Healthcare Clients
 - Number of Public College, University, Academic, Medical Center and Healthcare Clients
 - Premium Volume (Property and Casualty only)
 - Approximate Average Size of Accounts (premium size)
 - Largest Single Account (premium size)
 - If Direct Writer, A.M. Best's Rating
- 9.1.6 Provide a brief resume to include name, title, education, summary of relevant experience (specifically experience with higher education clients), number of clients currently serviced by the individual, and percentage of time that will be dedicated to performing Services for The System for the following individuals from Proposer's firm:
- the individual that will oversee The System's account
 - any additional key team members that will be assigned to The System's account
- 9.1.7 List the services that are provided by Proposer's in-house staff. List the services provided through an affiliate.
- 9.1.8 Describe Proposer's qualifications and abilities to perform claims handling services.

9.2 SERVICE APPROACH

- 9.2.1 How does Proposer determine when it is appropriate to involve the insured in negotiations with underwriters? What role would Proposer like The System to play in this process?
- 9.2.2 What are underwriters' greatest concerns regarding insuring universities? Describe Proposer's approach to obtaining coverage and communication with underwriters. Describe how markets are generally accessed in Proposer's firm, to what extent do industry specialties exist within the firm, and how do industry specialties (if any) work in practice?
- 9.2.3 Describe the major types of risks and exposures faced by public institutions of higher education in Texas and throughout the nation. Provide details of Proposer's strategy to identify, evaluate, assess, and mitigate these risks and exposures.
- 9.2.4 Provide a copy of a report prepared by Proposer's firm for a client that is like the Annual Stewardship Report The System requires (ref. **Section 5.2.3 C, Item 1**). If an existing report is not available or cannot be released, provide specific details about the types of information that it will contain.
- 9.2.5 Is Proposer currently licensed to provide property and liability coverage in Texas? Indicate markets, by line of coverage, Proposer's firm would recommend for insurance coverage for The System and why. What approach will Proposer take to assure that The System has broad coverage at a fair price with sound insurers?
- 9.2.6 What approach would Proposer's firm take to ensure a timely renewal process? Describe any unique advantages that would enhance this process. What is the volume of March 1 and September 1 renewals in the office that will provide the Services under the Agreement?
- 9.2.7 What approach would Proposer take to assist The System in developing insurance specifications and submissions considering The System's variety of risks?
- 9.2.8 Describe Proposer's approach to monitoring the financial and managerial strength of The System's existing and potential carriers. How will Proposer inform The System of the solvency / stability of the insurers on the account?
- 9.2.9 Describe any loss prevention, loss control and other technical services that would be available for this program. Describe Proposer's administrative system(s) / process for providing certificates of insurance.
- 9.2.10 How does Proposer's firm track new or evolving issues concerning insurance forms or legal decisions that may affect Proposer's clients?
- 9.2.11 Describe any unique benefits or advantages to be gained by The System from doing business with Proposer.
- 9.2.12 Describe Proposer's approach to the required services identified in **Section 5**, Scope of Work, of this RFP. Be specific in addressing each of the service categories.

- 9.2.13 Describe Proposer's strategy for ensuring that The System receives all information regarding coverage terms and conditions prior to purchasing a policy. Provide a sample coverage comparison.
- 9.2.14 Describe Proposer's strategy for ensuring that The System will receive policies that are issued correctly and according to specifications. Provide a sample Policy Review Checklist.
- 9.2.15 Provide a sample of an Open Items Report (ref. **Section 5.3.4**) with similar formatting and content to the report that will be submitted to The System on a monthly basis.
- 9.2.16 Describe any difficulties Proposer anticipates in performing its duties under the Agreement with The System and how Proposer plans to manage these difficulties. Describe any assistance Proposer would request from The System to successfully provide the Services.

SECTION 10 – General Terms & Conditions of Contract

The terms and conditions contained in the attached Agreement (ref. **APPENDIX ONE**) or, in the sole discretion of The System, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any contract that results from this RFP.

- 10.1 If Proposer agrees with the terms and conditions set forth in **APPENDIX ONE** as is, Proposer will acknowledge it in writing (ref. **Section 10.3 A**)
- 10.2 If Proposer has additional terms and conditions that it proposes to include in any contract or agreement resulting from this RFP (such as software license terms and conditions, participation forms, etc.) or if Proposer takes exception to any terms or conditions set forth in the Agreement, Proposer will acknowledge it in writing (ref. **Section 10.3 B and C**) and submit a redlined **APPENDIX ONE** (in the original editable format, i.e. Microsoft Word) as part of its proposal in accordance with **Section 3.3.4** of this RFP. Proposer's additions and exceptions will be reviewed by The System and may result in disqualification of Proposer's proposal as non-responsive to this RFP. If Proposer's additions and exceptions do not result in disqualification of Proposer's proposal, then The System may consider Proposer's additions and exceptions when The System evaluates the Proposer's proposal. The System will not be bound by or required to accept or agree to any terms and conditions that a Proposer includes (or fails to include) in its Proposal.

Any addition, deletion, noted exception or other change made to the Agreement must be accompanied by a comment explaining Proposer's rationale for the edit. Failure to include all such terms and conditions in response to this RFP (incorporated into a redlined APPENDIX ONE per Section 10.3 C below) may result in Proposer's disqualification even after an award has been made.

10.3 Regarding the Agreement (ref. **APPENDIX ONE**) Proposer:

- A. Agrees with the terms and conditions in the Agreement, has no additional terms, conditions, considerations or other documents to add to the Agreement:

Yes: _____ No: _____

- B. Takes exception to some of the terms and conditions or is proposing additions or changes for The System's consideration (ref. **Sections 8.3 and 8.4**):

Yes: _____ No: _____

- C. Has submitted additional terms and conditions, additional considerations (ref. **Section 8.4**) or other documents for consideration by The System in the form of a new Exhibit(s) to the Agreement:

Yes: _____ No: _____

Exceptions cannot be taken to the RFP document itself, nor can it be redlined. These actions may result in Proposer's disqualification.

APPENDIX ONE

AGREEMENT

The draft Agreement on the following pages has been prepopulated with relevant project information so Proposers can review and redline as instructed in this RFP (ref. **Sections 3.8, 8.3.1, 8.4, and 10**). Proposers will also update any text in *red* that is related to Proposer's firm (e.g., contractor name, FEIN #, point of contact, signatory information, etc.).

No edits shall be made without the track changes feature in Microsoft Word being engaged.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

**AGREEMENT BETWEEN
THE TEXAS STATE UNIVERSITY SYSTEM**

AND

INSERT CONTRACTOR NAME

This non-exclusive agreement (**Agreement**) is entered into between **Insert Contractor Name (Contractor)**, Federal Tax Identification Number **Insert Contractor's FEIN #**, and **The Texas State University System (The System)**, an agency and institution of higher education established under the laws of the State of Texas, and located in Austin, Texas. The number associated with this Agreement (**Agreement Number**) is: **Insert Agreement Number**.

The System includes the system administration office (**TSUS Administration**) and seven (7) component institutions (**Component Institutions**) that offer a broad range of academic and career opportunities:

- The Texas State University System Administration
- Lamar University
- Sam Houston State University
- Sul Ross State University
- Texas State University
- Lamar Institute of Technology
- Lamar State College Orange
- Lamar State College Port Arthur

In consideration of the mutual promises and covenants contained in the Agreement, The System and Contractor agree as follows:

1. Services

Contractor will perform the services (**Services**) set forth in **Exhibit A**, Scope of Work, to the satisfaction of The System and in accordance with The System's Request for Proposal (RFP) **#758-22-00077 Insurance Broker Services** and Contractor's response to said RFP. Services will be provided to, and on behalf of, The System. Time is of the essence in connection with this Agreement. The System will have no obligation to accept late performance or waive timely performance by Contractor.

2. Contract Term

This Agreement is effective as of the later of January 1, 2023, or the date Agreement is fully executed by both parties (**Effective Date**). The term (**Initial Term**) of this Agreement will begin on the Effective Date and expire on August 31, 2027, unless earlier terminated in accordance with **Section 18**. The System will have the option to renew this Agreement for two (2) additional two (2) year terms (each a **Renewal Term**). The Initial Term and each Renewal Term are collectively referred to as the **Term**.

3. Compensation

The System will compensate Contractor for services in accordance with **Exhibit B**, Pricing for Services. Total compensation to Contractor will not exceed the Contract Amount (ref. **Exhibit B, Section 1.5**) inclusive of all fees and expenses during the life of the Agreement.

The Agreement will not be effective for amounts exceeding one million dollars (\$1,000,000) unless preapproved by the Board of Regents of The Texas State University System.

4. Contractor's Obligations

- 4.1 **Permits, Certifications, and Licenses.** Contractor will obtain, at its own cost, any and all approvals, licenses, filings, registrations and permits required by federal, state or local, laws, statutes, regulations and ordinances (collectively, **Applicable Laws**), for the performance of the Services.
- 4.2 Contractor will perform Services in compliance with (a) all Applicable Laws, and (b) the Board of Regents of The Texas State University System Rules and Regulations, the policies of The Texas State University System; and the institutional rules, regulations and policies of Component Institutions (collectively, **The System Rules**). Contractor represents and warrants that neither Contractor nor any firm, corporation or institution represented by Contractor, or anyone acting for the firm, corporation or institution, (1) has violated the antitrust laws of the State of Texas, [Chapter 15, Texas Business and Commerce Code](#), or federal antitrust laws, or (2) has communicated directly or indirectly the content of Contractor's response to The System's procurement solicitation to any competitor or any other person engaged in a similar line of business during the procurement process for this Agreement.
- 4.3 Contractor will call to The System's attention in writing all information in any materials supplied to Contractor (by The System or any other party) that Contractor regards as unsuitable, improper or inaccurate in connection with the purposes for which the material is furnished.
- 4.4 The System at all times is relying on Contractor's skill and knowledge in performing Services. Contractor represents and warrants that Services will be accurate and free from any material defects. Contractor's duties and obligations under this Agreement will not be in any way diminished by reason of any approval by The System. Contractor will not be released from any liability by reason of any approval by The System.
- 4.5 Contractor will (a) use commercially reasonable efforts to perform Services in a good and workmanlike manner and in accordance with commercially reasonable standards of Contractor's profession or business, and (b) all Services to be performed will be of the quality that prevails among similar businesses engaged in providing similar services in major urban areas of the United States under the same or similar circumstances.

- 4.6 Contractor will, at its own cost, correct all material defects in Services as soon as practical after Contractor becomes aware of the defects. If Contractor fails to correct material defects in Services within a reasonable time, then The System may correct the defective Services at Contractor's expense. This remedy is in addition to, and not in substitution for, any other remedy for defective Services that The System may have at law or in equity.
- 4.7 Contractor will maintain a staff of properly trained and experienced personnel to ensure satisfactory performance under this Agreement. Contractor will cause all persons connected with Contractor directly in charge of Services to be duly registered and licensed under all Applicable Laws. Contractor will assign to the Project a designated representative who will be responsible for administration and coordination of Services. Contractor will furnish efficient business administration and coordination and perform Services in an expeditious and economical manner consistent with the interests of The System.
- 4.8 **Premise Rules.** If this Agreement requires Contractor's presence on The System's premises or in The System's facilities, Contractor agrees to cause its employees, representatives, agents, or subcontractors to become aware of, fully informed about, and in full compliance with all applicable The System Rules, including those relative to personal health, security, environmental quality, safety, fire prevention, noise, smoking, and access restrictions.
- 4.9 **Records.** Records of Contractor's costs, reimbursable expenses pertaining to the Covered Services and payments will be available to The System or its authorized representative during business hours and will be retained for four (4) years after final Payment or abandonment of the Covered Services, unless The System or Component Institution otherwise instructs Contractor in writing.
- 4.10 **Responsibility for Individuals Performing Services; Criminal Background Checks.** Each individual who is assigned to perform the Services under this Agreement will be an employee of Contractor or an employee of a subcontractor engaged by Contractor. Contractor is responsible for the performance of all individuals performing Services under this Agreement.

Contractor will determine on a case-by-case basis whether each individual assigned to perform the Services is qualified to provide the Services. Contractor will not knowingly assign any individual to provide services on The System or Component Institution's premises who has a history of criminal conduct unacceptable for a university campus or healthcare center, including violent or sexual offenses.

Criminal Background Checks. Prior to commencing Services, Contractor will conduct the following background checks on its officers, employees, or other persons it causes to be on The System premises or the campus of any Component Institution:

- Sex offender and criminal history databases where the above individuals will be placed on the campus, working with or around students; and

- Criminal history and credit history background checks where the above individuals will be handling money, informational technology, or other security-sensitive areas as determined by The System.

Prior to commencing performance of Services under this Agreement, Contractor will provide The System a letter signed by an authorized representative of Contractor certifying compliance with this Section. Contractor will be responsible for providing The System an updated certification letters each time there is a change in the individuals assigned to perform the Services.

4.11 Records Retention Requirements for Agreements Over One Million. If the value of this Agreement ever exceeds a total value of one million dollars, and in accordance with Section 552.372 of the [Texas Government Code](#), Contractor agrees to:

- preserve all contracting information (as this term is defined in Texas Government Code, Section 552.003 (7)) related to this Agreement in accordance with the records retention requirements applicable to The System for the duration of this Agreement;
- promptly provide to The System any contracting information related to this Agreement that is in the custody or possession of Contractor on request of The System; and
- on completion of this Agreement, either: (1) provide at no cost to The System all contracting information related to this Agreement that is in the custody or possession of Contractor, or (2) preserve the contracting information related to this Agreement in accordance with the records retention requirements applicable to The System.

Contractor further agrees that the requirements of Subchapter J, Chapter 552, [Texas Government Code](#), may apply to this Agreement and the Contractor agrees that the Agreement can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

4.12 Disaster Recovery Plan. In accordance with 13 TAC § 6.94(a)(9), Contractor shall provide to The System the descriptions of its business continuity and disaster recovery plans.

5. Contractor's Certifications

5.1 Entities that Boycott Israel. Pursuant to Chapter 2270.002 of the [Texas Government Code](#), Contractor certifies that either (1) it meets an exemption criterion under Section 2270.002; or (2) it does not boycott Israel and will not boycott Israel during the term of the Agreement. Contractor shall state in this Agreement any facts that make it exempt from the boycott certification.

5.2 Foreign Terrorist Organizations. Pursuant to Chapter 2252.152 of the [Texas Government Code](#), Contractor certifies Contractor is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Contractor acknowledges this

Agreement may be terminated and payment withheld if this certification is inaccurate.

- 5.3 **Excluded Parties.** Contractor certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 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.
- 5.4 **Suspension and Debarment.** Pursuant to and in compliance with [Executive Orders](#) 12549 and 12689 and Section 180.300 of the [Code of Federal Regulations](#), The System cannot purchase goods and / or secure services from vendors that have been debarred, suspended, proposed for debarment, or otherwise excluded from or ineligible to participate in Federal or State assistance programs or activities. Contractor certifies that, to the best of its knowledge, Contractor and / or its Principals are not suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from the award of contracts by the Federal government and / or the State of Texas. Contractor further certifies that it is not subject to a vendor hold by the State of Texas and / or that it is not subject to debarment or suspension by the Texas Comptroller. If it is ever determined that Contractor is suspended or debarred from doing business with the State of Texas or U.S. Federal government, The System may immediately terminate the Agreement and will not issue any payment for goods / services rendered.
- 5.5 **Eligibility Certifications (Financial Participation Prohibited / Prior Disaster Relief Contract Violation).** Pursuant to Sections 2155.004 and 2155.006, [Texas Government Code](#), Contractor certifies that the individual or business entity named in the Agreement is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment withheld if these certifications are inaccurate.
- 5.6 **Human Trafficking.** Under Section 2155.0061 of the [Texas Government Code](#), Contractor certifies that the individual or business entity named in this Agreement is not ineligible to receive the specified contract and acknowledges that this Agreement may be terminated, and payment withheld if this certification is inaccurate.
- 5.7 **Restricted Employment for Certain State Personnel.** Pursuant to Section 572.069 of the [Texas Government Code](#), Contractor certifies that it has not employed and will not employ a former state officer or employee who participated in a procurement or contract negotiations for The System involving Contractor within two (2) years after the date that the Agreement is signed or the procurement is terminated or withdrawn. This certification only applies to former state officers or employees whose state service or employment ceased on or after September 1, 2015.
- 5.8 **Child Support Obligation Certification.** Pursuant to [§231.006, Texas Family Code](#), Contractor certifies it is not ineligible to receive the award of or payments

under this Agreement, and acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

- 5.9 **Tax Certification.** If Contractor is a taxable entity as defined by [Chapter 171, Texas Tax Code](#), then Contractor certifies it is not currently delinquent in the payment of any taxes due under Chapter 171, Contractor is exempt from the payment of those taxes, or Contractor is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable.
- 5.10 **Computer Equipment Recycling Program.** If applicable, Contractor 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 30TAC Chapter 328.
- 5.11 **Firearm Entities and Trade Associations Discrimination.** Pursuant to Chapter 2274 of the [Texas Government Code](#), for Orders that exceed \$100,000 Contractor 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 Agreement against a firearm entity or firearm trade association.
- 5.12 **Energy Company Boycotts.** Pursuant to Chapter 2274 of the [Texas Government Code](#), for Agreements that exceed \$100,000, Contractor certifies that it:
- (1) does not boycott energy companies as defined in Section 809.001 (1)(A) Texas Government Code (i.e., fossil fuel companies); and
 - (2) will not boycott energy companies during the term of the Agreement.
- 5.13 **Vaccine Passport Prohibition.** Contractor 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 Contractor's business. Contractor acknowledges that such a vaccine or recovery requirement would make Contractor ineligible for a state-funded contract.
- 5.14 **Critical Infrastructure Affirmation.** Pursuant to Section 2274.0102 of [Texas Government Code](#), Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor 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 Section 2274.0103 of Texas Government Code, or
 - (2) headquartered in any of those countries.

- 5.16 **Disclosure of Prior State Employment.** In accordance with Section 2254.033 of the [Texas Government Code](#), relating to consulting services, Contractor certifies that it does not employ an individual who has been employed by The System or another state agency at any time during the two years preceding the Agreement or, in the alternative, Contractor has disclosed to The System the following: (i) the nature of the previous employment with The System or the other agency; (ii) the date the employment was terminated; and (iii) the annual rate of compensation for the employment at the time of its termination.

6. Representations and Warranties by Contractor.

- 6.1 Contractor warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver the Agreement, and the individual executing the Agreement on behalf of Contractor has been duly authorized to act for and bind Contractor.
- 6.2 **Lobbying Prohibition.** Contractor represents and warrants that The System's payments to Contractor and Contractor's receipt of appropriated or other funds under the contract are not prohibited by Sections 556.005 or 556.0055 of the [Texas Government Code](#).
- 6.3 **Ethics Matters; No Financial Interest.** Contractor and its employees, agents, representatives and subcontractors have read and understand The System's Conflicts of Interest Policy and Code of Ethics at <https://www.tsus.edu/about-tsus/policies.html> and applicable state ethics laws and rules. Neither Contractor nor its employees, agents, representatives or subcontractors will assist or cause The System employees to violate The System's Conflicts of Interest Policy. Contractor represents and warrants that no member of the Board has a direct or indirect financial interest in the transaction that is the subject of this Agreement. Neither Contractor nor its employees, agents, representatives or subcontractors will assist or cause The System employees to violate The System's Conflicts of Interest Policy, The System's Ethics Code, or applicable state ethics laws or rules. Contractor represents and warrants that no member of the Board has a direct or indirect financial interest in the transaction that is the subject of this Agreement.

Further, Contractor agrees to comply with §2252.908, [Texas Government Code](#) (Disclosure of Interested Parties Statute), and 1 TAC §46.1 through 46.5 (Disclosure of Interested Parties Regulations), as implemented by the Texas Ethics Commission (TEC), including, among other things, providing the TEC and The System with information required on the form promulgated by TEC. Contractor may learn more about these disclosure requirements, including the use of TEC's electronic filing system, by reviewing the information on TEC's website at: <https://www.ethics.state.tx.us/filinginfo/1295/>

- 6.4 Contractor represents and warrants that all of Contractor's Personnel contributing to Work Material (ref. **Section 7.1**) under this Agreement will be required to (i)

acknowledge in writing the ownership of Contractor (for the benefit of The System) of Work Material produced by Personnel while performing services pursuant to this Agreement, and (ii) make all assignments necessary to effectuate such ownership. **Personnel** means any and all persons associated with Contractor who provide any work or work product pursuant to this Agreement, including officers, managers, supervisors, full-time employees, part-time employees, and independent contractors.

- 6.5 Contractor represents and warrants that: (i) Services will be performed solely by Contractor, its full-time or part-time employees during the course of their employment, or independent contractors who have assigned in writing all right, title and interest in their work to Contractor (for the benefit of The System); (ii) The System will receive free, good and clear title to all Work Material developed under this Agreement; (iii) Work Material and the intellectual property rights protecting Work Material are free and clear of all encumbrances, including security interests, licenses, liens, charges and other restrictions; (iv) Work Material will not infringe upon or violate any patent, copyright, trade secret, trademark, service mark or other property right of any former employer, independent contractor, client or other third party; and (v) the use, reproduction, distribution, or modification of Work Material will not violate the rights of any third parties in Work Material, including trade secret, publicity, privacy, copyright, trademark, service mark and patent rights.
- 6.6 In accordance with Section 2252.901 of the [Texas Government Code](#), Contractor represents and warrants that none of its employees including, but not limited to, those authorized to provide services under the contract, were former employees of The System during the twelve (12) month period immediately prior to the date of execution of the Agreement.

7. Ownership and Use of Work Material (Property Rights)

- 7.1 **Work Material.** All tools, software, programs, renderings, drawings, specifications, plans, computations, data, photographs, records, models, statements, reports, studies, and other deliverables or materials prepared or produced by Contractor Parties in connection with the Services (collectively, the Work Material), whether or not accepted or rejected by The System, are the property of The System and for The System's exclusive use and re-use at any time without further compensation and without any restriction. Contractor grants and assigns to The System all rights in and claims to the Work Material and will cooperate with The System in obtaining or enforcing The System's rights and claims. Contractor will not use the Work Material except as expressly authorized by this Agreement.
- 7.2 **Patents or Copyrights.** Contractor will not apply for any copyright, patent or other property right related to the Work Material. Contractor agrees to protect The System from claims involving infringement of patents or copyrights.
- 7.3 Contractor will deliver all Work Material to The System upon expiration or termination of this Agreement. The System will have the right to use Work Material for the completion of Work or otherwise. The System may, at all times, retain the originals of Work Material. Work Material will not be used by any person other than

The System on other projects unless expressly authorized by The System in writing.

- 7.4 Work Material will not be used or published by Contractor or any other party unless expressly authorized by The System in writing. Contractor will treat all Work Material as confidential.
- 7.5 All title and interest in Work Material will vest in The System and will be deemed to be work made for hire and made in the course of Work rendered under this Agreement. To the extent that title to any Work Material may not, by operation of law, vest in The System or Work Material may not be considered works made for hire, Contractor irrevocably assigns, conveys and transfers to The System and its successors, licensees and assigns, all rights, title and interest worldwide in and to Work Material and all proprietary rights therein, including all copyrights, trademarks, service marks, patents, trade secrets, moral rights, all contract and licensing rights and all claims and causes of action with respect to any of the foregoing, whether now known or hereafter to become known. In the event Contractor has any rights in Work Material which cannot be assigned, Contractor agrees to waive enforcement worldwide of the rights against The System, its successors, licensees, assigns, distributors and customers or, if necessary, to exclusively license the rights, worldwide to The System with the right to sublicense. These rights are assignable by The System.

8. Right to Audit

- 8.1 **Right to Audit.** Contractor agrees that The System, or any of its duly authorized representatives, at any time during the term of the Agreement, will have access to, and the right to audit and examine, any relevant books, documents, papers, and records of Contractor and related Contractor charges incurred in its performance under this Agreement. Such records will be kept by Contractor for a period of four years after Final Payment under this Agreement. Contractor agrees to refund The System within thirty days of being notified by The System of any overpayments disclosed by any audits.
- 8.2 **State Auditor's Right to Audit.** Contractor understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the State of Texas Auditor's Office or any successor agency (**Auditor**), to conduct an audit or investigation in connection with those funds. Contractor shall cooperate with the State Auditor's Office in the conduct of the audit or investigation, including providing all records requested. Contractor shall ensure that this paragraph concerning the State's authority to audit funds received indirectly by subcontractors through Contractor and the requirement to cooperate is included in any subcontract it awards. Additionally, the State Auditor's Office shall at any time have access to and the rights to examine, audit, excerpt, and transcribe any pertinent books, documents, audit documentation, and records of the Contractor relating to this contract for any purpose.

9. Notices

Except as otherwise provided by this Section, notices, consents, approvals, demands, requests or other communications required or permitted under this Agreement, will be in writing and sent via certified mail, hand delivery, overnight courier, facsimile transmission (to the extent a facsimile number is provided below), or email (to the extent an email address is provided below) as indicated below, and notice will be deemed given (i) if delivered by certified mailed, when deposited, postage prepaid, in the United States mail, or (ii) if delivered by hand, overnight courier, facsimile (to the extent a facsimile number is provided below) or email (to the extent an email address is provided below), when received:

If to The System: The Texas State University System
Attention: Vice Chancellor and CFO
601 Colorado Street
Austin, TX 78701

Or via email: finance@tsus.edu

If to Contractor: **INSERT CONTRACTOR NAME**
Attn: **INSERT "ATTENTION TO" NAME**
INSERT ADDRESS
INSERT CITY, ST, ZIP

Or via email: **INSERT CONTACT EMAIL**

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

10. Indemnification

CONTRACTOR WILL AND DOES HEREBY AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY THE SYSTEM, AND HOLD HARMLESS THE SYSTEM AND THEIR REGENTS, OFFICERS, DIRECTORS, ATTORNEYS, EMPLOYEES, REPRESENTATIVES AND AGENTS (COLLECTIVELY "INDEMNITEES") FROM AND AGAINST ALL DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, EXPENSES, AND OTHER CLAIMS OF ANY NATURE, KIND, OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING (COLLECTIVELY "CLAIMS") BY ANY PERSON OR ENTITY, ARISING OUT OF, IN CONNECTION WITH, OR RESULTING FROM THIS ORDER OR THE GOODS OR SERVICES PROVIDED UNDER THIS ORDER, TO THE EXTENT CAUSED, IN WHOLE OR IN PART, BY THE ACTS, OMISSIONS, OR WILLFUL MISCONDUCT OF CONTRACTOR, OR IT AGENTS, EMPLOYEES, SUBCONTRACTORS, SUPPLIERS OR ANYONE DIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE. THE FOREGOING SHALL NOT APPLY IF DUE TO THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE INDEMNITEES. IN ADDITION, CONTRACTOR WILL INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY THE

SYSTEM, AND HOLD HARMLESS THE INDEMNITEES FROM AND AGAINST ALL CLAIMS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER INTELLECTUAL PROPERTY RIGHTS ARISING OUT OF, IN CONNECTION WITH, OR RESULTING FROM THIS ORDER OR THE GOODS OR SERVICES PROVIDED UNDER THIS ORDER. THE PROVISIONS OF THIS SECTION WILL NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT, WHICH ANY INDEMNITEE HAS, BY LAW OR EQUITY. IN THE EVENT OF LITIGATION, THE SYSTEM AGREES TO COOPERATE REASONABLY WITH CONTRACTOR. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

11. Limitations

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

12. Sovereign Immunity

Notwithstanding any provision of the Agreement, nothing herein shall be construed as a waiver by The System of its constitutional, statutory or common law rights, privileges, immunities or defenses. To the extent the terms of this paragraph conflicts with any other provision in the Agreement, the terms of this paragraph shall control.

13. Cybersecurity Training Program

Pursuant to Section 2054.5192, [Texas Government Code](#), Contractor and its subcontractors, officers, and employees, who are provided credentials granting access to The System's computer system also known as The System's information system, must complete a cybersecurity training program certified under Section 2054.519, [Texas Government Code](#) as selected by The System. The cybersecurity training program must be completed during the Initial Term and any renewal period of this Agreement. Contractor shall verify in writing completion of the program to The System within the first thirty (30) calendar days of the Term and any renewal period of this Agreement. Failure to comply with the requirements of this section are grounds for termination for cause of this Agreement.

14. Undocumented Workers / Immigration

The *Immigration and Nationality Act* ([8 USC §1324a](#)) (**Immigration Act**) makes it unlawful for an employer to hire or continue employment of undocumented workers. The United States Immigration and Customs Enforcement Service has established the [Form I-9 Employment Eligibility Verification Form](#) (**I-9 Form**) as the document to be used for employment eligibility verification ([8 CFR §274a](#)). Among other things, Contractor is required to: (1) have all employees complete and sign the I-9 Form certifying that they are eligible for employment; (2) examine verification documents required by the I-9 Form to be presented by the employee and ensure the documents appear to be genuine and related to the individual; (3) record information about the documents on the I-9 Form, and complete the certification portion of the I-9 Form; and (4) retain the I-9 Form as required by Applicable Laws. It is illegal to discriminate against any individual (other than a citizen of another country who is not authorized to work in the United States) in hiring, discharging, or recruiting because of that individual's national origin or citizenship status. If Contractor employs unauthorized workers during performance of this Agreement in violation of the Immigration Act, then, in addition to other remedies or penalties prescribed by Applicable Laws, The System may terminate this Agreement in accordance with **Section 18** Contractor represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Act.

15. Independent Contractor

For all purposes of this Agreement and notwithstanding any provision of this Agreement to the contrary, Contractor is an independent contractor and is not a state employee, partner, joint venturer, or agent of The System. Contractor will not bind nor attempt to bind The System to any agreement or contract. As an independent contractor, Contractor is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort, including workers' compensation insurance.

- 16. Confidentiality and Safeguarding of System Records; Press Releases; Public Information.** Under this Agreement, Contractor may (1) create, (2) receive from or on behalf of The System, or (3) have access to, records or record systems (collectively, **System Records**). Among other things, System Records may contain social security numbers, credit card numbers, or data protected or made confidential or sensitive by Applicable Laws, including student records and protected health information as defined by the [Health Insurance Portability and Accountability Act](#) and [45 Code of Federal Regulations \(CFR\) Part 160](#) and [subparts A and E of Part 164](#) (collectively, **HIPAA**). Additional mandatory confidentiality and security compliance requirements with respect to System Records subject to the Family Educational Rights and Privacy Act, [20 United States Code \(USC\) §1232g](#) (**FERPA**) are addressed in **Section 19.23**. Contractor represents, warrants, and agrees that it will: (1) hold System Records in strict confidence and will not use or disclose System Records except as (a) permitted or required by this Agreement, (b) required by Applicable Laws, or (c) otherwise authorized by The System in writing; (2) safeguard System Records according to reasonable administrative, physical and technical standards (such as standards established by the National Institute of Standards and Technology and the Center for Internet Security) that are no less rigorous than the standards by which Contractor protects its own confidential information; (3) continually monitor its operations and take any action necessary to assure that System

Records are safeguarded and the confidentiality of System Records is maintained in accordance with all Applicable Laws and the terms of this Agreement; and (4) comply with the TSUS Information Security Policy detailed in Appendix A-3, *The Texas State University System Rules and Regulations* at <https://www.tsus.edu/about-tsus/policies.html>. At the request of The System, Contractor agrees to provide The System within ten (10) calendar days with a written summary of the procedures Contractor uses to safeguard and maintain the confidentiality of System Records.

- 16.1 **Notice of Impermissible Use.** If an impermissible use or disclosure of any System Records occurs, Contractor will provide written notice to The System within one (1) business day after Contractor's discovery of that use or disclosure. Contractor will promptly provide The System with all information requested by The System regarding the impermissible use or disclosure.
- 16.2 **Return of System Records.** Contractor agrees that within thirty (30) days after the expiration or termination of this Agreement, for any reason, all System Records created or received from or on behalf of The System will be (1) returned to The System, with no copies retained by Contractor; or (2) if return is not feasible, destroyed. Twenty (20) days before destruction of any System Records, Contractor will provide The System with written notice of Contractor's intent to destroy System Records. Within five (5) days after destruction, Contractor will confirm to The System in writing the destruction of System Records.
- 16.3 **Disclosure.** If Contractor discloses any System Records to a subcontractor or agent, Contractor will require the subcontractor or agent to comply with the same restrictions and obligations as are imposed on Contractor by this Section.
- 16.4 **Media / Press Releases.** Except when defined as part of Covered Services, Contractor will not make any press releases, public statements, or advertisement referring to the Services or the engagement of Contractor as an independent contractor of The System in connection with the Services or release any information relative to the Services for publication, advertisement or any other purpose without the prior written approval of The System.
- 16.5 **Public Information Act.** The System strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information under the *Texas Public Information Act (TPIA)*, [Chapter 552, Texas Government Code](#). In accordance with [§§552.002](#) and [2252.907](#), *Texas Government Code*, and at no additional charge to The System, Contractor will make any information created or exchanged with The System pursuant to this Agreement (and not otherwise exempt from disclosure under TPIA) available in a format reasonably requested by The System that is accessible by the public.
- 16.6 **Termination.** In addition to any other termination rights in this Agreement and any other rights at law or equity, if The System reasonably determines that Contractor has breached any of the restrictions or obligations in this Section, The System may immediately terminate this Agreement without notice or opportunity to cure.

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

17. Insurance Requirements

Contractor, consistent with its status as an independent contractor will carry and will cause its subcontractors to carry, at least the following insurance in the form, with companies admitted doing business in the State of Texas and having an A.M. Best Rating of A-VII or better, and in amounts (unless otherwise specified), as The System may require:

- 17.1 Workers' Compensation Insurance with statutory limits, and Employer's Liability Insurance with limits of not less than:

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

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

- 17.2 Commercial General Liability Insurance with limits of not less than:

Each Occurrence Limit - \$1,000,000
 Damage to Rented Premises - \$300,000
 Medical Expenses (any one person) - \$10,000
 Personal & Advertising Injury - \$1,000,000
 General Aggregate - \$2,000,000
 Products - Completed Operations Aggregate - \$2,000,000

Policy will include independent contractor's liability, covering, but not limited to, the liability assumed under the indemnification provision of this contract, fully insuring Contractor's (or Subcontractor's) liability for bodily injury (including death) and property damage.

- 17.3 Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 Combined Single Limit Bodily Injury and Property Damage.

- 17.4 Errors and Omissions Insurance with limits of not less than \$1,000,000 per claim.

- 17.5 If there are potential risks related to data privacy, network or information security associated with the Agreement, Cyber Liability Insurance (with limits of not less than \$10,000,000 for each wrongful act) is required. The policy must cover:

- Liability for network security failures or privacy breaches, including loss or unauthorized access, use or disclosure of The System's data, whether by Contractor or any of subcontractor or cloud service provider used by Contractor;
- Costs associated with a privacy breach, including notification of affected individuals, customer support, forensics, crises management / public relations consulting, legal services of a privacy attorney, credit monitoring and identity fraud resolution services for affected individuals;
- Expenses related to regulatory compliance, government investigations, fines, fees assessments and penalties;
- Liability for technological products and services;
- PCI fines, fees, penalties and assessments;
- Cyber extortion payment and response costs;
- First and Third Party Business Interruption Loss resulting from a network security failure;
- Liability for technological products and services;
- Costs of restoring, updating or replacing data; and
- Liability losses connected to network security, privacy, and media liability.

Contractor will deliver to The System:

- 17.6 Upon request, evidence satisfactory to The System in its sole discretion, evidencing the existence of all insurance after the execution and delivery of this Agreement and prior to the performance or continued performance of any services to be performed by Contractor under this Agreement.
- 17.7 Additional evidence, satisfactory to The System in its sole discretion, of the continued existence of all insurance not less than five (5) days prior to the expiration of any insurance. Insurance policies, with the exception of Workers' Compensation and Employer's Liability, shall be endorsed and name The System as an Additional Insured for on-going and completed operations. All policies will be endorsed to provide a waiver of subrogation in favor of The System. All policies with the exception of Workers' Compensation and Employer's Liability will be endorsed to provide primary and non-contributory coverage. Notice of Cancellation shall be provided by the carrier to The System in accordance with policy provisions, however no policy shall be canceled until after thirty (30) days' unconditional written notice to The System. All policies shall be endorsed requiring the insurance carrier providing coverage to send notice to The System 30 days prior to any cancellation, material change, or non-renewal (60 days for non-renewal) relating to any insurance policy required herein.

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

- 17.8 Commercial General Liability Insurance, Business Automobile Liability Insurance; will be kept in force until receipt of Final Payment by The System to Contractor.
- 17.9 Workers' Compensation Insurance and Employer's Liability Insurance will be kept in force until Services have been fully performed and accepted by The System in writing.
- 17.10 Errors and Omissions Insurance will be kept in force an additional two (2) years after the Services have been fully performed and accepted by The System in writing.

18. Default and Termination

- 18.1 **Termination for Default.** In the event of a material failure by a party to this Agreement to perform in accordance with its terms (**default**), the other party may terminate this Agreement upon thirty (30) days' written notice of termination setting forth the nature of the material failure; provided, that, the material failure is through no fault of the terminating party. The termination will not be effective if the material failure is fully cured prior to the end of the thirty-day (30-day) period.
- 18.2 **Termination for Convenience.** The System may, without cause, terminate this Agreement at any time upon giving thirty (30) days' written notice to Contractor. Upon termination pursuant to this Section, Contractor will be entitled to payment of an amount that will compensate Contractor for Services satisfactorily performed from the time of the last payment date to the termination date in accordance with this Agreement; provided, that, Contractor has delivered all Work Material to The System. Notwithstanding any provision in this Agreement to the contrary, The System will not be required to pay or reimburse Contractor for any services performed or for expenses incurred by Contractor after the date of the termination notice, that could have been avoided or mitigated by Contractor.
- 18.3 The System may terminate this Agreement immediately with no further notice if Contractor: (a) petitions for reorganization under the Bankruptcy Code or is adjudged bankrupt; (b) becomes insolvent; or (c) makes a general assignment or sale of Contractor's assets or business for the benefit of creditors.
- 18.4 Termination under this Section does not relieve Contractor or any of its employees, subcontractors or agents from liability for any default or breach under this Agreement or any other act or omission of Contractor.

19. General

- 19.1 **Loss of Funding.** Performance by The System under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (**Legislature**) and/or allocation of funds by the Board of Regents of The Texas State University System (**Board**). If the Legislature fails to appropriate or allot necessary funds, or the Board fails to allocate necessary funds, then The System will issue written notice to Contractor and The System may terminate this

Agreement without further duty or obligation. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond The System's control.

- 19.2 **Exclusivity.** This Agreement is not exclusive, and The System may engage other vendors or use its own employees to perform Services.
- 19.3 **Governing Law and Venue.** The Agreement and all claims arising from the Agreement shall be interpreted and construed in accordance with the laws of the State of Texas, without regard to its conflict of laws principles. Any judicial action or proceeding between the parties relating to the Agreement and all claims arising from the Agreement shall be brought in the federal or state courts serving Travis County in the State of Texas.
- 19.4 **Buy Texas Affirmation.** If Contractor will provide services under the Agreement, Contractor covenants and agrees that in accordance with Section 2155.4441, [Texas Government Code](#), in performing its duties and obligations under the Agreement, Contractor will purchase products and materials produced in Texas when such products and materials are available at a price and delivery time comparable to products and materials produced outside of Texas.
- 19.5 **Force Majeure.** Except as otherwise provided, neither Contractor nor The System, shall be liable to the other for any delay in, or failure of performance, of a requirement contained in this agreement caused by Force Majeure, incidents of force majeure will include but are not limited to the following: acts of God, strikes, epidemics and pandemics, war, riots, flood, fire, sabotage, or any other circumstances of like character. 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.
- 19.6 **Assignment and Subcontractors.** Except as specifically provided in **EXHIBIT C**, Subcontracting of Services, Contractor's interest in this Agreement (including Contractor's duties and obligations under this Agreement, and the fees due to Contractor under this Agreement) may not be subcontracted, assigned, delegated, or otherwise transferred to a third party, in whole or in part, and any attempt to do so will (a) not be binding on The System; and (b) be a breach of this Agreement for which Contractor will be subject to all remedial actions provided by Applicable Laws, including [Chapter 2161, Texas Government Code](#), and [34 TAC §§20.285\(g\)\(5\), 20.585 and 20.586](#). The benefits and burdens of this Agreement are assignable by The System.
- 19.7 **Waivers.** No delay or omission in exercising any right accruing upon a default in performance of this Agreement will impair any right or be construed to be a waiver of any right. A waiver of any default under this Agreement will not be construed to be a waiver of any subsequent default under this Agreement.
- 19.8 **Trademark License and Ownership.** Nothing in this Agreement permits Contractor to use The System's logo, trademark, service mark, any Component

Institution or The Texas State University System name or likeness and Contractor understands and agrees that such use is strictly prohibited. Additionally, the Contractor is prohibited from referencing The System or Component Institution in any form of marketing or media, including websites, social media and print media. The System may immediately terminate this Agreement in the event of a breach of this provision by the Contractor. This provision shall remain in effect after the termination or expiration of this Agreement.

- 19.9 **Entire Agreement; Modifications.** The Agreement (including all exhibits, schedules, supplements and other attachments (collectively, **Exhibits**) supersedes all prior agreements, written or oral, between Contractor and The System and will constitute the entire Agreement and understanding between the parties with respect to the subject matter hereof. The Agreement and each of its provisions will be binding upon the parties and may not be waived, modified, amended or altered except in writing signed by The System and Contractor.
- 19.10 **Captions.** The captions of sections and subsections in this Agreement are for convenience only and will not be considered or referred to in resolving questions of interpretation or construction.
- 19.11 **Title and Risk of Loss.** Title to and risk of loss to any goods to be delivered under this Agreement will not pass to The System until The System actually receives and takes possession of such goods at the point of delivery.
- 19.12 **Binding Effect.** This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective permitted assigns and successors.
- 19.13 **Severability.** In case any provision of this Agreement will, for any reason, be held invalid or unenforceable in any respect, the invalidity or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if the invalid or unenforceable provision had not been included.
- 19.14 **Limitation of Liability.** EXCEPT FOR THE SYSTEM'S OBLIGATION (IF ANY) TO PAY CONTRACTOR CERTAIN FEES AND EXPENSES THE SYSTEM WILL HAVE NO LIABILITY TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR BY REASON OF THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT. NOTWITHSTANDING ANY DUTY OR OBLIGATION OF THE SYSTEM TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR, NO PRESENT OR FUTURE AFFILIATED ENTERPRISE, SUBCONTRACTOR, AGENT, OFFICER, DIRECTOR, EMPLOYEE, REPRESENTATIVE, ATTORNEY OR REGENT OF THE SYSTEM, OR THE TEXAS STATE UNIVERSITY SYSTEM, OR ANYONE CLAIMING UNDER THE SYSTEM HAS OR WILL HAVE ANY PERSONAL LIABILITY TO CONTRACTOR OR TO ANYONE CLAIMING THROUGH OR UNDER CONTRACTOR BY REASON OF THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT.
- 19.15 **Survival of Provisions:** No expiration or termination of this Agreement will relieve either party of any obligations under this Agreement that by their nature survive expiration or termination.

- 19.16 **Dispute Resolution.** To the extent that Chapter 2260, [Texas Government Code](#), is applicable to the Agreement and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, will be used by The System and Contractor to attempt to resolve any claim for breach of contract made by Contractor that cannot be resolved in the ordinary course of business. The chief business officer of The System will examine Contractor's claim and any counterclaim and negotiate with Contractor in an effort to resolve such claims. The parties specifically agree that (i) neither the execution of the Agreement by The System nor any other conduct, action or inaction of any representative of The System relating to the Agreement constitutes or is intended to constitute a waiver of The System's or the state's sovereign immunity to suit; and (ii) The System has not waived its right to seek redress in the courts.
- 19.17 **Enforcement.** Contractor agrees and acknowledges that The System is entering into this Agreement in reliance on Contractor's special and unique knowledge and abilities with respect to performing Services. Contractor's services provide a peculiar value to The System. The System cannot be reasonably or adequately compensated in damages for the loss of Contractor's services. Accordingly, Contractor acknowledges and agrees that a breach by Contractor of the provisions of this Agreement will cause The System irreparable injury and damage. Contractor, therefore, expressly agrees that The System will be entitled to injunctive and/or other equitable relief in any court of competent jurisdiction to prevent or otherwise restrain a breach of this Agreement.
- 19.18 **Office of Inspector General Certification.** Contractor acknowledges that The System is prohibited by federal regulations from allowing any employee, representative, agent or subcontractor of Contractor to work on site at The System's premises or facilities if that individual is not eligible to work on federal healthcare programs including Medicare, Medicaid, or other similar federal programs. Therefore, Contractor will not assign any employee, representative, agent or subcontractor that appears on the List of Excluded Individuals issued by the United States Office of the Inspector General (**OIG**) to work on site at The System's premises or facilities. Contractor will perform an OIG sanctions check quarterly on each of its employees, representatives, agents, and subcontractors during the time the employees, representatives, agents, or subcontractors are assigned to work on site at The System's premises or facilities. Contractor acknowledges that The System will require immediate removal of any employee, representative, agent, or subcontractor of Contractor assigned to work at The System's premises or facilities if the employee, representative, agent, or subcontractor is found to be on the OIG's List of Excluded Individuals. The OIG's List of Excluded Individuals may be accessed through the following Internet website: <https://exclusions.oig.hhs.gov/>
- 19.19 **Access to Documents.** To the extent applicable to this Agreement, in accordance with §1861(v)(1)(i) of the Social Security Act ([42 USC §1395x](#)) as amended, and the provisions of [42 CFR §420.300 et seq](#), Contractor will allow, during and for a

period of not less than four (4) years after the expiration or termination of this Agreement, access to this Agreement and its books, documents, and records; and contracts between Contractor and its subcontractors or related organizations, including books, documents and records relating to same, by the Comptroller General of the United States, the U.S. Department of Health and Human Services and their duly authorized representatives.

- 19.20 **Occupational Safety and Health (OSHA) Compliance.** To the extent applicable to the services to be performed under this Agreement, Contractor represents and warrants, that all articles and services furnished under this Agreement meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law ([Public Law 91-596](#)) and its regulations in effect or proposed as of the date of this Agreement.
- 19.21 **Nondiscrimination.** In their execution of the Agreement the parties and others acting by or through them shall comply with all federal and state laws prohibiting discrimination, harassment, and sexual misconduct. To the extent not in conflict with federal or state law, the parties agree not to discriminate on the basis of race, color, national origin, age, sex, religion, disability, veterans' status, sexual orientation, gender identity or gender expression. Any breach of this covenant may result in termination of the Agreement.
- 19.22 **External Terms.** This Agreement completely supplants, replaces, and overrides all other terms and conditions or agreements, written or oral, concerning Contractor's performance or provision of goods or services under this Agreement (**External Terms**). External Terms are null and void and will have no effect under this Agreement, even if The System or its employees, contractors, or agents express assent or agreement to External Terms. External Terms include any shrinkwrap, clickwrap, browsewrap, web-based terms and conditions of use, and any other terms and conditions displayed in any format that The System or its employees, contractors, or agents are required to accept or agree to before or in the course of accessing or using any goods or services provided by Contractor.
- 19.23 **FERPA Compliance.** Some of the System Records Contractor receives, creates or maintains for or on behalf of The System may constitute **Education Records** (as defined by [FERPA](#)), or **Personally Identifiable Information from Education Records** (as defined by [FERPA](#)) (collectively, **FERPA Records**). Contractor will hold The System FERPA Records in strict confidence. Contractor will not use or disclose FERPA Records received from or on behalf of The System, except as permitted or required by this Agreement in order to execute required Services to The System. Contractor will use the administrative, technical and physical security measures, including secure encryption in the case of electronically maintained or transmitted FERPA Records, approved by The System and that are at least as stringent as the requirements of Title 34, Part 99 – Family Educational Rights and Privacy noted at <https://www.ecfr.gov/current/title-34/part-99> to preserve the confidentiality and security of all FERPA Records received from, or on behalf of The System, its students or any third party pursuant to this Agreement. Contractor

agrees that no later than thirty (30) days after the expiration or termination of this Agreement, for any reason, or within thirty (30) days after The System's written request, Contractor will halt all access, use, or processing of FERPA Records and will return to The System all FERPA Records, including any copies created by Contractor or any subcontractor; and Contractor will certify in writing to The System that all FERPA records have been returned to The System. Contractor will restrict disclosure of FERPA Records solely to those employees, subcontractors, or agents of Contractor that have a need to access the FERPA Records in order for Contractor to perform its obligations under this Agreement. If Contractor discloses any FERPA Records to a subcontractor or agent, Contractor will require the subcontractor or agent to comply with restrictions and obligations that align with the restrictions and obligations imposed on Contractor by this Agreement, including requiring each subcontractor or agent to agree to the same restrictions and obligations in writing.

- 19.24 **No Third-Party Beneficiaries.** Nothing contained in the Agreement, either expressed or implied, is intended to confer on any person other than the Parties, or their respective permitted successors, assigns, transferees or delegates, any interests, rights, remedies, obligations or liabilities pursuant to, or by reason of, this Agreement.
- 19.25 **Use of State Property.** Contractor is prohibited from using State Property for any purpose other than performing Services authorized under the Agreement. Use of State Property for a purpose not authorized by Agreement shall constitute breach of contract and may result in termination of the Agreement and the pursuit of other remedies available to The System under contract, at law, or in equity.
- 19.26 **Group Purchasing Authority.** Texas law authorizes institutions of higher education (defined by Section 61.003, [Texas Education Code](#)) to use the group purchasing procurement method (ref. Section 51.9335 [Texas Education Code](#)). Contractor agrees that other Texas institutions of higher education may enter into a separate agreement or contract with Contractor for the purchase of the services described herein based on the terms, conditions, and process of this Agreement.
20. **Access by Individuals with Disabilities.** Contractor represents and warrants (the **EIR Accessibility Warranty**) that the electronic and information resources and all associated information, documentation, and support that it provides to The System under the Agreement (collectively, the **EIRs**) comply with the applicable requirements set forth in Title 1, Chapter 213 of the [Texas Administrative Code](#) and Title 1, Chapter 206, Rule §206.70 of the [Texas Administrative Code](#) (as authorized by Chapter 2054, Subchapter M of the [Texas Government Code](#).) To the extent Contractor becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants that it will, at no cost to The System, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event that Contractor fails or is unable to do so, then The System may terminate the Agreement and Contractor will refund to The System all amounts The System has paid under the Agreement within thirty (30) days after the termination date.

In accordance with [Texas Education Code](#), Section 51.9335 (h), any Contract for the acquisition of goods and services to which an institution of higher education is a party, any provision required by applicable law to be included in the Agreement or Contract is considered to be a part of the executed Agreement or Contract without regard to:

- (1) Whether the provision appears on the face of the Agreement or Contract; or
- (2) Whether the Agreement or Contract includes any provision to the contrary.

THE FOLLOWING LIST OF EXHIBITS ARE INCORPORATED INTO THE AGREEMENT BY REFERENCE. IN THE CASE OF ANY DISCREPANCIES BETWEEN EXHIBITS AND AGREEMENT, THE AGREEMENT WILL PREVAIL.

EXHIBIT A – Scope of Work

EXHIBIT B – Pricing for Services

EXHIBIT C – Subcontracting of Services

EXHIBIT D – Information Security & Accessibility Standards

[OPTION: Include additional Exhibit(s) for specific Contractor information, if applicable:

EXHIBIT D – **Insert name of Exhibit]**

The System and Contractor have executed and delivered this Agreement to be effective as of the Effective Date.

Insert Contractor Name:

Insert Signor Name
Insert Signor Title

Date

TEXAS STATE UNIVERSITY SYSTEM:

Brian McCall, PhD
Chancellor

Date

Reviewed and Recommended:

Daniel Harper
Vice Chancellor and Chief Financial Officer

Date

Approved as to legal form:

Nelly R. Herrera, J.D.
Vice Chancellor and General Counsel

Date

ATTEST:

APPROVED by the Board of Regents of the Texas State University System on **Insert Date of BOR meeting**, in **Insert location of BOR meeting**, Texas.

Brian McCall, PhD, Chancellor
Secretary to the Board

Date

EXHIBIT A
SCOPE OF WORK

Contractor will provide timely and professional Services as described herein and in accordance with Contractor's response to The System's RFP #758-22-00077.

A member of The System that elects to participate in the Agreement (a **Requesting Institution**) will coordinate the initiation, and any payment, of Services directly with Contractor.

The Services will be provided per the following excerpt from Section 5 of The System's RFP 758-22-00077.

Contractor will provide the following Insurance Program Services to The System:

5.1 Design, Market & Implement The System's Insurance Program

5.1.1 Provide administrative services, including, but not limited to:

- A. Maintain appropriate staffing levels to be responsive to The System's inquiries.
- B. Answer phone calls and field questions during regular business hours and be available during non-business hours for emergency claim submission and other services.
- C. Organize, schedule, and attend meetings as requested. Meetings may be held in-person or conducted via audio / video conference call. Contractor will document meeting discussions and, if requested by The System, disseminate meeting minutes.
- D. Notify The System of any pending or actual material changes to Contractor's business or insurer's business with whom Contractor is insuring The System (e.g., changes in financial status, changes in organizational structure at local or corporate office, etc.).

5.1.2 Notify The System of new insurance products.

5.1.3 Provide marketing recommendations.

5.1.4 Provide access to necessary insurance markets.

5.1.5 Prepare program specifications and underwriting submissions.

5.1.6 Assist in the selection of the insurers most suitable for risk.

5.1.7 Be aware of and provide access to specialty insurance markets.

- 5.1.8 Assemble and format The System's data for consideration by insurance carriers.
- 5.1.9 Upon request, identify insurance carriers who can provide the insurance coverage and programs required by The System.
- 5.1.10 Request, implement and monitor coverage changes requested by The System.
- 5.1.11 Allocate insurance premiums by Component Institution, if requested.
- 5.1.12 Solicit and evaluate quotes for insurance.
- A. Identify carriers rated A- or better (according to A.M. Best) who could provide the coverage and program desired.
 - B. Verification of Qualifications: Contractor will verify that carriers and insurance companies meet the following minimum qualifications:
 - Shall be licensed by the State of Texas and permitted to contract with the State of Texas or any of its Subdivisions.
 - Be recommended in the latest edition of Best's Key Rating Guide and have at least a policyholder's rating of "A" and a Financial Size Category Rating of at least XI.
 - Any agents of record must be appointed by the carrier. The System is to be informed of the agent's office location and the agents serviced to be provided.
 - C. Provide a written summary of quotations and declinations from insurance carriers including analysis and comparison of program alternatives with best recommendation.
 - D. Facilitate negotiations with insurance carriers who submit the most favorable quotes to maximize coverage and minimize costs to The System. Contractor will maintain complete records of the insurance solicitation process and shall provide copies of such records to The System.
 - E. When needed, attend work sessions and / or meetings to discuss recommendations and subsequent insurance negotiations with designated representatives of The System.
- 5.1.13 Seek competitive programs and market on an unbiased basis and in the best interest of The System, including additional coverages not initially included / in use by The System.

- 5.1.14 Prepare an Annual Market Analysis and forecast for each line of insurance coverage procured by The System at the start of the marketing process. This summary will include information on trends, market availability, pricing, and long-term market directions.
- 5.1.15 Identify, analyze, and evaluate The System's exposure to losses. Analyze The System's risk bearing capacity and recommend appropriate level of risk retention and transfer.
- 5.1.16 Thoroughly review The System's coverage and make written recommendations to The System regarding any changes in coverage based on unintentional self-insurance, gaps in coverage, overlapping coverage, restrictive limits, higher education industry trends and projections, cost of coverage, etc.

5.2 Contractor Placed Coverage

For lines of coverage placed by the Contractor, Contractor will:

- 5.2.1 Assist The System in the completion of applications and the collection and tabulation of underwriting data for the renewal marketing submission. Develop underwriting submission and present final draft of market submissions to The System's Office of Risk Management for approval prior to marketing the program.
- 5.2.2 Make introductions to underwriters as mutually agreed upon and involve The System in negotiations on price and coverage.
- 5.2.3 Verify that rates and premiums are properly calculated and charged.
- 5.2.4 Communicate information between The System and selected insurance carriers including information regarding policy renewals, premium pay-ins, audit returns and buy-out provisions.
- 5.2.5 Bind coverage and issue binders of insurance, certificates, and policies in a timely manner when requested or required.
- 5.2.6 Maintain insurance policies and coverage without lapses or duplication.
- 5.2.7 Coordinate premium and deductible billing. Verify the accuracy of any invoices, bills, audits, and other premium adjustments. Contractor shall pay all premiums to the insurance carrier and then be reimbursed by The System. When appropriate, allocation of billings for The System's individual institutions will be required. Contractor will allocate billings for each of the institutions and supply The System with electronic invoices on a per institution basis.
- 5.2.8 Obtain support documentation from underwriters which detail the basis for premiums and other miscellaneous charges to assist in the administration of fair and equitable cost allocations to The System's institutions.

- 5.2.9 Review policies to verify conformance with specifications. Provide complete and accurate insurance policies to The System when requested.
- 5.2.10 Coordinate ongoing insurer services among the parties. Communicate with and secure all data required by insurance carrier or requested by The System.
- 5.2.11 Assist The System in any coverage disputes with the insurance carrier.
- 5.2.12 Work with The System and insurance carrier's claims adjusters to settle claims promptly and intercede actively on behalf of The System for any settlement of claims.
Note: Intensive, long-term claim assistance for catastrophic claims is not included in this scope of services.
- 5.2.13 Assist The System throughout the year in coordinating and documenting insurance claims with the insurance company's adjuster.

5.3 Policyholder / Client Services

- 5.3.1 Keep The System up to date on current and expected property and casualty market conditions, coverage issues, insurer solvency, and insurance cost and availability trends for all lines of coverage.
- 5.3.2 Assist The System in review of contract documents and provide analysis and recommendations regarding contractual risk transfer, changes in authority, wording and forms. Provide advice on insurance to be required of vendors, suppliers, contractors, and providers of professional services.
- 5.3.3 Provide written policy outlines including but not limited to coverage type, policy number, insurance carrier, renewal date, and exclusions.
- 5.3.4 Monthly, provide The System with a written Open Items Report that details all outstanding tasks on current projects including, but not limited to, endorsement requests, policy issuance, upcoming renewals, and pending coverage questions.
- 5.3.5 Monitor exposure changes and amend policies with The System's approval as appropriate.
- 5.3.6 Prepare customized reports and quote analyses as requested by The System.
- 5.3.7 Provide annual comprehensive loss history for all policies during renewal process.

5.4 Safety and Loss Prevention Services

Contractor will provide any needed liability risk related safety / loss control services required and / or coordinate such services through the insurance carrier. When designated by The System, Contractor, prior to the purchase of a policy, will conduct inspections, tests and other safety and loss prevention services. Contractor will have the capacity to secure safety and loss prevention services from insurance carriers for application with The System.

5.5 Claims Handling

As determined by The System, Contractor will:

- A. Communicate information to insurance carrier, report and monitor claims activity.
- B. Provide or obtain periodic loss runs from insurance carrier.

5.6 Billing & Payments

For all insurance premium types, Contractor will bill The System (or specific Component Institution, if appropriate) after Contractor binds the insurance.

5.7 Transition Upon Termination / Expiration

- 5.7.1 **Final Report**: Upon any expiration or termination of Agreement, Contractor will prepare a final report. The final report shall consist of the results of all completed projects that have not yet been reported to The System, the status of any projects or activities not completed, and identification of necessary information related to transition issues. The final report shall be delivered no later than two (2) weeks prior to the termination date.
- 5.7.2 **Contract Transition**: Prior to Agreement's expiration or termination, Contractor will assist any subsequent broker (if requested by The System and said broker) to ensure a smooth contract transition. All data, information and work products provided under the Agreement will remain the property of The System.

5.8 Additional Risk Management Services

Contractor may be asked by any member institution of The System to provide additional risk management services (requested and billed separately from the broker services described in **Sections 5.1 – 5.7**) as described below:

- 5.8.1 When requested by The System, Contractor will perform additional risk management services. Examples of such services would include, but are not limited to:
 - A. Business continuity planning,
 - B. Crisis management,
 - C. Modeling (including loss),
 - D. Captive feasibility studies,
 - E. Policy & procedure drafting,
 - F. Property appraisals,
 - G. Property loss prevention,
 - H. Building engineering reviews,
 - I. Risk management reviews, and
 - J. Risk assessments.
- 5.8.2 **Project Engagement**: No work shall be initiated by Contractor unless specifically authorized by an institution of The System in the form of a signed Purchase Order.

Each Purchase Order will delineate the details / specific tasks to be accomplished, the estimated period within which the Services will be performed and shall contain a “Not to Exceed” price / amount.

- A. To request Risk Management Services, The System’s Contract Manager, or his / her designee, shall notify the designated Point of Contact at Contractor’s Firm and identify the specific scope and nature of Services requested.
- B. Contractor and The System will agree upon the specific scope of services required for the project and a not-to-exceed estimate of the fees required based on the project scope. Contractor will provide a written quote that will delineate the details / specific tasks to be accomplished, the estimated period within which the Services will be performed and a “Not to Exceed” price / amount.
- C. Should the project scope be changed, by mutual agreement of The System and Contractor, a revised estimate shall be provided to The System for approval followed by the issuance of a revised Purchase Order.

5.8.3 Payments to Contractor for Risk Management Services will be made by The System institution that issued the Purchase Order.

- A. Billable time, if any, for dedicated hours of work includes, but is not limited to, travel time; communications and meetings with The System, external parties, and between Contractor staff; review of electronic correspondence and attachments; research; analysis; planning; budgeting and other administrative tasks performed to support The System.
- B. Billable time, if any, will be tracked by Contractor and rounded to the nearest quarter hour. (*Note: Contractor will submit tracking information with invoices as support for payment amounts.*)
- C. Contractor will bill / invoice upon completion of work.

5.9 Perform additional duties, tasks or services not specifically identified but related to the Services described in this RFP if needed and when mutually agreed upon in writing by both parties.

5.10 Contractor’s Responsiveness: Contractor’s primary points of contact (**POC**) will be available via *insert communication methods (e.g., cell phone, text message, or email)* and will respond to all inquiries received within *insert appropriate time frame*. POCs are:

- INSERT CONTACT INFORMATION
- INSERT CONTACT INFORMATION

Insert new scope of work to address any additional items Proposer will provide per the submitted Proposal. Information may be added here as additions to this section or incorporated as a new Exhibit to the Agreement:

Contractor will provide the following additional Services as described in Contractor's RFP response:

5.XInsert specifics from Proposal including a reference to the specific section of the Proposal.....

EXHIBIT B
PRICING FOR SERVICES

1. Pricing for Services and Expenses

Requesting Institutions will compensate Contractor for successful completion of Services outlined in **Exhibit A**, Scope of Work, as follows.

1.1 **Pricing for Services.** Contractor will provide Services at rates(s) described below.

..... Insert PROPOSED payment model....Include information on project deliverables and/or any milestone payments to be made, if applicable...

1.2 **Contract Amount.** The total Contract Amount will not exceed \$ *Insert NTE Amount* without the prior written approval of The System.

For contract monitoring & compliance purposes, if requested by The System, Contractor will provide an annual written report to TSUS Administration summarizing work done and total amount billed to The System (by Component Institution) during the prior year.

2. Invoicing

Contractor will invoice no more than once each month for Services performed during the prior month. Contractor will submit invoices by electronic means, as directed by the Requesting Institution. Each invoice must contain the Agreement Number (or Purchase Order number when billing for the optional Additional Risk Management Services) and supporting documentation for the invoiced amounts as described in **Item 1** of this **Exhibit B**. ***The Requesting Institution may require Contractor to include a complete breakdown / itemization of costs, including receipts, with invoices.*

3. Payment Terms

3.1 **Prompt Payment.** So long as Contractor has provided the Requesting Institution with its current and accurate Federal Tax Identification Number in writing and Contractor is not in default under this Agreement, the Requesting Institution will pay Contractor for goods and services in accordance with the Prompt Payment Provisions of Chapter 2251, [Texas Government Code](#). The Requesting Institution will incur no penalty for late payment, if payment is made in accordance with these Prompt Payment Provisions. The Requesting Institution will notify Contractor, in writing, of any error or disputed amount in an invoice submitted for payment not later than the 21st day after The System receives the invoice. Pursuant to Section 2251.042, [Texas Government](#)

Code, The Requesting Institution may withhold from payments required no more than 110 percent of the disputed amount.

- 3.2 **Sales Tax.** As an agency of the State of Texas, the Requesting Institution is exempt from Texas Sales & Use Tax on goods and services in accordance with §151.309, Texas Tax Code, and Title 34 Texas Administrative Code (TAC) §3.322. Pursuant to 34 TAC §3.322(c)(5), the Requesting Institution is not required to provide a tax exemption certificate to establish its tax exempt status.
- 3.3 **Payment of Debt or Delinquency to the State.** Pursuant to §§2107.008 and 2252.903, Texas Government Code, Contractor agrees that any payments owing to Contractor under this Agreement may be applied directly toward any debt or delinquency that Contractor owes the State of Texas or any agency of the State of Texas, regardless of when it arises, until such debt or delinquency is paid in full.
- 3.4 **Electronic Funds Transfer.** Section 51.012, Education Code, authorizes the Requesting Institution to make payments through electronic funds transfer methods. Contractor agrees to receive payments from the Requesting Institution through electronic funds transfer methods, including the automated clearing house system (**ACH**). Contractor agrees to provide Contractor's banking information and taxpayer identification number to the Requesting Institution, in the format requested by the Requesting Institution, prior to the first payment. Changes to Contractor's information should be communicated to the Requesting Institution in the same manner at least thirty (30) days in advance of the effective date of the change.
- 3.5 **Refund.** Contractor will promptly refund or credit within thirty (30) calendar days any funds erroneously paid by the Requesting Institution which are not expressly authorized under the Agreement.
- 3.6 Notwithstanding any provision of this Agreement to the contrary, the Requesting Institution will not be obligated to make any payment to Contractor if Contractor is in default under this Agreement.
- 3.7 No payment made by the Requesting Institution will (a) be construed to be final acceptance or approval of that part of the Services to which the payment relates, or (b) relieve Contractor of any of its duties or obligations under this Agreement.
- 3.8 Notwithstanding any other provision of this Agreement, the Requesting Institution is entitled to a discount of *Insert #* % (**Prompt Payment Discount**) off of each payment that the Requesting Institution submits within *Insert #* days after the Requesting Institution's receipt of Contractor's invoice for that payment.

EXHIBIT C**SUBCONTRACTING OF SERVICES****1. Subcontracting**

If at any time during the Term it is determined that Contractor will not self-perform all work associated with the Services, Contractor will complete a Historically Underutilized Business Subcontracting Plan (**HSP**) (ref. **Item 1.3** below) and submit it to The System. Except as specifically provided in the HSP, Contractor will not subcontract any of its duties or obligations under the Agreement, in whole or in part. The Agreement is subject to [34 TAC Section 20.285 \(RULE §20.285\)](#) of the [Texas Administrative Code](#). Contractor will comply with all of its duties and obligations under RULE §20.285. In addition to other rights and remedies, The System may exercise all rights and remedies authorized by RULE §20.285.

- 1.1 Contractor agrees to maintain business records documenting its compliance with any HSP and to submit a monthly compliance / progress assessment report (**PAR**) (ref. **Item 1.3** below) to The System in the format required by the Statewide Procurement Division of the Texas Comptroller of Public Accounts or any successor agency (collectively, the **SPD**). Submission of compliance reports will be required as a condition for payment under this Agreement. If The System determines that Contractor has failed to subcontract as set out in the HSP, The System will notify Contractor of any deficiencies and give Contractor an opportunity to submit documentation and explain why the failure to comply with the HSP should not be attributed to a lack of good faith effort by Contractor. If The System determines that Contractor failed to implement the HSP in good faith, The System, in addition to any other remedies, may report nonperformance to the SPD in accordance with 34 TAC [§§20.285\(g\)\(5\), 20.585](#) and [20.586](#). The System may also revoke this Agreement for breach and make a claim against Contractor.
- 1.2 **Changes to the HSP.** If at any time during the Term, Contractor desires to change any HSP associated with this Agreement, before the proposed changes become effective (a) Contractor must comply with [34 TAC §20.285](#); (b) the changes must be reviewed and approved by The System; and (c) if The System approves changes to the HSP, this Agreement must be amended in accordance with this **Exhibit C** to replace the HSP with the revised subcontracting plan.
- 1.3 **SPD Forms.** The current versions of the HSP and PAR forms can be found on the website of the Texas Comptroller: (<https://comptroller.texas.gov/purchasing/vendor/hub/forms.php>)

2. Expansion of Services

If The System expands the scope of Services through a change order or any other amendment, The System will determine if the additional Services contain probable subcontracting opportunities *not* identified in the initial request for Services. If The System determines additional probable subcontracting opportunities exist, Contractor will submit a

new or amended subcontracting plan covering those opportunities. The new / amended subcontracting plan must comply with the provisions of [34 TAC §20.285](#) before (a) this Agreement may be amended to include the additional Services; or (b) Contractor may perform the additional Services. If Contractor subcontracts any of the additional subcontracting opportunities identified by The System without prior authorization and without complying with [34 TAC §20.285](#), Contractor will be deemed to be in breach of this Agreement under **Section 19.6** and will be subject to any remedial actions provided by Applicable Laws, including [Chapter 2161, Texas Government Code](#), and [34 TAC §20.285](#). The System may report nonperformance under this Agreement to the SPD in accordance with [34 TAC §§20.285\(g\)\(5\), 20.585](#) and [20.586](#).

EXHIBIT D**TEXAS STATE UNIVERSITY SYSTEM
INFORMATION SECURITY & ACCESSIBILITY STANDARDS EXHIBIT**

To the extent there is a conflict between a term or condition contained in this IT Exhibit and the associated purchase order or executed Agreement (the **Agreement**) between the parties, the terms and conditions contained in this IT Exhibit shall take precedence and its terms and conditions shall govern and control the parties' contractual relationship.

Applicability:

THIS EXHIBIT IS APPLICABLE IF CONTRACTOR IS PROVIDING INFORMATION RESOURCES TO THE REQUESTING INSTITUTION FOR THE REQUESTING INSTITUTION'S USE.

Definitions:

Requesting Institution: The Texas State University System (**System**) Administration or any of the System's seven (7) Component Institutions that elects to enter into an Agreement with Contractor to utilize Contractor's Services.

Information Resources: The term "Information Resources" has the meaning set forth in [TAC 202.1](#). In addition, Information Resources may include the following examples:

1. all physical and logical components of the Requesting Institution's wired and wireless network infrastructure;
2. any device that connects to or communicates electronically via the Requesting Institution's network infrastructure, including computers, printers, and communication devices, both portable and fixed;
3. any fixed or portable storage device or media, regardless of ownership, that contains the Requesting Institution's data;
4. all data created, collected, recorded, processed, stored, retrieved, displayed, or transmitted using devices connected to the Requesting Institution's network;
5. all computer software and services licensed by the Requesting Institution;
6. support staff and services employed or contracted by the Requesting Institution to deploy, administer, or operate the above-described resources or to assist the Requesting Institution community in effectively using these resources;
7. devices, software, or services that support the operations of the Requesting Institution, regardless of physical location (e.g., SAAS, PAAS, IAAS, cloud services); and
8. telephones, audio and video conferencing systems, phone lines, and communication systems provided by the Requesting Institution.

Confidential Information: Data that have been designated as private or confidential by law or by the Requesting Institution. Confidential Information includes, but is not limited to, employment records, medical records, student records, education records, personal financial records (or other personally identifiable information), audit logs, research data, trade secrets,

and classified government information. Confidential Information shall not include public records that by law must be made available to the general public. To the extent there is doubt as to whether any data constitute Confidential Information, the data in question shall be treated as Confidential Information until a determination is made by the Requesting Institution or proper legal authority.

Authorized Agent of Requesting Institution: An officer of the Requesting Institution with designated data, security, or signature authority.

1. Mandatory Compliance

Contractor agrees to comply with all applicable state and federal laws and regulations. Contractor agrees to provide credible evidence, to the sole satisfaction of the Requesting Institution, of the below compliance requirements (i) prior to entering into this Agreement with Requesting Institution, and (ii) the earlier of three (3) years during the term of any agreement entered into or before the contract renewal period, if applicable, thereafter. Contractor understands and acknowledges that Contractor's failure to provide credible evidence satisfactory to the Requesting Institution regarding the same prior to entering into any agreement shall result in no contract being awarded to Contractor. Contractor further understands and acknowledges that Contractor's failure to provide credible evidence satisfactory to the Requesting Institution regarding the same during the term of an already executed agreement shall constitute a breach of the agreement by Contractor and the Requesting Institution may automatically terminate the agreement and pursue whatever remedies available to the Requesting Institution under contract, at law, or in equity.

- 1.1 **Texas Risk and Authorization Management Program (TX-RAMP).** Pursuant to Sections 2054.0593(d)-(f) of the Texas Government Code relating to cloud computing, state risk and authorization management program, if Contractor's service is a cloud computing service as defined by Texas Government Code Section 2054.0593 (a), Contractor represents and warrants that Contractor's cloud computing service complies with the requirements of the state risk and authorization management program, and Contractor agrees that throughout the term of the Agreement, Contractor shall maintain its certifications and continue to comply with the program requirements.
- 1.2 **Accessibility.** TAC Section 213 requires the Requesting Institution to verify that Electronic and Information Resource (**EIR**) purchases are compliant with Federal 508 Refresh, TAC 206 and TAC 213 laws. Contractor is required to provide a valid Accessibility Conformance Report (**ACR**) for review.
- 1.3 **Other Applicable Laws and Regulations.** Applicable laws and regulations may include, but are not limited to, the following:
 - A. The Family Educational Rights and Privacy Act (**FERPA**)
 - B. The Health Insurance Portability and Accountability Act (**HIPAA**)
 - C. The Gramm-Leach-Bliley Act (**GLBA**)
 - D. Payment Card Industry Data Security Standards (**PCI DSS**)

- 1.4 **Confidential Information in Internet Websites and Mobile Applications.** Pursuant to Texas Government Code Section 2054.516, if Contractor's service includes an Internet website or a mobile application that processes confidential information for the Requesting Institution, then prior to processing Requesting Institution data, Contractor agrees to provide the Requesting Institution with:
- A. The results or attestation of a vulnerability and penetration test by an independent third party. For clarity, similar testing performed internally by Contractor personnel is not a sufficient substitute for work performed by a qualified, independent third party.
 - B. Information regarding the following:
 - (1) A description of the logical architecture of the websites and/or applications;
 - (2) Descriptions of the flow of data between logical components of the websites and/or applications; and
 - (3) Technical description of all authentication mechanisms for the websites and/or applications.
- 1.5 **Security Controls for State Agency Data.** In accordance with Section 2054.138 of the Texas Government Code, Contractor certifies that it will comply with the security controls required under Section 2 of this Exhibit and will maintain records and make them available to Requesting Institution as evidence of Contractor's compliance with the required controls.

2. Security Controls

- 2.1 **Cybersecurity Framework.** Contractor agrees to maintain security controls that, at a minimum, conform to an industry-accepted cybersecurity framework, including for example, NIST SP 800-53, NIST SP 800-171, ISO 27001, or the CIS Critical Security Controls.
- 2.2 **Information System Security.** Contractor agrees, at all times, to maintain commercially reasonable information security protection(s) that, at a minimum, include network firewalls, intrusion detection/prevention, and periodic vulnerability and penetration testing conducted by a qualified third party. Contractor further agrees to maintain secure environments that are patched and up to date with all appropriate and/or necessary information security updates.
- 2.3 **Data Confidentiality.** Contractor shall implement appropriate measures designed to ensure the confidentiality and security of Confidential Information, protect against any anticipated hazards or threats to the integrity or security of such information, protect against unauthorized access or disclosure of information, and prevent any other action that could result in substantial harm to Requesting Institution or an individual identified within the data or information in Contractor's custody.

- 2.4 **Data Ownership.** Requesting Institution owns all data processed, stored and/or transmitted by Contractor in accordance with the Agreement. Such data must only be used for the purpose of the Agreement.
- A. **Data Description.** A description of all Requesting Institution data to which the Contractor has access must be specified in the Agreement, and notifications of any changes must be made in writing by the Contractor within 30 days of the change.
 - B. **End of Agreement Data Handling.** Contractor agrees within 30 days of termination of the Agreement or receipt of a written request submitted by an Authorized Agent of Requesting Institution, that it must:
 - (1) return all data, including backup and recovery data, to the Requesting Institution in a useable electronic form;
 - (2) erase, destroy, and render unreadable all Requesting Institution data in its entirety in a manner that prevents its physical reconstruction through the use of commonly available file-restoration utilities; and
 - (3) certify in writing that these actions have been completed.
- 2.5 **Data Security.** Contractor agrees to protect and maintain the security of Requesting Institution's data and agrees to conform to the following measures to protect and secure data:
- A. **Data Transmission.** Contractor agrees that any and all transmission or exchange of system application data with the Requesting Institution and/or any other parties shall take place using secure, authenticated, and industry-accepted strong encryption mechanisms.
 - B. **Data Custodianship.** Contractor agrees that any and all of the Requesting Institution's data in Contractor's custody will be stored, processed, and maintained solely on Contractor information systems as designated in the Agreement. Requesting Institution's data in the custody of the Contractor shall not be stored on or transferred to any end-user computing device or any portable storage medium by Contractor or its agents, unless that storage medium is in use as part of the Contractor's designated backup and recovery processes (e.g., backup tapes or drives). All servers, storage, backups, and network paths utilized in the delivery of the service shall be contained within the states, districts, and territories of the United States unless specifically agreed to in writing by an Authorized Agent of Requesting Institution. An appropriate officer with the necessary authority can be identified by the Requesting Institution's Information Security Officer for any general or specific case.
 - C. **Data at Rest.** Contractor agrees to store all of the Requesting Institution's data, including its backup and recovery data, in encrypted form, using

sufficiently strong, industry accepted encryption algorithms commensurate with the classification of the information being protected (e.g., AES 128-bit).

- D. **Key Management.** Encryption keys must be stored using industry-accepted methods that include storage on information systems separate from the data they decrypt.
- E. **Data Re-use.** Contractor agrees that any and all data exchanged shall be used expressly and solely for the purposes enumerated in the Agreement. Data shall not be distributed, repurposed, or shared across other applications, environments, or business units of Contractor. As required by federal law, Contractor further agrees that none of the Requesting Institution's data (of any kind) shall be revealed, transmitted, exchanged or otherwise passed to other vendors or interested parties except on a case-by-case basis as specifically agreed to in writing by an Authorized Agent of Requesting Institution.

2.6 **Safekeeping and Security.** As part of the Contractor's service, Contractor will be responsible for safekeeping all keys, access codes, combinations, access cards, personal identification numbers and similar security codes, identifiers, passwords, or other authenticators issued to Contractor's employees, agents, contractors, or subcontractors. Contractor agrees to require its employees to report a lost or stolen device or information within 24 hours of such device or information being lost or stolen.

2.7 **Audit Logs.** The Contractor's service shall record audit logs (e.g., application-specific user activities, exceptions, information security events such as successful and rejected events, use of privileges, log-on failed-attempts & successes, log-off, data accessed, data attempted to be accessed, administrative configuration changes, and the use of advanced privileges). All logs pertaining to Requesting Institution's usage of Contractor's service shall be available to Requesting Institution at all times or it shall be promptly made available, without unreasonable delay, to an Authorized Agent of Requesting Institution upon request. These audit logs shall contain sufficient data including but not limited to:

- A. User or process identifiers (e.g., the actor or group if applicable);
- B. Timestamps including time zone;
- C. Source and destination addresses (e.g., IP addresses); and
- D. Action or Event descriptions which may include filenames, success or failure indications, and access control or flow control rules invoked.

2.8 **Test / Development Environments.**

- A. Requesting Institution data contained within Contractor's test or development environments must be treated as would data in production environments and are subject to the same requirements for safeguards described within this Exhibit.

- B. Contractor will make available to the Requesting Institution a development instance separate from the production instance. This environment shall be made available prior to the Requesting Institution's use of the production instance and this environment shall continue to be made available as long as the Requesting Institution is using Contractor's Service.
- C. **Accessibility Testing.** Contractor agrees to provide a link to a demonstration of the EIR that can be tested using automated testing tools and assistive technology.

2.9 Account Credentials.

- A. Any user accounts provisioned inside the Contractor's service for use by Requesting Institution must be unique and individually assigned.
- B. Where applicable, federated authentication services (e.g., SAML, ADFS, or CAS) shall be used.
- C. The password management for any non-federated accounts intended for use by the Requesting Institution must comply with institution password policies unless the Contractor formally requests in writing an exception which must first be approved by the Requesting Institution's Information Security Officer.

- 2.10 **Maintaining Updated Contacts.** The Contractor shall provide Requesting Institution the appropriate contact(s) necessary for Requesting Institution to maintain the requirements set forth in this Exhibit as well as the Agreement. Any updates to the contact information shall be provided in writing to Requesting Institution within ten (10) business days.

3. Data Breach

Contractor agrees to comply with all applicable state and federal laws that require the notification of individuals in the event of unauthorized release of personally identifiable information or other event requiring notification. In the event of a breach of any of Contractor's security obligations or other event requiring notification under applicable law ("Notification Event"), Contractor agrees to:

- 3.1 Notify the appropriate Requesting Institution's breach notification address (listed below) and any Authorized Agents of Requesting Institution without unreasonable delay and no later than 48 hours after breach discovery.

- (1) Texas State University System Administration: breachnotifications@txstate.edu
- (2) Texas State University: breachnotifications@txstate.edu
- (3) Sam Houston State University: breachnotifications@shsu.edu
- (4) Lamar University: breachnotifications@lamar.edu
- (5) Sul Ross State University: breachnotifications@sulross.edu

- (6) Lamar State College Port Arthur: breachnotifications@lamarpa.edu
- (7) Lamar State College Orange: breachnotifications@lsco.edu
- (8) Lamar Institute of Technology: breachnotifications@lit.edu

3.2 Include the following information in the notification:

- (1) a description of the impacted products or services;
- (2) a full description of all breached data fields;
- (3) the number of breached records;
- (4) date of breach (suspected or known);
- (5) date of breach discovery by Contractor;
- (6) method of breach (e.g., accidental disclosure, malicious intrusion);
- (7) information security program point of contact including name, email and phone details;
- (8) and remediation status (complete, in process - with detail).

3.3 Assume responsibility for informing all such individuals in accordance with applicable law.

4. Mandatory Disclosure of Confidential Information

If Contractor becomes compelled by law or regulation (including securities' laws) to disclose any Confidential Information, the Contractor must provide Requesting Institution written notice without unreasonable delay so that Requesting Institution may seek an appropriate protective order or other remedy. If a remedy acceptable to Requesting Institution is not obtained by the date that the Contractor must comply with the request, the Contractor will furnish only that portion of the Confidential Information that it is legally required to furnish, and the Contractor shall require any recipient of the Confidential Information to exercise commercially reasonable efforts to keep the Confidential Information confidential.

5. Remedies for Disclosure of Confidential Information

Contractor and Requesting Institution acknowledge that unauthorized disclosure or use of the Confidential Information may irreparably damage Requesting Institution in such a way that adequate compensation could not be obtained from damages in an action at law. Accordingly, the actual or threatened unauthorized disclosure or use of any Confidential Information shall give Requesting Institution the right to seek injunctive relief restraining such unauthorized disclosure or use, in addition to any other remedy otherwise available (including reasonable attorneys' fees). Contractor further grants Requesting Institution the right, but not the obligation, to enforce these provisions in Contractor's name against any Contractor's employees, officers, board members, owners, representatives, agents, contractors, and subcontractors violating the above provisions.

6. Non-Disclosure

Contractor is permitted to disclose Confidential Information to its employees, authorized contractors and subcontractors, agents, consultants, and auditors on a need-to-know basis

only, provided that all such contractors, subcontractors, agents, consultants and auditors have written confidentiality obligation to Contractor.

7. Survival

The confidentiality obligations shall survive termination of any agreement with Contractor and for a period of ten (10) years or for so long as the information remains confidential, whichever is longer and will inure to the benefit of Requesting Institution.

EXHIBIT E

INSERT EXHIBIT NAME

OPTIONAL: INSERT CONTRACTOR SPECIFIC INFORMATION IN A NEW EXHIBIT(S) AS
APPLICABLE

Addendum No. 1

Issued: 8/26/22

RFP No.:

758-22-00077

INSURANCE BROKER SERVICES

FOR

THE TEXAS STATE UNIVERSITY SYSTEM
AUSTIN, TEXAS

Notice To All Potential Respondents:

This Addendum to the Request for Proposal (RFP) No. 758-22-00077, posted on 08/08/2022, modifies bid documents with the amendments and additions noted below.

Prepared By:

Jennifer DeLeon

The Texas State University System

Jennifer.deleon@tsus.edu

I. **Questions and Answers:**

The questions below were submitted to the Point-of-Contact in writing prior to the question deadline (ref. Section 2.3) of the RFP and have been answered by TSUS.

1. Please provide copies of all current policies or schedule of policies including carrier, policy term, limit(s), and deductible/retention.

Answer: The System will not be providing that information as a part of this RFP.

2. For the three most recent policy periods, please provide:
 - a. Copies of all recently completed insurance applications
 - b. Copies of all renewal quotes and associated binders.

Answer: The System will not be providing that information as a part of this RFP.

3. Will you provide five years of loss runs for each existing line of coverage?

Answer: The System will not be providing that information as a part of this RFP.

4. May we have a schedule of the events insured under the Special Events Liability program?

Answer: The System will not be providing that information as a part of this RFP.

5. Will you please provide information about curriculum, international or study abroad programs/travel?

Answer: The System will not be providing that information as a part of this RFP, however, most of the data requested is likely on each individual institution's website.

6. May we get a schedule of buildings including building, contents, fine art, loss of income, and boiler & machinery insured values, and COPE information?

Answer: The System will not be providing that information as a part of this RFP.

7. Will you please describe any construction projects both current and planned?

Answer: The Capital Projects Solicitation Status Schedule can be found online at: <https://www.tsus.edu/offices/finance/formal-bid-opportunities.html>

8. May we get a schedule of fine art separately insured (outside the property policy) including insured values?

Answer: The System will not be providing that information as a part of this RFP.

9. Will you provide a schedule of covered vehicles?

Answer: The System will not be providing that information as a part of this RFP.

10. Fiduciary liability is not listed in section 1.3. Does TSUS have this exposure/coverage?

Answer: The System has D&O and EPL coverage.

11. Are there TPAs currently providing services? If so, which lines of coverage and what services are provided?

Answer: Yes, auto is covered.

12. Would you briefly describe any recent captive feasibility studies and the outcome there of?

Answer: The System will not be providing that information as a part of this RFP.

13. Specifically, regarding services described in section 5.8, approximately how many hours have been invested during the past two years by current service providers?

Answer: The System cannot speak for the current supplier on the actual hours spent performing work under the contract.

14. Are there currently any unique or special claims or loss control services being performed?

Answer: Not that The System is aware of.

15. May we get copies of the leases for buildings occupied by but not owned by TSUS?

Answer: The System will not be providing that information as a part of this RFP.

16. What concerns do you have about your current insurance program?

Answer: No specific concerns currently. The System's goal is to ensure we continue to pay the appropriate price for the appropriate amount of risk transfer.

17. What is your five-year vision for your risk management program?

Answer: To increase the amount of risk that The System is absorbing, given appropriate credit from the markets.

END OF ADDENDUM 1