STATE OF TENNESSEE
DEPARTMENT OF GENERAL SERVICES

BILL HASLAM
GOVERNOR

ROBERT E. OGLESBY, AIA
COMMISSIONER

AGENDA

ADVISORY COUNCIL ON STATE PROCUREMENT MEETING #011
TUESDAY, OCTOBER 29, 2013 – 1:30 PM
TN TOWER – 3rd FLOOR
CONFERENCE ROOM E – CONFERENCE CENTER NORTH

AGENDA ITEM		PAGE #
I.	Call to Order and Approve Minutes from September 30, 2013 Meeting (see attached documentation)	1
II.	New Business Proposed revisions to the following Central Procurement Office documents (see attached redline and clean versions of each):	
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	(9) Sections 5.13.3, 6.3.3, and 11 of the *Procurement Procedures Manual of the Central Procurement Office*	236
III.	Other Business	--
IV.	Adjournment	--

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MINUTES OF SEPTEMBER 30, 2013 MEETING

MINUTES
ADVISORY COUNCIL ON STATE PROCUREMENT MEETING #010
MONDAY, SEPTEMBER 30, 2013 – 1:30 P.M.
TN TOWER – 3RD FLOOR – CONFERENCE ROOMS A & C
CONFERENCE CENTER NORTH

Members in Attendance:

Mike Perry, Sondra Howe, Buddy Lea, Kelly Smith, Jason Mumpower, Mark Choate, Melissa Kmiecik

Others in Attendance:

Matt Brimm, Shay Oliphant, Melinda Parton, Bryan Chriske, Andy Kidd, Shannon Howell, Jenny Young, Cindy Heatherly, Jamil Moore, Paul Krivacka, Charlotte McKinney (State of Tennessee);

I. **Call to Order:** Mike Perry, Chief Procurement Officer and Advisory Council on State Procurement Chairman, officially called the meeting to order. He recognized that a quorum of members was present. Chief Procurement Officer Perry recognized and thanked the following Council members whose terms will be expiring October 31, 2013: Sondra Howe, Buddy Lea, Mark Choate, Jay Garrison, Matt Thompson, and Jim Thompson. Chief Procurement Officer Perry expressed his appreciation for their time and support of the Central Procurement Office and stated that he would like to give each of them a certificate of appreciation at the end of the meeting.

Minutes from July 29, 2013 Meeting: Chief Procurement Officer Perry asked if there were any corrections or changes to the minutes of the July 29, 2013 meeting. Seeing none, a motion was made by Jason Mumpower, Chief of Staff, Comptroller's Office, to accept the minutes as submitted. The motion was seconded by Kelly Smith, Assistant Commissioner, Department of General Services. All members voted in favor – none opposed.

II. **New Business:** Chief Procurement Officer Perry thanked the CPO Policy Review Subcommittee and the Comptroller's Office for their hard work and efforts to review and edit the Central Procurement Office models and templates that are on today's agenda. It is anticipated that these models and templates will be presented to the Procurement Commission in November. Chief Procurement Officer Perry then took a moment to

recognize Kelly Smith who is returning to the Advisory Council after a leave of absence and congratulated her on the birth of her baby boy. At this point Chief Procurement Officer Perry turned the floor over to Paul Krivacka, Lead Attorney/Director of Category Management, Central Procurement Office, to discuss the following new business items:

Proposed revisions to:

(1) Small Purchases Model

Mr. Krivacka stated that this model serves as a checklist that documents that due diligence has taken place for purchases $10,000 and under. After a short discussion, Jason Mumpower made a motion to accept the model as presented. The motion was seconded by Buddy Lea, Assistant Commissioner, Department of Finance and Administration. All members voted in favor – none opposed.

(2) Informal Purchases Model

Mr. Krivacka stated that this model serves as a checklist that documents that due diligence has taken place for purchases between $10,000.01 and $50,000.00. Chief Procurement Officer Perry added that agencies will scan this form and it will be attached in Edison. Buddy Lea asked if that step will be included in the training that agencies will receive and Chief Procurement Officer Perry indicated that it will be. A short discussion of Edison, the agencies' desire to be compliant, and training that will be offered was held. A motion was made by Jason Mumpower to accept the model as presented. The motion was seconded by Kelly Smith. All members voted in favor – none opposed.

(3) Request for Information (RFI) Model

Jason Mumpower stated that on page 38 (redline version) and page 43 (clean version), there is an Option (#3), which is entitled "RESPONSE A PREREQUISITE" that is to be inserted whenever a response to the RFI is a mandatory condition for participation in the future solicitation event. Since this option would limit the vendors that can respond to the future solicitation to only those vendors that participate in the RFI, he proposed that inclusion of this option will require written justification from the agency head. He proposed that the following language be added to the instructions for Item 3 – "Option: RESPONSE A PREREQUISITE":

Inclusion of this option will require written justification by the agency head.

A motion was made by Kelly Smith to accept the Request for Information (RFI) Model with the amendment as presented by Jason Mumpower. The motion was seconded by Buddy Lea. All members voted in favor – none opposed.

(4) Rule Exception Request Form

Mr. Krivacka explained that this form was originally used by the old Office of Contracts Review (OCR) and was primarily for services. The updated form now applies to goods and services.

The Comptroller's Office proposed that the following edit be made:

In the Comptroller signature box, there is a comma after the word "report" that should be after the word "audit" so that it reads "annual report and audit,".

After a general discussion, it was proposed that another edit be made for further clarification of line 6 "**Rule(s)** (for which the exception is requested)":

It was proposed that the following language be added:

Please include citation and written explanation of Rule(s) to be excepted.

A motion was made by Buddy Lea to accept the Rule Exception Request Form with the first amendment as proposed by the Comptroller's Office and the second amendment as proposed from the general discussion. The motion was seconded by Jason Mumpower. All members voted in favor – none opposed.

(5) Interagency Agreement (IA) Model

Mr. Krivacka stated that this form has been simplified and will streamline the process so that it will take much less time by an agency to process the form. Chief Procurement Officer Perry clarified that this form will be used mainly by agency legal staff.

Jason Mumpower made a motion to accept the Interagency Agreement (IA) Model as presented. The motion was seconded by Kelly Smith. All members voted in favor – none opposed.

(6) Section 11 of the *Procurement Procedures Manual of the Central Procurement Office*

The Comptroller's Office proposed that the word "**written**" be added to the third sentence of the first paragraph of Section 11 so that it reads:

"When a Rule Exception Request is not applicable, a **written** explanation for the deviation shall be provided by the agency head."

A motion was made by Buddy Lea to accept Section 11 of the *Procurement Procedures Manual of the Central Procurement Office* with the amendment as presented by the Comptroller's Office.

III. **Other Business:** Chief Procurement Officer Perry asked for any other business that the Council needed to discuss. Seeing none, he expressed his appreciation again to the members who are moving off the Council and stated for those remaining members that there will be much more work ahead. Mark Choate stated that he had been happy to serve on the Council and found the overall experience to be very beneficial.

IV. **Adjournment:** A motion for adjournment was made by Kelly Smith and seconded by Jason Mumpower. All members voted in favor – none opposed.

PROPOSED NEW TEMPLATE

- **REQUEST FOR QUALIFICATIONS (RFQ) TEMPLATE**

REDLINE COMPARISON TO 10/17/13 VERSION

REQUEST FOR QUALIFICATIONS (RFQ) TEMPLATE

This ~~model~~ template prescribes the format and content for a Request for Qualifications (RFQ). This template should only be utilized if the Central Procurement Office is the procuring entity. - Documents of this type must adhere to this ~~model~~ template with revisions only as instructions permit. Insignificant deviations from this ~~model~~template, while always subject to disapproval, will typically not require a specific rule exception unless an oversight examiner requires separate documentation in a particular instance. If a formal rule exception request is not required, oversight approval of the document will constitute any necessary rule exceptions that may be necessary.

Complete ~~form~~ template fields and follow, replace, or otherwise address red instructional text (*e.g.*, State Agency Name, amount, will/will not) as indicated, with conforming font and color.

RFQ CONTENTS

Revisions of the standard, simplified RFQ Contents may not be approved. The following optional terms may be included as applicable:

1. INTRODUCTION

1.1. Statement of Procurement Purpose

Specify important, specific information relating to contract requirements, specifications of goods or performance in the scope of services and not in this RFQ section.

1.1.1. RFQ Number

Assign an RFQ number consisting of:

- the 5-digit, contracting agency business unit code
- a unique, 5-digit, agency-assigned number such that each RFQ number will be different

Example: **RFQ # 31707-12345**

1.1.2. State Communications

Option: Additional Information.

Add a second paragraph to this section as appropriate (*e.g.*, add text detailing a specific URL where the State will convey official, written responses and communications related to this RFQ by Internet posting).

1.1.3. Factual Data

Option: Additional Data Disclaimer.

Add the following as a second paragraph of this section as appropriate.

> All statistical and fiscal information contained in this RFQ and its exhibits, including amendments and modifications thereto, are provided "as is", without warranty as to the accuracy or adequacy of the data or information so provided, and reflect the department's best understanding based on information or belief available to the department at the time of RFQ preparation. No inaccuracies in such data or information shall be a basis for delay in performance or a basis for legal recovery of damages, actual, consequential or punitive.

1.2. Pre-Response Conference

Option: No Pre-Response Conference.

2. RFQ SCHEDULE OF EVENTS

RFQ Schedule of Events (table)

The date instructions in the Schedule of Events table indicate minimum days.

Allot more days for each event as practical and where flexibility is allowed by the model instructions (indicated by "≥" signs).

Revise the "time zone" as appropriate.

Option: NO Pre-Response Conference Event.

Delete the Pre-Response Conference Event 3 from the schedule (and re-number subsequent events accordingly) as appropriate.

Option: Oral Presentation Event.

~~An Oral Presentation requirement can increase the risk of protest, and such a requirement may not be approved.~~

Complete and insert the following rows, in order immediately after the RFQ Technical Response Deadline event, (and re-number subsequent events) as appropriate.

#. State Schedules respondent Oral Presentations (ONLY Respondents who pass Mandatory Requirements)		≥ 1 BUSINESS DAYS LATER
#. Respondent Oral Presentations	8:00 a.m. - 4:30 p.m.	PERIOD BEGINNING ≥ 5 BUSINESS DAYS LATER

Option: Cost Proposals

Add the following after RFQ § 2, Schedule of Events "State Notice of Qualified Respondents Released and Solicitation Files Opened for Public Inspection" if the State will solicit a Cost Proposal from Qualified Respondents.

#. RFQ Cost Proposal Deadline (ONLY for Qualified Respondents)	2:00 p.m.	> 7 CALENDAR DAYS LATER
#. State Evaluation Notice Released ~~and Solicitation Files Opened for Public Inspection~~		1 – 3 BUSINESS DAYS LATER
#. Solicitation Files Opened for Public Inspection		1 BUSINESS DAY LATER
#. Respondent Contract Signature Deadline	2:00 p.m.	≥ 8 BUSINESS DAYS LATER
#. Anticipated Contract Start Date (anticipated date for contract to be fully executed and vendor to begin work)		≥ 20 BUSINESS DAYS LATER

Option: RFQ Negotiations ~~(only select if CPO is the procuring entity)~~

Add the following after RFQ § 2, Schedule of Events "Cost Proposal Deadline"

#. RFQ Negotiations		≥ 3 BUSINESS DAYS LATER

Option: Performance Bond Event.

Complete and insert the following row immediately after the Contractor Contract Signature Deadline event as appropriate.

#. Performance Bond Deadline	4:30 p.m.	≥ 1 BUSINESS DAY LATER

3. REPSONSE REQUIREMENTS

3.3. Response Format

The RFQ should require that respondents submit enough Technical Response copy discs to allow one copy for each Evaluation Team member. Revise §3.3.2.1. accordingly.

Option: Additional Delivery Instructions.

Revise subsections, if necessary, to provide for additional instructions for labeling and submitting the Technical Response and Cost Proposal.

3.4. Response Prohibitions

Option: Page Limitation

Add the following instruction to limit the Technical Response to a certain number of pages as appropriate.

3.4.#. Exceed _____ pages in length (maps, graphs, and charts included as an appendix will not count against this page limit);

Option: ~~Page~~ Time Limitation

Add the following instruction ~~to limit~~to prohibit a respondent oral presentation from ~~exceedings to a~~exceeding certain length of time as appropriate.

3.4.#. Provide an oral presentation to exceed ___ hours in length including time for questions. A topic outline will be provided ~~upon~~ with the oral presentation invitation.

4. GENERAL INFORMATION & REQUIREMENTS

4.5. Disclosure of Response Contents

Option: Additional Disclosure Information.

Add the following to the end of subsection 4.5. if it is deemed necessary and it is approved by the contracting agency and the Central Procurement Office.

The State agrees to protect, to the fullest extent permitted by state law, the confidentiality of information expressly identified by the Respondent as confidential and proprietary, including information that would allow a person to obtain unauthorized access to confidential information or to electronic information processing systems owned by or licensed to the State.

5. PROCUREMENT PROCESS & CONTRACT AWARD

5.1. Option: Cost Proposals & RFQ Negotiations ~~(only select if CPO is the procuring entity)~~

Replace RFQ § 5.1.1. with the following if negotiations will be included in the evaluation process.

The vendor selection will be a two-part process: (1) Qualification of Technical Responses, and (2) Cost Proposals/Negotiations.

~~**5.1. Option: RFQ Negotiations** (only select if CPO is the procuring entity)~~

~~Add the following to RFQ § 5.1., if the State CPO will conduct negotiations.~~

~~Negotiations:~~

~~The State may elect to engage the Respondents within the competitive range and negotiate costs and finalize contract terms and conditions. If the State determines cost and contract finalization discussions and negotiations are not productive, the State reserves the right to bypass the apparent highest evaluated Respondent and enter into contract negotiations with the next best evaluated Respondent.~~

~~The State may elect to negotiate by requesting revised Responses from apparently responsive and responsible Respondents. However, the State reserves the right to award a contract on the basis of initial responses received. Therefore, each response should contain the Respondent's best terms from a technical and cost standpoint. The State reserves the right to conduct multiple negotiation rounds. If the States exercises its right to enter into negotiations, it may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those identified issues during negotiations. All responsive respondents within the competitive range will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct target pricing and other goods or services level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that does not reveal individual respondent pricing. During target price negotiations respondents are not obligated to meet or beat target prices, but will not be allowed to increase prices. All communications, clarifications and negotiations shall be conducted in a manner that supports fairness in response improvement. Note that each clarification sought by the State may be unique to an individual Respondent.~~

5.2. Competitive Range of Technical Responses

The RFQ should specify what the competitive range will be for your particular RFQ. Add details describing what selection criteria will be utilized to determine the competitive range/what the respondent must do to be considered "Qualified".

Option: Ranking

The Technical Response must be ranked in the top ____ [insert number (#) ≥ 3] after the Technical Response score is totaled and put in ordinal ranking (**1** - the best evaluated ranking).

Option: Percentile

The Technical Response score must attain a combined score of _____[insert number]. This minimum score threshold represents a score of ____%.

Option: Respondent Oral Presentations

Add the following to the Phase II paragraph if oral presentations will be included in the evaluation process.

The State may invite those who passed the Phase I evaluation to give oral presentations to the State. The qualitative assessment of each Respondent will include the information derived from the oral presentations.

5.54. Option: Cost Proposals

Add the following to RFQ § 5.54., Evaluation Guide, if the State will solicit a Cost Proposal from Qualified Respondents.

Evaluation Category	Maximum Points Possible
Cost Proposal (refer to RFQ Attachment D)	NUMBER ≥ 30% of TOTAL POINTS

~~5.5.~~5.6. Contract Award

The RFQ should specify how anticipated contract award will occur for the particular RFQ. Revise as appropriate, subject to approvals.

Option: ~~Cost Proposal~~Contract Award

Add the following as RFQ § 5.65., Contract Award, if the State will solicit a Cost Proposal from Qualified Respondents, which will result in a contract award.

~~5.5.1.~~5.6.1. The Solicitation Coordinator will submit the Evaluation Team determinations and response scores to the head of the contracting agency, or the agency head's designee, for consideration along with any other relevant information that might be available and pertinent to contract award.

~~5.5.2.~~5.6.2. The contracting agency head, or the agency head's designee, will determine the apparent best-evaluated response. (To effect a contract award to a Respondent other than the one receiving the highest evaluation score, the head of the contracting agency must provide written justification and obtain written approval of the Chief Procurement Officer and the Comptroller of the Treasury.)

~~5.5.3.~~5.6.3. The State reserves the right to make an award without further discussion of any response.

~~5.5.4.~~5.6.4. The State will issue an Evaluation Notice and make the RFQ files available for public inspection at the time and date specified in the RFQ §2, Schedule of Events.

NOTICE: The Evaluation Notice shall not create rights, interests, or claims of entitlement in either the Respondent identified as the apparent best evaluated or any other Respondent.

~~5.5.5.~~5.6.5. The Respondent identified as offering the apparent best-evaluated must sign a contract drawn by the State pursuant to this RFQ. The contract shall be substantially the same as the RFQ Attachment G, *pro forma* contract. The Respondent must sign said contract no later than the Respondent Contract Signature Deadline detailed in RFQ § 2, Schedule of Events. If the Respondent fails to provide the signed contract by the deadline, the State may determine the Respondent is non-responsive to this RFQ and reject the response.

~~5.5.6.~~5.6.6. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited negotiation prior to contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIED THAT such revision of terms and conditions or performance

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requirements shall NOT materially affect the basis of response evaluation or negatively impact the competitive nature of the RFQ and vendor selection process.

~~5.5.7.~~5.6.7. If the State determines that a response is nonresponsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

ATTACHMENT A: TECHNICAL RESPONSE & EVALUATION GUIDE

Option: Page Limitation.

Add the following row to the RFQ Attachment A table (in the grayed out top area) if a page limitation was included in RFQ § 3.4., Response Prohibitions.

		The Technical Response must not exceed _____ pages in length;	

Option: Cash Flow Information.

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to review the evidence of Respondent's financial stability/responsibility.

	A.#	Provide documentation disclosing the amount of cash flows from operating activities for the Respondent's most current operating period. Said documentation must indicate whether the cash flows are positive or negative, and, if the cash flows are negative for the most recent operating period, the documentation must include a detailed explanation of the factors contributing to the negative cash flows. NOTICE: All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders the opinions.	

Option: Certificate of Insurance.

Add the following row to the RFQ Attachment A table (after the model items) ONLY IF a Certificate of Insurance is considered necessary evidence of Respondent's financial stability/responsibility. (Specifying insurance requirements in the *pro forma* contract does not necessitate adding this optional response requirement.)

Add, delete, or revise subsections detailing insurance coverage requirements as appropriate. (If this response requirement item is added to the RFQ, the appropriate Insurance provision must be detailed in the *pro forma* contract, and the insurance coverage requirements specified in both the RFQ and the *pro forma* contract must agree.)

	A.#	Provide a valid, Certificate of Insurance that is verified and dated within the last six (6) months and which details all of the following: (a) Insurance Company (b) Respondent's Name and Address as the Insured (c) Policy Number (d) The following minimum insurance coverage: (i) Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant	

		statutory amount or WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per occurrence for employers' liability; (ii) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per occurrence and WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) aggregate; (iii) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per occurrence; and (iv) Professional Malpractice Liability with a limit of not less than WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per claim. (e) The following information applicable to each type of insurance coverage: (i) Coverage Description, (ii) Exceptions and Exclusions, (iii) Policy Effective Date, (iv) Policy Expiration Date, and (v) Limit(s) of Liability.	

Option: Audited Financial Statements.

Add the following row to the RFQ Attachment A table (after the model items) ONLY IF the anticipated contract amount is ≥ $1,000,000.00 AND extraordinary effort to assure Respondent financial stability/ responsibility is appropriate.

	A.#	Provide the Respondent's most recent independent audited financial statements. Said independent audited financial statements must: (1) reflect an audit period for a fiscal year ended within the last 36 months (2) be prepared with all monetary amounts detailed in United States currency; (3) be prepared under United States Generally Accepted Accounting Principles (US GAAP); (4) include: the auditor's opinion letter; financial statements; and the notes to the financial statements; and (5) be deemed, in the sole discretion of the State to reflect sufficient financial stability to undertake the subject agreement with the State. NOTES: ▪ Reviewed or Compiled Financial Statements will not be deemed responsive to this requirement and will not be accepted. ▪ All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure	

		detailing the state of licensure and licensure number for each person or entity that renders the opinions.	

Option: Audited Financial Statements – Line of Credit Option.

Privately held companies may not have or be willing to release audited financial statements for public review. Therefore, requiring audited financial statements (as detailed above) without an alternative to the requirement could conceptually prevent privately held companies from responding to the RFQ.

The contracting agency should consider the possible impact of the requirement on competition versus the state's need to reasonably determine the financial stability/responsibility of respondents and decide whether it is appropriate to include an alternative to the requirement.

Insert the following paragraph before the "NOTES" in the optional audited financial statements requirement text (above) if appropriate.

OR, in lieu of the aforementioned independent audited financial statements, provide a financial institution's letter of commitment for a general Line of Credit in the amount of **WRITTEN AMOUNT ≥ ONE MILLION DOLLARS ($NUMBER AMOUNT)**, U.S. currency, available to the Respondent. Said letter must specify the Respondent's name, be signed and dated within the past three (3) months by an authorized agent of the financial institution, and indicate that the Line of Credit shall be available for at least **PERIOD ≥ 6 MONTHS.**

Option: Audited Financial Statements – Additional Requirement.

Add the following sentence at the end of the second bulleted note in the optional audited financial statements requirement text ONLY IF the contracting agency legal counsel recommends it in writing.

Any attest or review of the financial status of a Tennessee corporation must be rendered by an accountant or accounting firm licensed or otherwise specifically permitted to provide an attest or review by the Tennessee Board of Accountancy.

Option: Proposal Bond Confirmation.

Add the following row to the RFQ Attachment A table ONLY IF a Proposal Bond is required by the Chief Procurement Officer. All proposal bond amounts shall be stated as a set amount or as a percentage of the contract value. In no event shall the proposal bond amount exceed five percent (5%) of the estimated value of the contract.

	A.#	Provide a proposal bond issued by a surety company licensed to do business in the State of Tennessee in the amount of $__.__.	

Contingent Requirement: Performance Bond Confirmation.

Add the following row to the RFQ Attachment A table ONLY IF a Performance Bond is proposed.

	A.#	Provide a statement confirming that, if awarded a contract pursuant to this RFQ, the Respondent shall deliver a Performance Bond to the State in accordance with the requirements of this RFQ. The statement must be signed by an individual with legal authority to bind the proposing entity to the provisions of this RFQ and any contract awarded pursuant to it.	

Option: Additional Mandatory Requirements.

Typically, each mandatory requirement item must be drafted such that an objective "yes/no" determination of whether the requirement was met is reasonable and adequate (clearly not necessitating a qualitative evaluation of the response).

Contracting agency staff may be asked to provide evidence that a proposed mandatory requirement is not inappropriately arbitrary or capricious (*e.g.*, (1) information from an independent, authoritative source indicating that the proposed criteria is a reasonable standard; and (2) a recommendation signed by the contracting agency legal counsel explaining why the proposed requirement is not arbitrary or capricious).

Add mandatory requirement items to the RFQ Attachment A table (after the model items) as appropriate. Do not include a mandatory requirement that entails a response that should or must be more subjectively evaluated. Do not include an arbitrary mandatory requirement.

ATTACHMENT B: TECHNICAL RESPONSE & EVALUATION GUIDE

General Qualifications & Experience

The entire set of General Qualifications & Experience items detailed in the model for this section MUST be evaluated together as indicated.

RFQ Attachment B and the methodology for evaluating responses may NOT be revised except to add new evaluation items.

B.17. References

Option: Revised Reference Requirements.

Do not assume automatic approval of any revision of the model text.

Revise the number of required references as appropriate. Revise the model text, as appropriate, to detail an alternate process for obtaining and evaluating references. Any such revision must be exactly detailed and clearly uniform in application with all respondents.

Option: Red-Line *pro forma* contract submittal.

Add the following row to the RFQ Attachment B table ONLY if it would benefit the State to be amenable to making changes to the *pro forma* contract.

	B.#.	The State is amenable to making changes to RFQ Attachment G, *pro forma* contract. The State will take all reasonable suggested alternative or supplemental contract language changes by Respondents under advisement during the evaluation and post award processes, subject to any mandates or restrictions imposed on the State by applicable state or federal law. The State, however, recommends that Respondents include with their response any alternative or supplemental suggested contract language that a Respondent would propose. Clearly indicate, by providing a "red-line" of RFQ Attachment G, *pro forma* contract, all suggested alternative or supplemental contract language. Do **not** include any exceptions or changes that (1) contradict a Federal requirement or a Mandatory Requirement, or (2) push back any deadlines.	

ATTACHMENT C: TECHNICAL RESPONSE & EVALUATION GUIDE

Technical Qualifications, Experience & Approach

The sum of all Evaluation Factors within the section should equal "100" (or "1,000") so that the relative percentage of importance/ emphasis is readily apparent.

Assign Evaluation Factors such that the Point Scale Score for the evaluation factors will be weighted to reflect the relative importance of the item to the other evaluation factors within the section.

If all evaluation factors in the section are to be considered (weighted) equally, specify "1" as the Evaluation Factor for every factor.

Option: Additional Technical Qualifications, Experience & Approach Items. Add evaluation items to the RFQ Attachment C table so that the state has the best possible information upon which to select a Respondent for contract award.

Option: Oral Presentations as part of Technical Response & Evaluation Guide

> **Oral Presentations may NOT include "general" questions and answers. All questions must either be scripted questions asked by state staff or subject matter experts in every response presentation or a specific question in exact follow-up to particular information presented by the respondent in response to one or more of the Oral Presentation items.**

Option: Cost Proposals

ATTACHMENT D: COST PROPOSAL & EVALUATION GUIDE ATTACHMENT

> **Each line item on which the State is seeking costs must clearly specify the associated, applicable units of goods or services. While the line item of cost description should stipulate the applicable units of goods or services, it should also be specified within each blank cost cell. Examples: $ ___ / hour, *or* $ ___ / each, *etc.***
>
> **The Cost Proposal format should <u>not</u> require calculations by Respondents.**
>
> **The Cost Proposal & Evaluation Guide (and the associated *pro forma* contract payment methodology) <u>must</u> be drafted so that <u>NO</u> Respondent is able to propose cost in such a manner that the Evaluation Cost Amount would equal zero. This is critical if the cost response evaluation formula is to mathematically result in rational numbers as cost response scores. (In some instances, it might be necessary to require a minimum proposed amount for one or more line item of costs.)**

x

ATTACHMENT D

Cost Proposal & Evaluation Guide

For Qualified Respondents Only

NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for the delivery of specified goods for the entire scope of services including all services defined in the Scope of Services of the RFQ Attachment G, *pro forma* Contract and for the entire contract period. The Cost Proposal shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFQ. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

ADD ADDITIONAL REQUIREMENTS FOR COMPLETING PROPOSED COST AS APPLICABLE (*I.E.*, MINIMUM AMOUNT, "BLANK" CELLS, *ETC.*)

NOTICE: The Evaluation Factor associated with each line item of cost is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the line item of costs herein, pursuant to the second paragraph of the *pro forma* contract section C.1. (refer to RFQ Attachment G), "The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract."

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the entity responding to the provisions of this RFQ and any contract awarded pursuant thereto. If said individual is not responding in an individual capacity or is the *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to legally bind the entity responding to this RFQ.

RESPONDENNET SIGNATURE:	
PRINTED NAME & TITLE:	
DATE:	

RESPONDNET LEGAL ENTITY NAME:			
Line item of cost Description	**Proposed Cost**	**State Use Only**	
		Evaluation Factor	**Evaluation Cost** (cost x factor)
DESCRIPTION	**$ / UNIT**	NUMBER	
REPEAT AS NECESSARY	**$ / UNIT**	NUMBER	
REPEAT AS NECESSARY	**$ / UNIT**	NUMBER	
EVALUATION COST AMOUNT (sum of evaluation costs above):			

RESPONDNET LEGAL ENTITY NAME:			
Line item of cost Description	Proposed Cost	State Use Only	
		Evaluation Factor	Evaluation Cost (cost x factor)
The RFQ Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.			
lowest evaluation cost amount from all responses / evaluation cost amount being evaluated	x RFQ § 5.4 NUMBER (maximum section score)	= SCORE:	
State Use – RFQ Coordinator Signature, Printed Name & Date:			

EVALUATION FACTORS — A factor associated with each line item of cost is used to foster reasonable, competitive price offers for each line item of costs and to prevent Respondents from offering prices with the intent of "gaming" the evaluation model and not resulting in the best actual cost to the state. The use of Evaluation Factors should also result in a more appropriate consideration of each line item of cost in terms of its relative impact upon the total cost to the state under the proposed contract. Typically, all Evaluation Factors must be based upon:

- historical data relating to the number of the associated goods or services units previously bought by the state for a comparable period; OR
- the procuring state agency's reasoned projection of the actual number of each line item of cost units that the state will buy under the new contract during the entire contract period (with all options, if any, to extend the contract exercised).

(If one or more milestone or other lump sum type payment amounts are included in the mix of line item of costs, the logical Evaluation Factor for each milestone or lump sum line item of cost should typically be "1" since each payment amount would be remitted only one time.)

Option: Cost Proposal Format Default – ONE Payment Rate Per Line item of cost (static or CPI-escalated).

Use the default Cost Proposal schedule if the Respondents must offer only one rate per all goods or services for the entire contract period (with or without rate escalation provisions are detailed in the *pro forma* contract).

Option: Cost Proposal Format – Unit or Temporal Rate Payments (proposed by period).

Option: Cost Proposal Format – NO Evaluation Factors Column contract

In those instances where the relative importance of **ALL** line item of costs is equal (for example, if payments will be only based on milestone/ lump sum type payments in which the sum of all of the line item of costs would equal the anticipated cost of the contract), all Evaluation Factors would equal "1." Inasmuch, it would be acceptable to draft the Cost Proposal format without the preamble notice relating to Evaluation Factors as well as without the Evaluation Factor column or the Sum and Evaluation Factor columns.

Option: Cost Proposal & Evaluation Guide.

Revise the Cost Proposal & Evaluation Guide detailed in the model, as appropriate, to direct respondents to complete a protected spreadsheet ("protected" so that respondents may only insert proposed cost as required) provided by the state along with the RFQ in lieu of completing the Cost Proposal table illustrated in the guide.

ATTACHMENT E: STATEMENT OF CERTIFICATIONS & ASSURANCES

Option: Alternate Language if Red-Line Allowed

Modify Item 3 as follows if Red-Line *pro forma* contract submittal was permitted in RFQ Attachment B.

The Respondent accepts and agrees to all terms and conditions, except changes as set forth in the response (refer to RFQ Attachment B, Item B#NUMBER), set out in the RFQ Attachment G, *pro forma* Contract.

Option: Alternate Language if Red-Line Allowed

Modify Item 9 as follows if the State will solicit Cost Proposals from Qualified Respondents.

Both the Technical Response and the Cost Proposal submitted in response to the RFQ shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFQ.

ATTACHMENT F: REFERENCE QUESTIONNAIRE

Option: Questionnaire Revision.

Select one of the two different Reference Questionnaire options available below, depending on your procurement needs.

Add, delete, or revise questionnaire items as appropriate to the subject procurement so that the state has the best possible information upon which to select a Respondent for contract award.

RFQ # NUMBER REFERENCE QUESTIONNAIRE

RESPONDENT NAME: RESPONDENT NAME (completed by respondent before reference is requested)

The "respondent name" specified above, intends to submit a response to the State of Tennessee in response to the Request for Qualifications (RFQ) indicated. As a part of such response, the respondent must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
- sign and date the completed questionnaire;
- seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
- sign in ink across the sealed portion of the envelope; and
- return the sealed envelope containing the completed questionnaire directly to the respondent.

(1) **What is the name of the individual, company, organization, or entity responding to this reference questionnaire?**

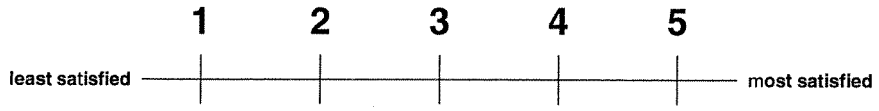
(2) **Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.**

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) **What goods or services do/did the vendor provide to your company or organization?**

(4) **What is the level of your overall satisfaction with the vendor of the goods or services described above?**

Please respond by circling the appropriate number on the scale below.



If you circled 3 or less above, what could the vendor have done to improve that rating?

(5) **If the goods or services that the vendor provided to your company or organization are completed, were the goods or services completed in compliance with the terms of the contract, on time, and within budget? If not, please explain.**

(6) **If the vendor is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.**

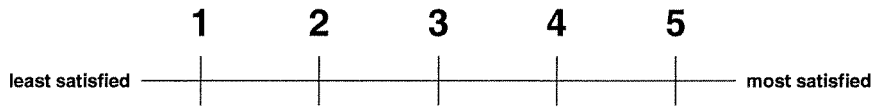
(7) **How satisfied are you with the vendor's ability to perform based on your expectations and according to the contractual arrangements?**

(8) **In what areas of goods or service delivery do/did the vendor excel?**

(9) **In what areas of goods or service delivery do/did the vendor fall short?**

(10) **What is the level of your satisfaction with the vendor's project management structures, processes, and personnel?**

Please respond by circling the appropriate number on the scale below.

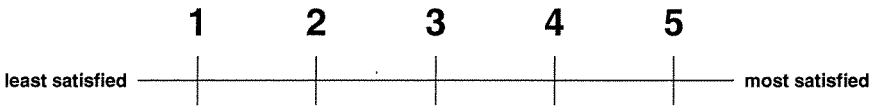


What, if any, comments do you have regarding the score selected above?

RFP # NUMBER PROPOSAL REFERENCE QUESTIONNAIRE — PAGE 3

(11) **Considering the staff assigned by the vendor to deliver the goods or services described in response to question 3 above, how satisfied are you with the technical abilities, professionalism, and interpersonal skills of the individuals assigned?**

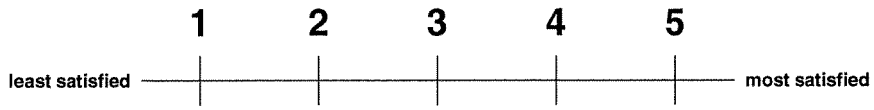
Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

(12) Would you contract again with the vendor for the same or similar goods or services?

Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

REFERENCE SIGNATURE:
(by the individual completing this request for reference information)

_____
(must be the same as the signature across the envelope seal)

DATE: _____

REFERENCE QUESTIONNAIRE

RESPONDENT NAME:_____
RFQ # NUMBER

The Respondent will be responsible for obtaining completed Reference Questionnaires as required and for enclosing the sealed envelopes within the response.

The "respondent name," specified above, intends to submit a response to the State of Tennessee in response to the Request for Qualifications (RFQ) indicated. As a part of such response, the respondent must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
  - sign and date the completed questionnaire;
  - seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
  - sign in ink across the sealed portion of the envelope; and
  - return the sealed envelope containing the completed questionnaire directly to the respondent.

(1) What is the name of the individual, company, organization, or entity responding to this reference questionnaire?

(2) Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) What goods or services do /did the vendor provide to your company or organization?

(4) What is the level of your overall satisfaction with the vendor of the goods or services described above?

Satisfied ☐ **Not Satisfied** ☐

Please check one box

(5) Were the goods delivered or services completed in compliance with the terms of the contract, on time, and within budget?

Yes ☐ **No** ☐ **Not Completed** ☐

Please check one box

(6) How satisfied are you with the vendor's ability to perform based on your expectations and according to the contractual arrangements?

Satisfied ☐ **Not Satisfied** ☐

Please check one box

(7) What is the level of your satisfaction with the vendor's project management structures, processes, and personnel?

Satisfied ☐ **Not Satisfied** ☐

Please check one box

(8) Would you contract again with the vendor for the same or similar goods or services?

Satisfied ☐ **Not Satisfied** ☐

Please check one box

SIGNATURE:
(by the individual completing this reference questionnaire)

_____

(must be the same as the signature across the envelope seal)

DATE:

_____

ATTACHMENT G: *PRO FORMA* CONTRACT ATTACHMENT

Draft the *pro forma* contract in accordance with the appropriate contract model.

Option: Disclaimer for Government Entity Contracts.

Add the following optional text to the attachment cover page if deemed appropriate.

If the contract is awarded to a governmental entity established pursuant to *Tennessee Code Annotated* (e.g., a human resource agency, a developmental district, the University of Tennessee, or a Board of Regents school), the standard terms and conditions of the contract shall be revised accordingly; however, significant performance requirements shall not be revised.

APPROVAL INSTRUCTIONS

Each RFQ document must be approved for release in accordance with the instructions below.

Complete the document as required by this Model.

Submit the proposed document to CPO at least 20 days before the desired RFQ release date. (Notwithstanding compliance with this deadline, circumstances may necessitate a delay of the release date.)

Submit the document draft to CPO via e-mail to: Agsprs.Agsprs@state.tn.us or the CPO examiner assigned to the contracting agency as a digital file in DOC format. Each draft must:

1. be clearly marked as "REVIEW DRAFT"
2. specify a number indicating the draft version;
3. highlight all deviations from the model language; and
4. highlight any changes between draft versions that may be necessary prior to release:
    - CPO staff will: (a) review the draft and confer with contracting agency staff by means of e-mailed review notes and redrafts; and (b) e-mail the proposed document to Comptroller staff when the CPO review is completed.
    - Comptroller staff will: (a) review the draft and confer directly with contracting agency staff by means of review notes and redrafts exchanged by e-mail; and (b) e-mail pre-approval notice to both the contracting agency and CPO staff when the latest draft appears acceptable for release.

Approval is also required for any amendment or cancellation.

PUBLICATION INSTRUCTIONS

Upon Comptroller approval, prepare the solicitation document for public release by removing any highlighting, changing all text to an appropriate color, and removing any draft version number or other extraneous notations.

On the business day before the date approved for public solicitation, e-mail the document prepared for public release to the CPO staff person assigned to the contracting agency so that CPO staff may post the digital document(s) on the Internet as appropriate.

The document presented for publication must be comprised by one or more (clearly and logically separated component) digital files in PDF or DOC format. If previously approved, the cost response attachment may be presented for publication in XLS, spreadsheet format.

ALWAYS confirm that each document is properly posted for public review.

If, for any reason, an RFQ is not properly published to the Internet, it may be necessary for the state to substantially revise the approved RFQ schedule of events to add additional time before Q&A and response deadlines.

STATE OF TENNESSEE
~~STATE AGENCY NAME~~CENTRAL PROCUREMENT OFFICE

REQUEST FOR QUALIFICATIONS
FOR
BRIEF GOODS OR SERVICES CAPTION

RFQ # NUMBER

TABLE OF CONTENTS

SECTIONS:

1. Introduction
2. RFQ Schedule of Events
3. Response Requirements
4. General Information & Requirements
5. Procurement Process & Contract Award

ATTACHMENTS:

A. Technical Response & Evaluation Guide – Mandatory Requirement Items
B. Technical Response & Evaluation Guide – General Qualifications & Experience Items
C. Technical Response & Evaluation Guide – Technical Qualifications, Experience & Approach Items
D. Cost Proposal & Evaluation Guide
E. Statement of Certifications & Assurances
F. Reference Questionnaire
G. *Pro Forma* Contract

xx

1. INTRODUCTION

The State of Tennessee, ~~STATE AGENCY NAME~~Central Procurement Office, hereinafter referred to as "the State," has issued this Request for Qualifications ("RFQ") to define mandatory goods or services requirements; solicit responses; detail response requirements; and, outline the State's process for evaluating responses and selecting a Respondent for contract award to provide the needed goods or services.

Through this RFQ or any subsequent solicitation, the State seeks to buy the requested goods or services at the most favorable, competitive prices and to give ALL qualified businesses, including those that are owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises, the opportunity to do business with the state as contractors or subcontractors.

1.1. Statement of Procurement Purpose

BRIEF, HIGH-LEVEL EXPLANATION OF GOODS OR SERVICES SOUGHT OR A SUMMARY OF THE PROBLEM TO BE ADDRESSED. HIGHLIGHT THE PURPOSE OF THE RFQ (TO SELECT A VENDOR/NUMBER OF VENDORS) THAT ARE QUALIFIED TO MEET THE STATE'S NEEDS FOR THE GOODS OR SERVICES REQUESTED BY THE STATE.

INCLUDE A SUMMARY OF THE PROBLEM TO BE ADDRESSED, FURTHER INFORMATION ABOUT INITIATIVE, SUMMARY BACKGROUND INFORMATION, ETC., AS NEEDED. DO NOT ASSUME THAT DETAILED SPECIFICATIONS OR SCOPE OF WORK (WHICH SHOULD BE SET OUT IN THE *PRO FORMA* CONTRACT), WILL BE APPROVED FOR THIS SECTION.

INCLUDE AN ESTIMATE OF THE PURCHASE REQUIREMENTS FOR THE CURRENT CONTRACT PERIOD, IF APPLICABLE.

1.2. Pre-Response Conference

A Pre-Response Conference will be held at the time and date detailed in the RFQ Schedule of Events, RFQ § 2. Pre-Response Conference attendance is not mandatory, and potential Respondents may be limited to a maximum number of attendees depending upon overall attendance and space limitations. Please contact the Solicitation Coordinator to RSVP for the Pre-Response Conference. The Conference will be held at:

ADDRESS/LOCATION
OTHER APPROPRIATE INFORMATION IF ANY

1.3. Notice of Intent to Respond

Before the Notice of Intent to Respond Deadline detailed in RFQ § 2, Schedule of Events, potential Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond in the form of a simple e-mail or other written communication. Such notice should include the following information: the business or individual's name (as appropriate), a contact person's name and title, the contact person's mailing address, telephone number, facsimile, number, and e-mail address. Filing a Notice of Intent to Respond is not a prerequisite for submitting a response; however, it is necessary to ensure receipt of notices and communications relating to this RFQ.

1.4. Definitions and Abbreviations

DEFINE ABBREVIATIONS OR TERMS USED THROUGHOUT THE RFQ.

TERM	DEFINITION

2. RFQ SCHEDULE OF EVENTS

The following schedule represents the State's best estimates for this RFQ; however, the State reserves the right, at its sole discretion, to adjust the schedule at any time, or cancel and reissue a similar solicitation. Nothing in this RFQ is intended by the State to create any property rights or expectations of a property right in any Respondent.

EVENT		TIME (Central Time Zone)	DATE (all dates are State business days)
1.	RFQ Issued		DATE
2.	Disability Accommodation Request Deadline	2:00 p.m.	≥ 3 BUSINESS DAYS LATER
3.	Pre-Response Conference	TIME	≥ 1 BUSINESS DAY LATER
4.	Notice of Intent to Respond Deadline	2:00 p.m.	≥ 1 BUSINESS DAY LATER
5.	Written "Questions & Comments" Deadline	2:00 p.m.	≥ 3 BUSINESS DAYS LATER
6.	State response to written "Questions & Comments"		≥ 3 BUSINESS DAYS LATER
7.	RFQ Technical Response Deadline	2:00 p.m.	≥ 5 BUSINESS DAYS LATER
8.	State Notice of Qualified Respondents Released ~~and Solicitation Files Opened for Public Inspection~~		≥ 1 BUSINESS DAY LATER

3. RESPONSE REQUIREMENTS

3.1. **Response Contents**: A response to this RFQ should address the following:

3.1.1. Mandatory Requirements: This section details the mandatory technical, functional, and experience ~~mandatory~~ requirements that must be demonstrated in the response to this RFQ in order to be passed on to Phase II of the Technical Response evaluation. A Respondent must duplicate and use RFQ Attachment A as a guide to organize responses for the Mandatory Requirements of the RFQ response. The Respondent should reference the page location of the information within the response in the indicated column of the table. This section is included in the State's evaluation as to whether or not a Respondent meets mandatory qualifications (Phase I).

3.1.2. General Qualifications & Experience: This section is included in the State's evaluation of Phase II of the Technical Response Evaluation and details general information and qualifications that must be demonstrated in the response to this RFQ. A Respondent must duplicate and use RFQ Attachment B as a guide to organize responses for this portion of the RFQ response. The Respondent should reference the page location in the information within the response in the indicated column of the table.

3.1.3. Technical Qualifications, Experience & Approach: This section is also included in the State's evaluation of Phase II of the Technical Response Evaluation and details technical qualifications, experience, and approach items that must be demonstrated in the response to this RFQ. A Respondent must duplicate and use RFQ Attachment C as a guide to organize responses for this portion of the RFQ response. The Respondent should reference the page location in the information within the response in the indicated column of the table.

3.1.4. Cost Proposal: ***For Qualified Respondents only***

3.1.4.1. This section only applies to those respondents identified as being Qualified. See RFQ § 2, Schedule of Events, "State Notice of Qualified Respondents Released."

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3.1.4.2. If included as part of this solicitation, then the Cost Proposal must be recorded on an exact duplicate of RFQ Attachment D, Cost Proposal & Evaluation Guide. Any response that does not follow the instructions included in RFQ Attachment D may be deemed nonresponsive.

3.1.4.3. A Respondent must only record the proposed cost exactly as required by the RFQ Attachment D, Cost Proposal & Evaluation Guide and must NOT record any other rates, amounts, or information.

3.1.4.4. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period.

3.1.4.5. A Respondent must sign and date the Cost Proposal.

3.1.4.6. A Respondent must submit the Cost Proposal to the State in a sealed package separate from the Technical Response.

3.2. **Response Delivery Location**

A Respondent must ensure that the State receives a Response to this RFQ no later than the Response Deadline time and dates detailed in the RFQ § 2, Schedule of Events. All responses must be delivered to:

SOLICITATION COORDINATOR NAME

ADDRESS/LOCATION (INCLUDE FLOOR NUMBER)
PHONE NUMBER
OTHER APPROPRIATE INFORMATION IF ANY

3.3. **Response Format**

3.3.1. A Respondent must ensure that the original response meets all form and content requirements detailed within this RFQ.

3.3.2. A Respondent must submit original response documents and copies as specified below.

3.3.2.1. Technical Response
One (1) original Technical Response paper document clearly labeled:

"RFQ #NUMBER TECHNICAL RESPONSE ORIGINAL" — Formatted: Indent: First line: 0.5"

aAnd five (5) copies of the Technical Response each in the form of one (1) digital document in "PDF" format properly recorded on its own otherwise blank, standard CD-R recordable disc or USB flash drive labeled: — Formatted: Indent: Left: 1.5"

"RFQ #NUMBER TECHNICAL RESPONSE COPY" — Formatted: Indent: First line: 0.5"

The digital copies should not include copies of sealed customer references or cost information in the general and technical evaluation phase. However, any other discrepancy between the paper response document and digital copies may result in the State rejecting the response as nonresponsive. — Formatted: Indent: Left: 1.5"

3.3.2.2. Cost Proposal: ***For Qualified Respondents only***
One (1) original Cost Proposal paper document labeled:

"RFQ #NUMBER COST PROPOSAL ORIGINAL" — Formatted: Indent: Left: 1"

aAnd one (1) copy in the form of a digital document in "XLS" format properly recorded on a separate, blank, standard CD-R recordable disc or USB flash drive labeled: — Formatted: Indent: Left: 1.5"

"RFQ #NUMBER COST PROPOSAL COPY" — Formatted: Indent: First line: 0.5"

In the event of a discrepancy between the original Cost Proposal document and the digital copy, the original, signed document will take precedence. — Formatted: Indent: Left: 1.5"

3.4. **Response Prohibitions:** A response to this RFQ should not:

3.4.1. Restrict the rights of the State or otherwise qualify the response to this RFQ;

3.4.2. Include, for consideration in this procurement process or subsequent contract negotiations, incorrect information that the Respondent knew or should have known was materially incorrect;

3.4.3. Include more than one response, per Respondent, to this RFQ;

3.4.4. Include any information concerning costs (in specific dollars or numbers) associated with the Technical Response;

3.4.5. Include the respondent's own contract terms and conditions (unless specifically requested by the RFQ); or

3.4.6. Include the respondent as a prime contractor while also permitting one or more other respondents to offer the respondent as a subcontractor in their own responses.

3.5. **Response Errors & Revisions**

A Respondent is responsible for any and all errors or omissions in its response to this RFQ. A Respondent will not be allowed to alter or revise its response after the Response Deadline time and dates as detailed in RFQ § 2, Schedule of Events, unless such is formally requested in writing by the State (e.g., through a request for clarification, etc.).

3.6. **Response Withdrawal**

A Respondent may withdraw a response at any time before the Response Deadline time and date as detailed in RFQ § 2, Schedule of Events, by submitting a written signed request by an authorized representative of the Respondent. After withdrawing a response, a Respondent may submit another Response at any time before the Response Deadline time and date as detailed in RFQ § 2, Schedule of Events.

3.7. **Response Preparation Costs**

The State will not pay any costs associated with the preparation, submittal, or presentation of any response. Each Respondent is solely responsible for the costs it incurs in responding to this RFQ.

4. GENERAL INFORMATION & REQUIREMENTS

4.1. Communications

4.1.1. Respondents shall reference RFQ #NUMBER in all communications relating to this solicitation, and direct any such communications to the following person designated as the Solicitation Coordinator:

NAME, TITLE
ADDRESS
PHONE
EMAIL ADDRESS

The State will convey all official responses and communications related to this RFQ to the potential respondents from whom the State has received a Notice of Intent to Respond (refer to RFQ Section 1.3.).

4.1.2. Potential respondents with a handicap or disability may receive accommodation relating to the communication of this RFQ and participating in the RFQ process. Potential respondents may contact the RFQ Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in RFQ § 2, Schedule of Events.

4.1.3. **Unauthorized contact about this RFQ with other employees or officials of the State of Tennessee may result in disqualification from contract award consideration.**

4.1.4. Notwithstanding the foregoing, potential Respondents may also contact the following as appropriate:

4.1.4.1. Staff of the Governor's Office of Diversity Business Enterprise may be contacted for assistance with respect to available minority-owned, woman-owned, Tennessee service-disabled veteran-owned, and small business enterprises as well as general public information relating to this request; or

4.1.4.2. The following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

NAME, TITLE
ADDRESS
PHONE
EMAIL ADDRESS

4.2. Nondiscrimination

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a contract pursuant to this solicitation or in the employment practices of the Vendor on the grounds of handicap or disability, age, race, color, religion (subject to *Tennessee Code Annotated,* Sections 4-21-401 and 405), sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Vendor pursuant to this solicitation shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

4.3. Conflict of Interest

4.3.1. The State may not consider a proposal from an individual who is, or within the past six (6) months has been, a State employee. For these purposes,

4.3.1.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;

4.3.1.2. A contract with or a proposal from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and

4.3.1.3. A contract with or a proposal from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.

4.3.2. This RFQ is also subject to *Tennessee Code Annotated*, Section 12-4-101.

4.4. **Respondent Required Review & Waiver of Objections**

4.4.1. Each potential respondent must carefully review this RFQ, including but not limited to, attachments, the RFQ Attachment G, *pro forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").

4.4.2. Any potential respondent having questions and comments concerning this RFQ must provide such in writing to the State no later than the written "Questions & Comments Deadline" detailed in RFQ § 2, Schedule of Events.

4.4.3. Protests based on any objection shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the written "Questions & Comments Deadline."

4.5. **Disclosure of Response Contents**

4.5.1. All materials submitted to the State in response to this solicitation become property of the State of Tennessee. Selection for award does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full contents and associated documents submitted in response to this request will become open to public inspection. Refer to RFQ § 2, Schedule of Events.

4.5.2. The RFQ responses will be available for public inspection only after the completion of evaluation of the RFQ or any resulting solicitation which this RFQ becomes a part of, whichever is later.

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4.6. **Notice of Professional Licensure, Insurance, and Department of Revenue Registration Requirements**

4.6.1. All persons, agencies, firms or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as part of a response to this RFQ, shall be properly licensed to render such opinions.

4.6.2. Before the Contract resulting from this RFQ is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary, appropriate business and professional licenses to provide service as required. The State may require any Respondent to submit evidence of proper licensure.

4.6.3. Before the Contract resulting from this RFQ is signed, the apparent successful Respondent must provide a valid, Certificate of Insurance indicating current insurance coverage meeting minimum requirements as may be specified by the RFQ.

4.6.4. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Department of Revenue for the collection of

Tennessee sales and use tax. The State shall not approve a contract unless the Respondent provides proof of such registration. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation.

4.7. **RFQ Amendments & Cancellation**

4.7.1. The State reserves the right to amend this RFQ at any time, provided that it is amended in writing. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential respondents to meet the deadlines and revise the RFQ Schedule of Events if deemed appropriate. If a RFQ amendment is issued, the State will convey it to potential respondents who submitted a Notice of Intent to Respond (refer to RFQ § 1.3). A response must respond, as required, to the final RFQ (including its attachments) as may be amended.

4.7.2. The State reserves the right, at its sole discretion, to cancel or to cancel and reissue this RFQ in accordance with applicable laws and regulations.

4.8. **State Right of Rejection**

4.8.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all proposals.

4.8.2. The State may deem as nonresponsive and reject any proposal that does not comply with all terms, conditions, and performance requirements of this RFQ. Notwithstanding the foregoing, the State reserves the right to seek clarifications or to waive, at its sole discretion, a response's minor variances from full compliance with this RFQ. If the State waives variances in a response, such waiver shall not modify the RFQ requirements or excuse the Respondent from full compliance with such, and the State may hold any resulting vendor to strict compliance with this RFQ.

4.8.3. The State will review the response evaluation record and any other available information pertinent to whether or not each respondent is responsive and responsible. If the evaluation team identifies any respondent that appears not to meet the responsive and responsible thresholds such that the team would not recommend the respondent for potential contract award, this determination will be fully documented for the record. ("Responsive" is defined as submitting a response that conforms in all material respects to the RFQ. "Responsible" is defined as having the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

4.9. **Assignment & Subcontracting**

4.9.1. The vendor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFQ without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.9.2. If a Respondent intends to use subcontractors, the response to this RFQ must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFQ Attachment B, Item B.14.).

4.9.3. Subcontractors indentified within a response to this RFQ will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.9.4. The Contractor resulting from this RFQ may only substitute another subcontractor for a proposed subcontractor at the discretion of the State and with the State's prior, written approval.

4.9.5. Notwithstanding any State approval relating to subcontracts, the Contractor resulting from this RFQ will be the prime contractor and will be responsible for all work under the Contract.

4.10. **Next Ranked Respondent**

The State reserves the right to initiate negotiations with the next ranked respondent should the State cease doing business with any respondent selected via this RFQ process.

5. PROCUREMENT PROCESS & CONTRACT AWARD

5.1. The complete vendor selection will be a two-part process: (1) Qualification of Technical Responses; and (2) Evaluation of Cost Proposals. Any contract award is subject to successful contract negotiation.

5.2. ~~Competitive Range of~~Qualification of Technical Responses: ~~All technical responses will be~~Technical Responses will be short-listed ~~to a competitive range~~ for further evaluation, analysis or negotiation if they are apparently responsive, responsible, and within the competitive range. A Technical Response will be deemed within the competitive range based on the following criterion:

(INSERT details as to how the competitive range will be determined).

Phase I: The State will evaluate the Mandatory Requirements set forth in RFQ Attachment A on a pass/fail basis.

Phase II: Following the Phase I evaluation, the State will apply a standard equitable evaluation model, which will represent a qualitative assessment of each response. Each response will be scored by Evaluation Team members according to the Technical Response & Evaluation Guides (See RFQ Attachments B & C).

The Solicitation Coordinator will total the average score from the evaluation team for each responsive and responsible Respondent's Technical Response Points for RFQ Attachments B & C to determine which of the Respondents are considered Qualified and within the competitive range.

5.3. Cost Proposals: If included as part of this solicitation then only Qqualified Respondents, that are responsive and responsible and in the competitive range, will continue onto Part Two, Cost Proposal evaluation. The Cost Proposal containing the lowest cost will receive the maximum number of points per each section. See RFQ Attachment D, Cost Proposal & Evaluation Guide.

5.4. Clarifications and Negotiations: The State reserves the right to award a contract on the basis of initial responses received; therefore, each response should contain the respondent's best terms from a technical and cost standpoint. However, the State reserves the right to conduct clarifications or negotiations with respondents. All communications, clarifications, and negotiations shall be conducted in a manner that supports fairness in response improvement.

5.4.1. Clarifications: The State may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those issues identified during one or multiple clarification round(s). Each clarification sought by the State may be unique to an individual respondent.

5.4.2. Negotiations: The State may elect to negotiate with Qualified Respondents, within the competitive range, by requesting revised responses, negotiating costs, or finalizing contract terms and conditions. The State reserves the right to conduct multiple negotiation rounds

5.4.2.1. Cost Negotiations: All responsive respondents within the competitive range will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the

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State may conduct target pricing and other goods or services level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual respondent pricing. During target price negotiations, respondents are not obligated to meet or beat target prices, but will not be allowed to increase prices.

~~5.3.~~5.4.2.2. If the State determines costs and contract finalization discussions and negotiations are not productive, the State reserves the right to bypass the apparent best evaluated Respondent and enter into contract negotiations with the next apparent best evaluated Respondent.

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~~5.4.~~5.5. Evaluation Guide

The State will consider qualifications, experience, technical approach, and cost (if applicable) in the evaluation of responses and award points in each of the categories detailed below. The maximum evaluation points possible for each category are detailed below.

Evaluation Category	Maximum Points Possible
Mandatory Requirements (refer to RFQ Attachment A)	Pass/Fail
General Qualifications, Experience, Technical Qualifications, Experience & Approach (refer to RFQ Attachment B)	NUMBER
Technical Qualifications, Experience & Approach (refer to RFQ Attachment C)	NUMBER

TECHNICAL RESPONSE & EVALUATION GUIDE

All Respondents must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). All Respondents must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review all responses to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Evaluation Team must review the responses and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFQ requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	**Item Ref.**	**Section A— Mandatory Requirement Items**	**Pass/Fail**
		The Technical Response must be delivered to the State no later than the Technical Response Deadline specified in the RFQ § 2, Schedule of Events.	
		The Technical Response must not contain cost or pricing information of any type.	
		The Technical Response must not contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must not submit alternate responses.	
		A Respondent must not submit multiple responses in different forms (as a prime and a subcontractor).	
	A.1.	Provide the Statement of Certifications and Assurances (RFQ Attachment E) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFQ and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall perform work under the contract has a possible conflict of interest (*e.g.*, employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Respondent's business relationship with the financial institution is in positive standing. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.	
	A.4.	Provide two current positive credit references from vendors with which	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	**Item Ref.**	**Section A— Mandatory Requirement Items**	**Pass/Fail**
		the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
	A.5.	Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months and indicating a positive credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will not be considered responsive.)	
	A. #.	REPEAT MANDATORY REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES AS NECESSARY	
State Use – RFQ Coordinator Signature, Printed Name & Date:			

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Evaluation Team members will independently evaluate and assign one score for all responses to Section B—General Qualifications & Experience Items.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number of the person the State should contact regarding the response.
	B.2.	Describe the Respondent's form of business (*i.e.*, individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been performing the goods or services required by this RFQ.
	B.5.	Describe the Respondent's number of employees, client base, and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or sales of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Respondent or, to the Respondent's knowledge, any of the Respondent's employees, agents, independent contractors, or subcontractors, proposed to provide work on a contract pursuant to this RFQ, have been convicted of, pled guilty to, or pled *nolo contendere* to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFQ or is likely to have a material adverse effect on the Respondent's financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent's performance in a contract pursuant to this RFQ. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		state of licensure and licensure number for each person or entity that renders such opinions.
	B.10.	Provide a statement of whether there is any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent's performance in a contract pursuant to this RFQ. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders such opinions.
	B.11.	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFQ (*e.g.*, prior experience, training, certifications, resources, program and quality management systems, *etc.*).
	B.12.	Provide a narrative description of the proposed contract team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to provide the goods or services required by this RFQ, illustrating the lines of authority, and designating the individual responsible for the completion of each task and deliverable of the RFQ.
	B.13.	Provide a personnel roster listing the names of key people who the Respondent will assign to perform tasks required by this RFQ along with the estimated number of hours that each individual will devote to the required tasks. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	B.14.	Provide a statement of whether the Respondent intends to use subcontractors to accomplish the work required by this RFQ, and if so, detail: (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the work each subcontractor will perform; and (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFQ.
		Provide documentation of the Respondent's commitment to diversity as represented by its business strategy, business relationships, and workforce— this documentation should detail all of the following: (a) a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises; (b) a listing of the Respondent's current contracts with business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
	B.15.	enterprises, including the following information: (i) contract description and total value (ii) ~~Respondent~~ Contractor name and ownership characteristics (e.g. ethnicity, gender, and service-disabled veteran); and (iii) ~~Respondent~~ Contractor contact and telephone number; (c) an estimate of the level of participation by business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises in a contract awarded to the Respondent pursuant to this RFQ, including the following information: (i) participation estimate (expressed as a percent of the total contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics — **PERCENTAGES ONLY — DO NOT INCLUDE DOLLAR AMOUNTS)** (ii) descriptions of anticipated contracts (iii) names and ownership characteristics (e.g. ethnicity, gender, service-disabled veteran) of anticipated subcontractors and supply contractors anticipated; and (d) the percent of the Respondent's total current employees by ethnicity, gender and Tennessee service-disabled veterans NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will identify the positive qualifications and experience of a Respondent doing business with enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises and that offers a diverse workforce to meet the needs of the State.
	B.16.	Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous 5-year period. If so, provide the following information for all current and completed contracts: (a) the name, title, telephone number and e-mail address of the State contact responsible for the contract at issue; (b) the name of the procuring State agency; (c) a brief description of the contract's specification for goods or scope of services; (d) the contract term; and (e) the contract number. NOTES: ▪ Current or prior contracts with the State are not a prerequisite and are not required for the maximum evaluation score, and the existence of such contracts with the State will not automatically result in the addition or deduction of evaluation points. ▪ Each evaluator will generally consider the results of inquiries by the State regarding all contracts responsive to Section B.16 of this RFQ.
	B.17.	Provide customer references from individuals (who are not current or former officials or staff of the State of Tennessee) for projects similar to the goods or services sought under this RFQ and which represent: ▪ two (2) of the larger accounts currently serviced by the Respondent, and ▪ three (3) completed projects. All references must be provided in the form of standard reference questionnaires that

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		have been fully completed by the individual providing the reference as required. The standard reference questionnaire, which must be used and completed as required, is detailed at RFQ Attachment F. References that are not completed as required will be considered nonresponsive and will not be considered. The Respondent will be solely responsible for obtaining the fully completed reference questionnaires, and for including them within the Respondent's sealed Technical Response. In order to obtain and submit the completed reference questionnaires, as required, follow the process detailed below: (a) "Customize" the standard reference questionnaire at Attachment F by adding the subject Respondent's name, and make exact duplicates for completion by references. (b) Send the customized reference questionnaires to each individual chosen to provide a reference along with a new standard #10 envelope. (c) Instruct the person who will provide a reference for the Respondent to: (i) complete the reference questionnaire (on the form provided or prepared, completed, and printed using an exact duplicate of the document); (ii) sign and date the completed, reference questionnaire; (iii) seal the completed, signed, and dated, reference questionnaire within the envelope provided; (iv) sign his or her name in ink across the sealed portion of the envelope; and (v) return the sealed envelope containing the completed reference questionnaire directly to the Respondent (the Respondent may wish to give each reference a deadline, such that the Respondent will be able to collect all required references in time to include them within the sealed Technical Response). (d) Do NOT open the sealed references upon receipt. (e) Enclose all sealed reference envelopes within a larger, labeled envelope for inclusion in the Technical Response as required. NOTES: ▪ The State will not accept late references or references submitted by any means other than that which is described above, and each reference questionnaire submitted must be completed as required. ▪ The State will not review more than the number of required references indicated above. ▪ While the State will base its reference check on the contents of the sealed reference envelopes included in the Technical Response package, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references. ▪ The State is under no obligation to clarify any reference information.
	B.#.	REPEAT REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES AS NECESSARY
	B.#.	REPEAT REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES AS NECESSARY

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
SCORE *(for **all** Section B— Qualifications & Experience Items above): (maximum possible score = RFQ § 5.4. NUMBER)*		
State Use – Evaluator Identification:		

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent should explain its approach to providing goods or services to the State. The items listed below represent specific questions the State would request you answer in your response. For ease of review, please annotate your explanation so that it contains references to the items listed below where they are addressed. Respondent should not feel constrained to answer only the specific questions listed below in its explanation and should feel free to provide attachments if necessary in an effort to provide a more thorough response.

The Evaluation Team, made up of three (3) or more State employees, will independently evaluate and score the response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's raw, weighted score for purposes of calculating the section scores as indicated.

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	**Item Ref.**	**Section C— Technical Qualifications, Experience & Approach Items**	**Item Score**	**Evaluation Factor**	**Raw Weighted Score**
	C.1.	Provide a narrative that illustrates the Respondent's understanding of the State's requirements and project schedule.		**NUMBER**	
	C.2.	Provide a narrative that illustrates how the Respondent will complete the delivery of goods or scope of services, accomplish required objectives, and meet the State's project schedule.		**NUMBER**	
	C.3.	Provide a narrative that illustrates how the Respondent will manage the project, ensure delivery of specified goods or completion of the scope of services, and accomplish required objectives within the State's project schedule.		**NUMBER**	
	C.#.	REPEAT REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES & WEIGHTS AS NECESSARY		**NUMBER**	
The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.				**Total Raw Weighted Score:** *(sum of Raw Weighted Scores above)*	
Total Raw Weighted Score / **Maximum Possible Raw Weighted Score** *(i.e., 5 x the sum of item weights above)*			**X RFP § 5.4. NUMBER** *(maximum possible score)*	**= SCORE:**	

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent compietes)	**Item Ref.**	**Section C— Technical Qualifications, Experience & Approach Items**	**Item Score**	**Evaluation Factor**	**Raw Weighted Score**
State Use – Evaluator Identification:					
State Use – Solicitation Coordinator Signature, Printed Name & Date:					

Cost Proposal & Evaluation Guide

For Qualified Respondents Only

Cost Proposals/Negotiations will only be requested of Qqualified Rrespondents in the competitive range. This is a place holder for the document that will be issued to Qqualified Rrespondents at that part of the procurement process.

ATTACHMENT E

STATEMENT OF CERTIFICATIONS AND ASSURANCES

An individual responding in his or her individual capacity or legally empowered to contractually bind the Respondent must complete and sign the Statement of Certifications and Assurances below as required, and this signed statement must be included with the response as required by the Request for Qualifications.

The Respondent does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:

1. The Respondent will comply with all of the provisions and requirements of the RFQ.
2. The Respondent will provide all specified goods or services as required by the contract awarded pursuant to this RFQ.
3. The Respondent accepts and agrees to all terms and conditions set out in the contract awarded pursuant to this RFQ.
4. The Respondent acknowledges and agrees that a contract resulting from the RFQ shall incorporate, by reference, all Rresponse responses as a part of the contract.
5. The Respondent will comply, as applicable, with:
   (a) the laws of the State of Tennessee;
   (b) Title VI of the federal Civil Rights Act of 1964;
   (c) Title IX of the federal Education Amendments Act of 1972;
   (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
   (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the best of the undersigned's knowledge, information or belief, the information detailed within the Rresponse to the RFQ is accurate.
7. The Rresponse submitted to the RFQ was independently prepared, without collusion, and under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Respondent in connection with the request or any potential resulting contract.
9. The ~~Technical~~ Response submitted in response to the RFQ shall remain valid for at least 120 days subsequent to the date of the Response opening and thereafter in accordance with any contract pursuant to the RFQ.

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By signature below, the signatory certifies legal authority to bind the responding entity to the provisions of this request and any contract awarded pursuant to it. The State may, at its sole discretion and at any time, require evidence documenting the signatory's authority to be personally bound or to legally bind the responding entity.

DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO DO SO BY THE ENTITY RESPONDING TO THIS RFQ.

SIGNATURE & DATE: _____

PRINTED NAME & TITLE: _____

LEGAL ENTITY NAME: _____

FEIN or SSN: _____

REFERENCE QUESTIONNAIRE

The standard reference questionnaire provided on the following pages of this attachment MUST be completed by all individuals offering a reference for the Respondent.

The Respondent will be responsible for obtaining completed reference questionnaires as required (refer to RFQ Attachment B, General Qualifications & Experience Items, Item B.17.), and for enclosing the sealed reference envelopes within the Respondent's Technical Proposal.

(Insert Reference Questionnaire on following page)

RFQ # NUMBER PRO FORMA CONTRACT

The *pPro forma* contract detailed in following pages of this exhibit contains some "blanks" (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFQ.

Pro Forma **ATTACHMENT 1**

(Fill out only by selected Contractor)

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
FEDERAL EMPLOYER IDENTIFICATION NUMBER (or Social Security number)	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind Contractor.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

***Pro Forma* ATTACHMENT 2**

(Fill out only by selected Contractor)

SAMPLE LETTER OF DIVERSITY COMMITMENT

(Company Letterhead/Logo)

(Address)

(Date)

(Salutation),

(Company Name) is committed to achieving or surpassing a goal of (numeral) percent spend with certified diversity business enterprise firms on State of Tennessee contract # (Edison document #). Diversity businesses are defined as those that are owned by minority, women, small business and Tennessee service-disabled veterans which are certified by the Governor's Office of Diversity Business Enterprise (Go-DBE).

We confirm our commitment of (percentage) participation on the (Contract) by using the following diversity businesses:

(i) Name and ownership characteristics (i.e., ethnicity, gender, Tennessee service-disabled veteran) of anticipated diversity subcontractors and suppliers:

_____

(ii) Participation estimates (expressed as a percent of the total contract value to be dedicated to diversity subcontractors and suppliers):

_____%.

(iii) Description of anticipated services to be performed by diversity subcontractors and suppliers:

_____

_____

We accept that our commitment to diversity advances the State's efforts to expand opportunity of diversity businesses to do business with the State as contractors and sub-contractors.

Further, we commit to:

1. Using applicable reporting tools that allow the State to track and report purchases from ~~businesses~~businesses owned by minority, women, Tennessee service-disabled veterans and small business.

2. Reporting quarterly to the Go-DBE office the dollars spent with certified diversity businesses owned by minority, women, Tennessee service-disabled veterans and small business accomplished under contract # (Edison number).

(Company Name) is committed to working with the Go-DBE office to accomplish this goal.

Regards,

(Company authority – signature and title)

PROPOSED NEW TEMPLATE

- **REQUEST FOR QUALIFICATIONS (RFQ) TEMPLATE**

CLEAN VERSION

REQUEST FOR QUALIFICATIONS (RFQ) TEMPLATE

This template prescribes the format and content for a Request for Qualifications (RFQ). This template should only be utilized if the Central Procurement Office is the procuring entity. Documents of this type must adhere to this template with revisions only as instructions permit. Insignificant deviations from this template, while always subject to disapproval, will typically not require a specific rule exception unless an oversight examiner requires separate documentation in a particular instance. If a formal rule exception request is not required, oversight approval of the document will constitute any necessary rule exceptions that may be necessary.

Complete template fields and follow, replace, or otherwise address red instructional text (*e.g.*, State Agency Name, amount, will/will not) as indicated, with conforming font and color.

RFQ CONTENTS

Revisions of the standard, simplified RFQ Contents may not be approved. The following optional terms may be included as applicable:

1. INTRODUCTION

1.1. Statement of Procurement Purpose

Specify important, specific information relating to contract requirements, specifications of goods or performance in the scope of services and not in this RFQ section.

1.1.1. RFQ Number

Assign an RFQ number consisting of:

- the 5-digit, contracting agency business unit code
- a unique, 5-digit, agency-assigned number such that each RFQ number will be different

Example: **RFQ # 31707-12345**

1.1.2. State Communications

Option: Additional Information.

Add a second paragraph to this section as appropriate (*e.g.*, add text detailing a specific URL where the State will convey official, written responses and communications related to this RFQ by Internet posting).

1.1.3. Factual Data

Option: Additional Data Disclaimer.

Add the following as a second paragraph of this section as appropriate.

> All statistical and fiscal information contained in this RFQ and its exhibits, including amendments and modifications thereto, are provided "as is", without warranty as to the accuracy or adequacy of the data or information so provided, and reflect the department's best understanding based on information or belief available to the department at the time of RFQ preparation. No inaccuracies in such data or information shall be a basis for delay in performance or a basis for legal recovery of damages, actual, consequential or punitive.

1.2. Pre-Response Conference

Option: No Pre-Response Conference.

2. RFQ SCHEDULE OF EVENTS

RFQ Schedule of Events (table)

The date instructions in the Schedule of Events table indicate minimum days.

Allot more days for each event as practical and where flexibility is allowed by the model instructions (indicated by "≥" signs).

Revise the "time zone" as appropriate.

Option: NO Pre-Response Conference Event.

Delete the Pre-Response Conference Event 3 from the schedule (and re-number subsequent events accordingly) as appropriate.

Option: Oral Presentation Event.

Complete and insert the following rows, in order immediately after the RFQ Technical Response Deadline event, (and re-number subsequent events) as appropriate.

#. State Schedules respondent Oral Presentations (ONLY Respondents who pass Mandatory Requirements)		**≥ 1 BUSINESS DAYS LATER**
#. Respondent Oral Presentations	8:00 a.m. - 4:30 p.m.	**PERIOD BEGINNING ≥ 5 BUSINESS DAYS LATER**

Option: Cost Proposals

Add the following after RFQ § 2, Schedule of Events "State Notice of Qualified Respondents Released and Solicitation Files Opened for Public Inspection" if the State will solicit a Cost Proposal from Qualified Respondents.

#. RFQ Cost Proposal Deadline (ONLY for Qualified Respondents)	2:00 p.m.	**> 7 CALENDAR DAYS LATER**
#. State Evaluation Notice Released		**1 – 3 BUSINESS DAYS LATER**
#. Solicitation Files Opened for Public Inspection		**1 BUSINESS DAY LATER**
#. Respondent Contract Signature Deadline	2:00 p.m.	**≥ 8 BUSINESS DAYS LATER**
#. Anticipated Contract Start Date (anticipated date for contract to be fully executed and vendor to begin work)		**≥ 20 BUSINESS DAYS LATER**

Option: RFQ Negotiations)

Add the following after RFQ § 2, Schedule of Events "Cost Proposal Deadline"

#. RFQ Negotiations		**≥ 3 BUSINESS DAYS LATER**

Option: Performance Bond Event.

Complete and insert the following row immediately after the Contractor Contract Signature Deadline event as appropriate.

#. Performance Bond Deadline	4:30 p.m.	≥ 1 BUSINESS DAY LATER

3. REPSONSE REQUIREMENTS

3.3. Response Format

The RFQ should require that respondents submit enough Technical Response copy discs to allow one copy for each Evaluation Team member. Revise §3.3.2.1. accordingly.

Option: Additional Delivery Instructions.

Revise subsections, if necessary, to provide for additional instructions for labeling and submitting the Technical Response and Cost Proposal.

3.4. Response Prohibitions

Option: Page Limitation

Add the following instruction to limit the Technical Response to a certain number of pages as appropriate.

3.4.#. Exceed _____ pages in length (maps, graphs, and charts included as an appendix will not count against this page limit)

Option: Time Limitation

Add the following instruction to prohibit a respondent oral presentation from exceeding certain length of time as appropriate.

3.4.#. Provide an oral presentation to exceed ___ hours in length including time for questions. A topic outline will be provided with the oral presentation invitation.

4. GENERAL INFORMATION & REQUIREMENTS

4.5. Disclosure of Response Contents

Option: Additional Disclosure Information.

Add the following to the end of subsection 4.5. if it is deemed necessary and it is approved by the contracting agency and the Central Procurement Office.

The State agrees to protect, to the fullest extent permitted by state law, the confidentiality of information expressly identified by the Respondent as confidential and proprietary, including information that would allow a person to obtain unauthorized access to confidential information or to electronic information processing systems owned by or licensed to the State.

5. PROCUREMENT PROCESS & CONTRACT AWARD

5.1. Option: Cost Proposals & RFQ Negotiations

Replace RFQ § 5.1.1. with the following if negotiations will be included in the evaluation process.

The vendor selection will be a two-part process: (1) Qualification of Technical Responses, and (2) Cost Proposals/Negotiations.

5.2. Competitive Range of Technical Responses

The RFQ should specify what the competitive range will be for your particular RFQ. Add details describing what selection criteria will be utilized to determine the competitive range/what the respondent must do to be considered "Qualified".

Option: Ranking

The Technical Response must be ranked in the top ____ [insert number (#) ≥ 3] after the Technical Response score is totaled and put in ordinal ranking (1 - the best evaluated ranking).

Option: Percentile

The Technical Response score must attain a combined score of _____[insert number]. This minimum score threshold represents a score of ____%.

Option: Respondent Oral Presentations

Add the following to the Phase II paragraph if oral presentations will be included in the evaluation process.

The State may invite those who passed the Phase I evaluation to give oral presentations to the State. The qualitative assessment of each Respondent will include the information derived from the oral presentations.

5.5. Option: Cost Proposals

Add the following to RFQ § 5.5., Evaluation Guide, if the State will solicit a Cost Proposal from Qualified Respondents.

Evaluation Category	Maximum Points Possible
Cost Proposal (refer to RFQ Attachment D)	NUMBER ≥ 30% of TOTAL POINTS

5.6. Contract Award

The RFQ should specify how anticipated contract award will occur for the particular RFQ. Revise as appropriate, subject to approvals.

Option: Contract Award

Add the following as RFQ § 5.6., Contract Award, if the State will solicit a Cost Proposal from Qualified Respondents, which will result in a contract award.

5.6.1. The Solicitation Coordinator will submit the Evaluation Team determinations and response scores to the head of the contracting agency, or the agency head's designee, for consideration along with any other relevant information that might be available and pertinent to contract award.

5.6.2. The contracting agency head, or the agency head's designee, will determine the apparent best-evaluated response. (To effect a contract award to a Respondent other than the one receiving the highest evaluation score, the head of the contracting agency must

provide written justification and obtain written approval of the Chief Procurement Officer and the Comptroller of the Treasury.)

5.6.3. The State reserves the right to make an award without further discussion of any response.

5.6.4. The State will issue an Evaluation Notice and make the RFQ files available for public inspection at the time and date specified in the RFQ §2, Schedule of Events.

NOTICE: The Evaluation Notice shall not create rights, interests, or claims of entitlement in either the Respondent identified as the apparent best evaluated or any other Respondent.

5.6.5. The Respondent identified as offering the apparent best-evaluated must sign a contract drawn by the State pursuant to this RFQ. The contract shall be substantially the same as the RFQ Attachment G, *pro forma* contract. The Respondent must sign said contract no later than the Respondent Contract Signature Deadline detailed in RFQ § 2, Schedule of Events. If the Respondent fails to provide the signed contract by the deadline, the State may determine the Respondent is non-responsive to this RFQ and reject the response.

5.6.6. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited negotiation prior to contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIED THAT such revision of terms and conditions or performance requirements shall NOT materially affect the basis of response evaluation or negatively impact the competitive nature of the RFQ and vendor selection process.

5.6.7. If the State determines that a response is nonresponsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

ATTACHMENT A: TECHNICAL RESPONSE & EVALUATION GUIDE

Option: Page Limitation.

Add the following row to the RFQ Attachment A table (in the grayed out top area) if a page limitation was included in RFQ § 3.4., Response Prohibitions.

		The Technical Response must not exceed _____ pages in length;	

Option: Cash Flow Information.

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to review the evidence of Respondent's financial stability/responsibility.

	A.#	Provide documentation disclosing the amount of cash flows from operating activities for the Respondent's most current operating period. Said documentation must indicate whether the cash flows are positive or negative, and, if the cash flows are negative for the most recent operating period, the documentation must include a detailed explanation of the factors contributing to the negative	

		cash flows. NOTICE: All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders the opinions.	

Option: Certificate of Insurance.

Add the following row to the RFQ Attachment A table (after the model items) ONLY IF a Certificate of Insurance is considered necessary evidence of Respondent's financial stability/responsibility. (Specifying insurance requirements in the *pro forma* contract does not necessitate adding this optional response requirement.)

Add, delete, or revise subsections detailing insurance coverage requirements as appropriate. (If this response requirement item is added to the RFQ, the appropriate Insurance provision must be detailed in the *pro forma* contract, and the insurance coverage requirements specified in both the RFQ and the *pro forma* contract must agree.)

	A.#	Provide a valid, Certificate of Insurance that is verified and dated within the last six (6) months and which details all of the following: (a) Insurance Company (b) Respondent's Name and Address as the Insured (c) Policy Number (d) The following minimum insurance coverage: (i) Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant statutory amount or WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per occurrence for employers' liability; (ii) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per occurrence and WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) aggregate; (iii) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per occurrence; and (iv) Professional Malpractice Liability with a limit of not less than WRITTEN AMOUNT Dollars ($NUMBER AMOUNT) per claim. (e) The following information applicable to each type of insurance coverage: (i) Coverage Description, (ii) Exceptions and Exclusions, (iii) Policy Effective Date, (iv) Policy Expiration Date, and (v) Limit(s) of Liability.	

Option: Audited Financial Statements.

Add the following row to the RFQ Attachment A table (after the model items) ONLY IF the anticipated contract amount is ≥ $1,000,000.00 AND extraordinary effort to assure Respondent financial stability/ responsibility is appropriate.

	A.#	Provide the Respondent's most recent independent audited financial statements. Said independent audited financial statements must: (1) reflect an audit period for a fiscal year ended within the last 36 months (2) be prepared with all monetary amounts detailed in United States currency; (3) be prepared under United States Generally Accepted Accounting Principles (US GAAP); (4) include: the auditor's opinion letter; financial statements; and the notes to the financial statements; and (5) be deemed, in the sole discretion of the State to reflect sufficient financial stability to undertake the subject agreement with the State. NOTES: ▪ Reviewed or Compiled Financial Statements will not be deemed responsive to this requirement and will not be accepted. ▪ All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders the opinions.	

Option: Audited Financial Statements – Line of Credit Option.

Privately held companies may not have or be willing to release audited financial statements for public review. Therefore, requiring audited financial statements (as detailed above) without an alternative to the requirement could conceptually prevent privately held companies from responding to the RFQ.

The contracting agency should consider the possible impact of the requirement on competition versus the state's need to reasonably determine the financial stability/responsibility of respondents and decide whether it is appropriate to include an alternative to the requirement.

Insert the following paragraph before the "NOTES" in the optional audited financial statements requirement text (above) if appropriate.

OR, in lieu of the aforementioned independent audited financial statements, provide a financial institution's letter of commitment for a general Line of Credit in the amount of **WRITTEN AMOUNT ≥ ONE MILLION DOLLARS ($NUMBER AMOUNT)**, U.S. currency, available to the Respondent. Said letter must specify the Respondent's name, be signed and dated within the past three (3) months by an authorized agent of the financial institution, and indicate that the Line of Credit shall be available for at least **PERIOD ≥ 6 MONTHS**.

Option: Audited Financial Statements – Additional Requirement.

Add the following sentence at the end of the second bulleted note in the optional audited financial statements requirement text ONLY IF the contracting agency legal counsel recommends it in writing.

Any attest or review of the financial status of a Tennessee corporation must be rendered by an

accountant or accounting firm licensed or otherwise specifically permitted to provide an attest or review by the Tennessee Board of Accountancy.

Option: Proposal Bond Confirmation.

Add the following row to the RFQ Attachment A table ONLY IF a Proposal Bond is required by the Chief Procurement Officer. All proposal bond amounts shall be stated as a set amount or as a percentage of the contract value. In no event shall the proposal bond amount exceed five percent (5%) of the estimated value of the contract.

	A.#	Provide a proposal bond issued by a surety company licensed to do business in the State of Tennessee in the amount of $__.__.	

Contingent Requirement: Performance Bond Confirmation.

Add the following row to the RFQ Attachment A table ONLY IF a Performance Bond is proposed.

	A.#	Provide a statement confirming that, if awarded a contract pursuant to this RFQ, the Respondent shall deliver a Performance Bond to the State in accordance with the requirements of this RFQ. The statement must be signed by an individual with legal authority to bind the proposing entity to the provisions of this RFQ and any contract awarded pursuant to it.	

Option: Additional Mandatory Requirements.

> **Typically, each mandatory requirement item must be drafted such that an objective "yes/no" determination of whether the requirement was met is reasonable and adequate (clearly not necessitating a qualitative evaluation of the response).**
>
> **Contracting agency staff may be asked to provide evidence that a proposed mandatory requirement is not inappropriately arbitrary or capricious (*e.g.*, (1) information from an independent, authoritative source indicating that the proposed criteria is a reasonable standard; and (2) a recommendation signed by the contracting agency legal counsel explaining why the proposed requirement is not arbitrary or capricious).**

Add mandatory requirement items to the RFQ Attachment A table (after the model items) as appropriate. Do not include a mandatory requirement that entails a response that should or must be more subjectively evaluated. Do not include an arbitrary mandatory requirement.

ATTACHMENT B: TECHNICAL RESPONSE & EVALUATION GUIDE

General Qualifications & Experience

> **The entire set of General Qualifications & Experience items detailed in the model for this section MUST be evaluated together as indicated.**
>
> **RFQ Attachment B and the methodology for evaluating responses may NOT be revised except to add new evaluation items.**

B.17. References

Option: Revised Reference Requirements.

> **Do not assume automatic approval of any revision of the model text.**

Revise the number of required references as appropriate. Revise the model text, as appropriate, to detail an alternate process for obtaining and evaluating references. Any such revision must be exactly detailed and clearly uniform in application with all respondents.

Option: Red-Line *pro forma* contract submittal.

Add the following row to the RFQ Attachment B table ONLY if it would benefit the State to be amenable to making changes to the *pro forma* contract.

	B.#.	The State is amenable to making changes to RFQ Attachment G, *pro forma* contract. The State will take all reasonable suggested alternative or supplemental contract language changes by Respondents under advisement during the evaluation and post award processes, subject to any mandates or restrictions imposed on the State by applicable state or federal law. The State, however, recommends that Respondents include with their response any alternative or supplemental suggested contract language that a Respondent would propose. Clearly indicate, by providing a "red-line" of RFQ Attachment G, *pro forma* contract, all suggested alternative or supplemental contract language. Do **not** include any exceptions or changes that (1) contradict a Federal requirement or a Mandatory Requirement, or (2) push back any deadlines.	

ATTACHMENT C: TECHNICAL RESPONSE & EVALUATION GUIDE

Technical Qualifications, Experience & Approach

> **The sum of all Evaluation Factors within the section should equal "100" (or "1,000") so that the relative percentage of importance/ emphasis is readily apparent.**

Assign Evaluation Factors such that the Point Scale Score for the evaluation factors will be weighted to reflect the relative importance of the item to the other evaluation factors within the section.

If all evaluation factors in the section are to be considered (weighted) equally, specify "1" as the Evaluation Factor for every factor.

Option: Additional Technical Qualifications, Experience & Approach Items. Add evaluation items to the RFQ Attachment C table so that the state has the best possible information upon which to select a Respondent for contract award.

Option: Oral Presentations as part of Technical Response & Evaluation Guide

> **Oral Presentations may NOT include "general" questions and answers. All questions must either be scripted questions asked by state staff or subject matter experts in every response presentation or a specific question in exact follow-up to particular information presented by the respondent in response to one or more of the Oral Presentation items.**

Option: Cost Proposals

ATTACHMENT D: COST PROPOSAL & EVALUATION GUIDE ATTACHMENT

> **Each line item on which the State is seeking costs must clearly specify the associated, applicable units of goods or services. While the line item of cost description should stipulate the applicable units of goods or services, it should also be specified within each blank cost cell. Examples: $ ___ / hour, *or* $ ___ / each, *etc.***
>
> **The Cost Proposal format should not require calculations by Respondents.**
>
> **The Cost Proposal & Evaluation Guide (and the associated *pro forma* contract payment methodology) must be drafted so that NO Respondent is able to propose cost in such a manner that the Evaluation Cost Amount would equal zero. This is critical if the cost response evaluation formula is to mathematically result in rational numbers as cost response scores. (In some instances, it might be necessary to require a minimum proposed amount for one or more line item of costs.)**

ATTACHMENT D

Cost Proposal & Evaluation Guide

For Qualified Respondents Only

NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for the delivery of specified goods for the entire scope of services including all services defined in the Scope of Services of the RFQ Attachment G, *pro forma* Contract and for the entire contract period. The Cost Proposal shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFQ. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

ADD ADDITIONAL REQUIREMENTS FOR COMPLETING PROPOSED COST AS APPLICABLE (*I.E.*, MINIMUM AMOUNT, "BLANK" CELLS, *ETC.*)

NOTICE: The Evaluation Factor associated with each line item of cost is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the line item of costs herein, pursuant to the second paragraph of the *pro forma* contract section C.1. (refer to RFQ Attachment G), "The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract."

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the entity responding to the provisions of this RFQ and any contract awarded pursuant thereto. If said individual is not responding in an individual capacity or is the *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to legally bind the entity responding to this RFQ.

RESPONDENT SIGNATURE:	
PRINTED NAME & TITLE:	
DATE:	

RESPONDNET LEGAL ENTITY NAME:			
Line item of cost Description	**Proposed Cost**	**State Use Only**	
		Evaluation Factor	**Evaluation Cost** (cost x factor)
DESCRIPTION	**$** **/ UNIT**	NUMBER	
REPEAT AS NECESSARY	**$** **/ UNIT**	NUMBER	
REPEAT AS NECESSARY	**$** **/ UNIT**	NUMBER	
EVALUATION COST AMOUNT (sum of evaluation costs above):			

RESPONDNET LEGAL ENTITY NAME:			
Line item of cost Description	**Proposed Cost**	**State Use Only**	
		Evaluation Factor	**Evaluation Cost** (cost x factor)
The RFQ Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.			
lowest evaluation cost amount from all responses / **evaluation cost amount being evaluated**	**x RFQ § 5.4 NUMBER (maximum section score)**	**= SCORE:**	
State Use – RFQ Coordinator Signature, Printed Name & Date:			

EVALUATION FACTORS — A factor associated with each line item of cost is used to foster reasonable, competitive price offers for each line item of costs and to prevent Respondents from offering prices with the intent of "gaming" the evaluation model and not resulting in the best actual cost to the state. The use of Evaluation Factors should also result in a more appropriate consideration of each line item of cost in terms of its relative impact upon the total cost to the state under the proposed contract. Typically, all Evaluation Factors must be based upon:

- historical data relating to the number of the associated goods or services units previously bought by the state for a comparable period; OR
- the procuring state agency's reasoned projection of the actual number of each line item of cost units that the state will buy under the new contract during the entire contract period (with all options, if any, to extend the contract exercised).

(If one or more milestone or other lump sum type payment amounts are included in the mix of line item of costs, the logical Evaluation Factor for each milestone or lump sum line item of cost should typically be "1" since each payment amount would be remitted only one time.)

Option: Cost Proposal Format Default – ONE Payment Rate Per Line item of cost (static or CPI-escalated).

Use the default Cost Proposal schedule if the Respondents must offer only one rate per all goods or services for the entire contract period (with or without rate escalation provisions are detailed in the *pro forma* contract).

Option: Cost Proposal Format – Unit or Temporal Rate Payments (proposed by period).

Option: Cost Proposal Format – NO Evaluation Factors Column contract

In those instances where the relative importance of ALL line item of costs is equal (for example, if payments will be only based on milestone/ lump sum type payments in which the sum of all of the line item of costs would equal the anticipated cost of the contract), all Evaluation Factors would equal "1." Inasmuch, it would be acceptable to draft the Cost Proposal format without the preamble notice relating to Evaluation Factors as well as without the Evaluation Factor column or the Sum and Evaluation Factor columns.

Option: Cost Proposal & Evaluation Guide.

Revise the Cost Proposal & Evaluation Guide detailed in the model, as appropriate, to direct respondents to complete a protected spreadsheet ("protected" so that respondents may only insert proposed cost as required) provided by the state along with the RFQ in lieu of completing the Cost Proposal table illustrated in the guide.

ATTACHMENT E: STATEMENT OF CERTIFICATIONS & ASSURANCES

Option: Alternate Language if Red-Line Allowed

Modify Item 3 as follows if Red-Line *pro forma* contract submittal was permitted in RFQ Attachment B.

The Respondent accepts and agrees to all terms and conditions, except changes as set forth in the response (refer to RFQ Attachment B, Item B#NUMBER), set out in the RFQ Attachment G, *pro forma* Contract.

Option: Alternate Language if Red-Line Allowed

Modify Item 9 as follows if the State will solicit Cost Proposals from Qualified Respondents.

Both the Technical Response and the Cost Proposal submitted in response to the RFQ shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFQ.

ATTACHMENT F: REFERENCE QUESTIONNAIRE

Option: Questionnaire Revision.

Select one of the two different Reference Questionnaire options available below, depending on your procurement needs.

Add, delete, or revise questionnaire items as appropriate to the subject procurement so that the state has the best possible information upon which to select a Respondent for contract award.

RFQ # NUMBER REFERENCE QUESTIONNAIRE

RESPONDENT NAME: RESPONDENT NAME (completed by respondent before reference is requested)

The "respondent name" specified above, intends to submit a response to the State of Tennessee in response to the Request for Qualifications (RFQ) indicated. As a part of such response, the respondent must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
- sign and date the completed questionnaire;
- seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
- sign in ink across the sealed portion of the envelope; and
- return the sealed envelope containing the completed questionnaire directly to the respondent.

(1) What is the name of the individual, company, organization, or entity responding to this reference questionnaire?

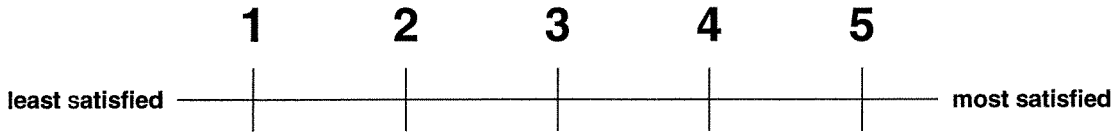
(2) **Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.**

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) **What goods or services do/did the vendor provide to your company or organization?**

(4) **What is the level of your overall satisfaction with the vendor of the goods or services described above?**

Please respond by circling the appropriate number on the scale below.



RFP # NUMBER PROPOSAL REFERENCE QUESTIONNAIRE — PAGE 2

If you circled 3 or less above, what could the vendor have done to improve that rating?

(5) **If the goods or services that the vendor provided to your company or organization are completed, were the goods or services completed in compliance with the terms of the contract, on time, and within budget? If not, please explain.**

(6) **If the vendor is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.**

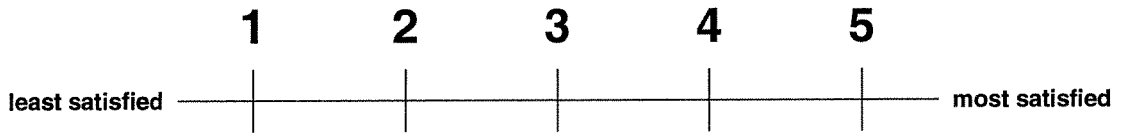
(7) **How satisfied are you with the vendor's ability to perform based on your expectations and according to the contractual arrangements?**

(8) **In what areas of goods or service delivery do/did the vendor excel?**

(9) **In what areas of goods or service delivery do/did the vendor fall short?**

(10) **What is the level of your satisfaction with the vendor's project management structures, processes, and personnel?**

Please respond by circling the appropriate number on the scale below.

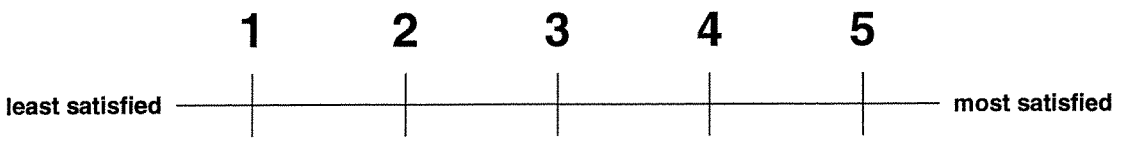


What, if any, comments do you have regarding the score selected above?

RFP # NUMBER PROPOSAL REFERENCE QUESTIONNAIRE — PAGE 3

(11) **Considering the staff assigned by the vendor to deliver the goods or services described in response to question 3 above, how satisfied are you with the technical abilities, professionalism, and interpersonal skills of the individuals assigned?**

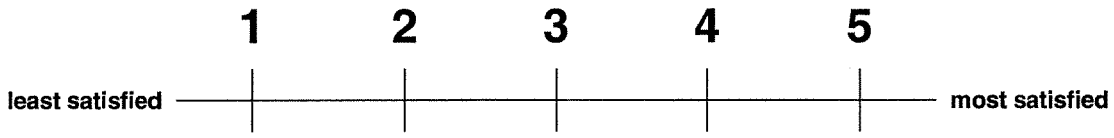
Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

(12) Would you contract again with the vendor for the same or similar goods or services?

Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

REFERENCE SIGNATURE:
(by the individual completing this request for reference information)

_____

(must be the same as the signature across the envelope seal)

DATE: _____

REFERENCE QUESTIONNAIRE

RESPONDENT NAME:_____
RFQ # NUMBER

The Respondent will be responsible for obtaining completed Reference Questionnaires as required and for enclosing the sealed envelopes within the response.

The "respondent name," specified above, intends to submit a response to the State of Tennessee in response to the Request for Qualifications (RFQ) indicated. As a part of such response, the respondent must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
  - sign and date the completed questionnaire;
  - seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
  - sign in ink across the sealed portion of the envelope; and
  - return the sealed envelope containing the completed questionnaire directly to the respondent.

---

(1) What is the name of the individual, company, organization, or entity responding to this reference questionnaire?

(2) Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) What goods or services do /did the vendor provide to your company or organization?

(4) **What is the level of your overall satisfaction with the vendor of the goods or services described above?**

Satisfied ☐ **Not Satisfied** ☐

Please check one box

(5) **Were the goods delivered or services completed in compliance with the terms of the contract, on time, and within budget?**

Yes ☐ **No** ☐ **Not Completed** ☐

Please check one box

(6) **How satisfied are you with the vendor's ability to perform based on your expectations and according to the contractual arrangements?**

Satisfied ☐ **Not Satisfied** ☐

Please check one box

(7) **What is the level of your satisfaction with the vendor's project management structures, processes, and personnel?**

Satisfied ☐ **Not Satisfied** ☐

Please check one box

(8) **Would you contract again with the vendor for the same or similar goods or services?**

Satisfied ☐ **Not Satisfied** ☐

Please check one box

SIGNATURE:
(by the individual completing this reference questionnaire) _____

(must be the same as the signature across the envelope seal)

DATE: _____

ATTACHMENT G: *PRO FORMA* CONTRACT ATTACHMENT

Draft the *pro forma* contract in accordance with the appropriate contract model.

Option: Disclaimer for Government Entity Contracts.

Add the following optional text to the attachment cover page if deemed appropriate.

If the contract is awarded to a governmental entity established pursuant to *Tennessee Code Annotated* (e.g., a human resource agency, a developmental district, the University of Tennessee, or a Board of Regents school), the standard terms and conditions of the contract shall be revised accordingly; however, significant performance requirements shall not be revised.

APPROVAL INSTRUCTIONS

Each RFQ document must be approved for release in accordance with the instructions below.

Complete the document as required by this Model.

Submit the proposed document to CPO at least 20 days before the desired RFQ release date. (Notwithstanding compliance with this deadline, circumstances may necessitate a delay of the release date.)

Submit the document draft to CPO via e-mail to: Agsprs.Agsprs@state.tn.us or the CPO examiner assigned to the contracting agency as a digital file in DOC format. Each draft must:

1. be clearly marked as "REVIEW DRAFT"
2. specify a number indicating the draft version;
3. highlight all deviations from the model language; and
4. highlight any changes between draft versions that may be necessary prior to release:
    - CPO staff will: (a) review the draft and confer with contracting agency staff by means of e-mailed review notes and redrafts; and (b) e-mail the proposed document to Comptroller staff when the CPO review is completed.
    - Comptroller staff will: (a) review the draft and confer directly with contracting agency staff by means of review notes and redrafts exchanged by e-mail; and (b) e-mail pre-approval notice to both the contracting agency and CPO staff when the latest draft appears acceptable for release.

Approval is also required for any amendment or cancellation.

PUBLICATION INSTRUCTIONS

Upon Comptroller approval, prepare the solicitation document for public release by removing any highlighting, changing all text to an appropriate color, and removing any draft version number or other extraneous notations.

On the business day before the date approved for public solicitation, e-mail the document prepared for public release to the CPO staff person assigned to the contracting agency so that CPO staff may post the digital document(s) on the Internet as appropriate.

The document presented for publication must be comprised by one or more (clearly and logically separated component) digital files in PDF or DOC format. If previously approved, the cost response attachment may be presented for publication in XLS, spreadsheet format.

ALWAYS confirm that each document is properly posted for public review.

If, for any reason, an RFQ is not properly published to the Internet, it may be necessary for the state to substantially revise the approved RFQ schedule of events to add additional time before Q&A and response deadlines.

STATE OF TENNESSEE
CENTRAL PROCUREMENT OFFICE

REQUEST FOR QUALIFICATIONS
FOR
BRIEF GOODS OR SERVICES CAPTION

RFQ # NUMBER

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1. INTRODUCTION

The State of Tennessee, Central Procurement Office, hereinafter referred to as "the State," has issued this Request for Qualifications ("RFQ") to define mandatory goods or services requirements; solicit responses; detail response requirements; and, outline the State's process for evaluating responses and selecting a Respondent for contract award to provide the needed goods or services.

Through this RFQ or any subsequent solicitation, the State seeks to buy the requested goods or services at the most favorable, competitive prices and to give ALL qualified businesses, including those that are owned by minorities, women, Tennessee service-disabled veterans, and small business enterprises, the opportunity to do business with the state as contractors or subcontractors.

1.1. Statement of Procurement Purpose

BRIEF, HIGH-LEVEL EXPLANATION OF GOODS OR SERVICES SOUGHT OR A SUMMARY OF THE PROBLEM TO BE ADDRESSED. HIGHLIGHT THE PURPOSE OF THE RFQ (TO SELECT A VENDOR/NUMBER OF VENDORS) THAT ARE QUALIFIED TO MEET THE STATE'S NEEDS FOR THE GOODS OR SERVICES REQUESTED BY THE STATE.

INCLUDE A SUMMARY OF THE PROBLEM TO BE ADDRESSED, FURTHER INFORMATION ABOUT INITIATIVE, SUMMARY BACKGROUND INFORMATION, ETC., AS NEEDED. DO NOT ASSUME THAT DETAILED SPECIFICATIONS OR SCOPE OF WORK (WHICH SHOULD BE SET OUT IN THE *PRO FORMA* CONTRACT), WILL BE APPROVED FOR THIS SECTION.

INCLUDE AN ESTIMATE OF THE PURCHASE REQUIREMENTS FOR THE CURRENT CONTRACT PERIOD, IF APPLICABLE.

1.2. Pre-Response Conference

A Pre-Response Conference will be held at the time and date detailed in the RFQ Schedule of Events, RFQ § 2. Pre-Response Conference attendance is not mandatory, and potential Respondents may be limited to a maximum number of attendees depending upon overall attendance and space limitations. Please contact the Solicitation Coordinator to RSVP for the Pre-Response Conference. The Conference will be held at:

ADDRESS/LOCATION
OTHER APPROPRIATE INFORMATION IF ANY

1.3. Notice of Intent to Respond

Before the Notice of Intent to Respond Deadline detailed in RFQ § 2, Schedule of Events, potential Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond in the form of a simple e-mail or other written communication. Such notice should include the following information: the business or individual's name (as appropriate), a contact person's name and title, the contact person's mailing address, telephone number, facsimile, number, and e-mail address. Filing a Notice of Intent to Respond is not a prerequisite for submitting a response; however, it is necessary to ensure receipt of notices and communications relating to this RFQ.

1.4. Definitions and Abbreviations

DEFINE ABBREVIATIONS OR TERMS USED THROUGHOUT THE RFQ.

TERM	DEFINITION

2. RFQ SCHEDULE OF EVENTS

The following schedule represents the State's best estimates for this RFQ; however, the State reserves the right, at its sole discretion, to adjust the schedule at any time, or cancel and reissue a similar solicitation. Nothing in this RFQ is intended by the State to create any property rights or expectations of a property right in any Respondent.

EVENT		TIME (Central Time Zone)	DATE (all dates are State business days)
1.	RFQ Issued		DATE
2.	Disability Accommodation Request Deadline	2:00 p.m.	≥ 3 BUSINESS DAYS LATER
3.	Pre-Response Conference	TIME	≥ 1 BUSINESS DAY LATER
4.	Notice of Intent to Respond Deadline	2:00 p.m.	≥ 1 BUSINESS DAY LATER
5.	Written "Questions & Comments" Deadline	2:00 p.m.	≥ 3 BUSINESS DAYS LATER
6.	State response to written "Questions & Comments"		≥ 3 BUSINESS DAYS LATER
7.	RFQ Technical Response Deadline	2:00 p.m.	≥ 5 BUSINESS DAYS LATER
8.	State Notice of Qualified Respondents Released		≥ 1 BUSINESS DAY LATER

3. RESPONSE REQUIREMENTS

3.1. **Response Contents**: A response to this RFQ should address the following:

3.1.1. Mandatory Requirements: This section details the mandatory technical, functional, and experience requirements that must be demonstrated in the response to this RFQ in order to be passed on to Phase II of the Technical Response evaluation. A Respondent must duplicate and use RFQ Attachment A as a guide to organize responses for the Mandatory Requirements of the RFQ response. The Respondent should reference the page location of the information within the response in the indicated column of the table. This section is included in the State's evaluation as to whether or not a Respondent meets mandatory qualifications (Phase I).

3.1.2. General Qualifications & Experience: This section is included in the State's evaluation of Phase II of the Technical Response Evaluation and details general information and qualifications that must be demonstrated in the response to this RFQ. A Respondent must duplicate and use RFQ Attachment B as a guide to organize responses for this portion of the RFQ response. The Respondent should reference the page location in the information within the response in the indicated column of the table.

3.1.3. Technical Qualifications, Experience & Approach: This section is also included in the State's evaluation of Phase II of the Technical Response Evaluation and details technical qualifications, experience, and approach items that must be demonstrated in the response to this RFQ. A Respondent must duplicate and use RFQ Attachment C as a guide to organize responses for this portion of the RFQ response. The Respondent should reference the page location in the information within the response in the indicated column of the table.

3.1.4. Cost Proposal: ***For Qualified Respondents only***

3.1.4.1. This section only applies to those respondents identified as being Qualified. See RFQ § 2, Schedule of Events, "State Notice of Qualified Respondents Released."

3.1.4.2. If included as part of this solicitation, then the Cost Proposal must be recorded on an exact duplicate of RFQ Attachment D, Cost Proposal & Evaluation Guide. Any response that does not follow the instructions included in RFQ Attachment D may be deemed nonresponsive.

3.1.4.3. A Respondent must only record the proposed cost exactly as required by the RFQ Attachment D, Cost Proposal & Evaluation Guide and must NOT record any other rates, amounts, or information.

3.1.4.4. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period.

3.1.4.5. A Respondent must sign and date the Cost Proposal.

3.1.4.6. A Respondent must submit the Cost Proposal to the State in a sealed package separate from the Technical Response.

3.2. **Response Delivery Location**

A Respondent must ensure that the State receives a Response to this RFQ no later than the Response Deadline time and dates detailed in the RFQ § 2, Schedule of Events. All responses must be delivered to:

SOLICITATION COORDINATOR NAME

ADDRESS/LOCATION (INCLUDE FLOOR NUMBER)
PHONE NUMBER
OTHER APPROPRIATE INFORMATION IF ANY

3.3. **Response Format**

3.3.1. A Respondent must ensure that the original response meets all form and content requirements detailed within this RFQ.

3.3.2. A Respondent must submit original response documents and copies as specified below.

3.3.2.1. Technical Response
One (1) original Technical Response paper document clearly labeled:

"RFQ #NUMBER TECHNICAL RESPONSE ORIGINAL"

and five (5) copies of the Technical Response each in the form of one (1) digital document in "PDF" format properly recorded on its own otherwise blank, standard CD-R recordable disc or USB flash drive labeled:

"RFQ #NUMBER TECHNICAL RESPONSE COPY"

The digital copies should not include copies of sealed customer references or cost information in the general and technical evaluation phase. However, any other discrepancy between the paper response document and digital copies may result in the State rejecting the response as nonresponsive.

3.3.2.2. Cost Proposal: ***For Qualified Respondents only***
One (1) original Cost Proposal paper document labeled:

"RFQ #NUMBER COST PROPOSAL ORIGINAL"

and one (1) copy in the form of a digital document in "XLS" format properly recorded on a separate, blank, standard CD-R recordable disc or USB flash-drive labeled:

"RFQ #NUMBER COST PROPOSAL COPY"

In the event of a discrepancy between the original Cost Proposal document and the digital copy, the original, signed document will take precedence.

3.4. **Response Prohibitions:** A response to this RFQ should not:

3.4.1. Restrict the rights of the State or otherwise qualify the response to this RFQ;

3.4.2. Include, for consideration in this procurement process or subsequent contract negotiations, incorrect information that the Respondent knew or should have known was materially incorrect;

3.4.3. Include more than one response, per Respondent, to this RFQ;

3.4.4. Include any information concerning costs (in specific dollars or numbers) associated with the Technical Response;

3.4.5. Include the respondent's own contract terms and conditions (unless specifically requested by the RFQ); or

3.4.6. Include the respondent as a prime contractor while also permitting one or more other respondents to offer the respondent as a subcontractor in their own responses.

3.5. Response Errors & Revisions

A Respondent is responsible for any and all errors or omissions in its response to this RFQ. A Respondent will not be allowed to alter or revise its response after the Response Deadline time and dates as detailed in RFQ § 2, Schedule of Events, unless such is formally requested in writing by the State (e.g., through a request for clarification, etc.).

3.6. Response Withdrawal

A Respondent may withdraw a response at any time before the Response Deadline time and date as detailed in RFQ § 2, Schedule of Events, by submitting a written signed request by an authorized representative of the Respondent. After withdrawing a response, a Respondent may submit another Response at any time before the Response Deadline time and date as detailed in RFQ § 2, Schedule of Events.

3.7. Response Preparation Costs

The State will not pay any costs associated with the preparation, submittal, or presentation of any response. Each Respondent is solely responsible for the costs it incurs in responding to this RFQ.

4. GENERAL INFORMATION & REQUIREMENTS

4.1. Communications

4.1.1. Respondents shall reference RFQ #NUMBER in all communications relating to this solicitation, and direct any such communications to the following person designated as the Solicitation Coordinator:

NAME, TITLE
ADDRESS
PHONE
EMAIL ADDRESS

The State will convey all official responses and communications related to this RFQ to the potential respondents from whom the State has received a Notice of Intent to Respond (refer to RFQ Section 1.3.).

4.1.2. Potential respondents with a handicap or disability may receive accommodation relating to the communication of this RFQ and participating in the RFQ process. Potential respondents may contact the RFQ Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in RFQ § 2, Schedule of Events.

4.1.3. **Unauthorized contact about this RFQ with other employees or officials of the State of Tennessee may result in disqualification from contract award consideration.**

4.1.4. Notwithstanding the foregoing, potential Respondents may also contact the following as appropriate:

4.1.4.1. Staff of the Governor's Office of Diversity Business Enterprise may be contacted for assistance with respect to available minority-owned, woman-owned, Tennessee service-disabled veteran-owned, and small business enterprises as well as general public information relating to this request; or

4.1.4.2. The following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

NAME, TITLE
ADDRESS
PHONE
EMAIL ADDRESS

4.2. Nondiscrimination

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a contract pursuant to this solicitation or in the employment practices of the Vendor on the grounds of handicap or disability, age, race, color, religion (subject to *Tennessee Code Annotated,* Sections 4-21-401 and 405), sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Vendor pursuant to this solicitation shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

4.3. Conflict of Interest

4.3.1. The State may not consider a proposal from an individual who is, or within the past six (6) months has been, a State employee. For these purposes,

4.3.1.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;

4.3.1.2. A contract with or a proposal from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and

4.3.1.3. A contract with or a proposal from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.

4.3.2. This RFQ is also subject to *Tennessee Code Annotated*, Section 12-4-101.

4.4. **Respondent Required Review & Waiver of Objections**

4.4.1. Each potential respondent must carefully review this RFQ, including but not limited to, attachments, the RFQ Attachment G, *pro forma* Contract, and any amendments for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").

4.4.2. Any potential respondent having questions and comments concerning this RFQ must provide such in writing to the State no later than the written "Questions & Comments Deadline" detailed in RFQ § 2, Schedule of Events.

4.4.3. Protests based on any objection shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the written "Questions & Comments Deadline."

4.5. **Disclosure of Response Contents**

4.5.1. All materials submitted to the State in response to this solicitation become property of the State of Tennessee. Selection for award does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full contents and associated documents submitted in response to this request will become open to public inspection. Refer to RFQ § 2, Schedule of Events.

4.5.2. The RFQ responses will be available for public inspection only after the completion of evaluation of the RFQ or any resulting solicitation which this RFQ becomes a part of, whichever is later.

4.6. **Notice of Professional Licensure, Insurance, and Department of Revenue Registration Requirements**

4.6.1. All persons, agencies, firms or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as part of a response to this RFQ, shall be properly licensed to render such opinions.

4.6.2. Before the Contract resulting from this RFQ is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary, appropriate business and professional licenses to provide service as required. The State may require any Respondent to submit evidence of proper licensure.

4.6.3. Before the Contract resulting from this RFQ is signed, the apparent successful Respondent must provide a valid, Certificate of Insurance indicating current insurance coverage meeting minimum requirements as may be specified by the RFQ.

4.6.4. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Department of Revenue for the collection of

Tennessee sales and use tax. The State shall not approve a contract unless the Respondent provides proof of such registration. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation.

4.7. RFQ Amendments & Cancellation

4.7.1. The State reserves the right to amend this RFQ at any time, provided that it is amended in writing. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential respondents to meet the deadlines and revise the RFQ Schedule of Events if deemed appropriate. If a RFQ amendment is issued, the State will convey it to potential respondents who submitted a Notice of Intent to Respond (refer to RFQ § 1.3). A response must respond, as required, to the final RFQ (including its attachments) as may be amended.

4.7.2. The State reserves the right, at its sole discretion, to cancel or to cancel and reissue this RFQ in accordance with applicable laws and regulations.

4.8. State Right of Rejection

4.8.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all proposals.

4.8.2. The State may deem as nonresponsive and reject any proposal that does not comply with all terms, conditions, and performance requirements of this RFQ. Notwithstanding the foregoing, the State reserves the right to seek clarifications or to waive, at its sole discretion, a response's minor variances from full compliance with this RFQ. If the State waives variances in a response, such waiver shall not modify the RFQ requirements or excuse the Respondent from full compliance with such, and the State may hold any resulting vendor to strict compliance with this RFQ.

4.8.3. The State will review the response evaluation record and any other available information pertinent to whether or not each respondent is responsive and responsible. If the evaluation team identifies any respondent that appears not to meet the responsive and responsible thresholds such that the team would not recommend the respondent for potential contract award, this determination will be fully documented for the record. ("Responsive" is defined as submitting a response that conforms in all material respects to the RFQ. "Responsible" is defined as having the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

4.9. Assignment & Subcontracting

4.9.1. The vendor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFQ without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.9.2. If a Respondent intends to use subcontractors, the response to this RFQ must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFQ Attachment B, Item B.14.).

4.9.3. Subcontractors indentified within a response to this RFQ will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.9.4. The Contractor resulting from this RFQ may only substitute another subcontractor for a proposed subcontractor at the discretion of the State and with the State's prior, written approval.

4.9.5. Notwithstanding any State approval relating to subcontracts, the Contractor resulting from this RFQ will be the prime contractor and will be responsible for all work under the Contract.

4.10. **Next Ranked Respondent**

The State reserves the right to initiate negotiations with the next ranked respondent should the State cease doing business with any respondent selected via this RFQ process.

5. PROCUREMENT PROCESS & CONTRACT AWARD

5.1. The complete vendor selection will be a two-part process: (1) Qualification of Technical Responses; and (2) Evaluation of Cost Proposals. Any contract award is subject to successful contract negotiation.

5.2. Qualification of Technical Responses: Technical Responses will be short-listed for further evaluation, analysis or negotiation if they are apparently responsive, responsible, and within the competitive range. A Technical Response will be deemed within the competitive range based on the following criterion:

(INSERT details as to how the competitive range will be determined).

Phase I: The State will evaluate the Mandatory Requirements set forth in RFQ Attachment A on a pass/fail basis.

Phase II: Following the Phase I evaluation, the State will apply a standard equitable evaluation model, which will represent a qualitative assessment of each response. Each response will be scored by Evaluation Team members according to the Technical Response & Evaluation Guides (See RFQ Attachments B & C).

The Solicitation Coordinator will total the average score from the evaluation team for each responsive and responsible Respondent's Technical Response Points for RFQ Attachments B & C to determine which of the Respondents are considered Qualified and within the competitive range.

5.3. Cost Proposals: If included as part of this solicitation then only Qualified Respondents, that are responsive and responsible and in the competitive range, will continue onto Part Two, Cost Proposal evaluation. The Cost Proposal containing the lowest cost will receive the maximum number of points per each section. See RFQ Attachment D, Cost Proposal & Evaluation Guide.

5.4. Clarifications and Negotiations: The State reserves the right to award a contract on the basis of initial responses received; therefore, each response should contain the respondent's best terms from a technical and cost standpoint. However, the State reserves the right to conduct clarifications or negotiations with respondents. All communications, clarifications, and negotiations shall be conducted in a manner that supports fairness in response improvement.

5.4.1. Clarifications: The State may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those issues identified during one or multiple clarification round(s). Each clarification sought by the State may be unique to an individual respondent.

5.4.2. Negotiations: The State may elect to negotiate with Qualified Respondents, within the competitive range, by requesting revised responses, negotiating costs, or finalizing contract terms and conditions. The State reserves the right to conduct multiple negotiation rounds

5.4.2.1. Cost Negotiations: All responsive respondents within the competitive range will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the

State may conduct target pricing and other goods or services level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual respondent pricing. During target price negotiations, respondents are not obligated to meet or beat target prices, but will not be allowed to increase prices.

5.4.2.2. If the State determines costs and contract finalization discussions and negotiations are not productive, the State reserves the right to bypass the apparent best evaluated Respondent and enter into contract negotiations with the next apparent best evaluated Respondent.

5.5. Evaluation Guide

The State will consider qualifications, experience, technical approach, and cost (if applicable) in the evaluation of responses and award points in each of the categories detailed below. The maximum evaluation points possible for each category are detailed below.

Evaluation Category	Maximum Points Possible
Mandatory Requirements (refer to RFQ Attachment A)	Pass/Fail
General Qualifications, Experience, Technical Qualifications, Experience & Approach (refer to RFQ Attachment B)	NUMBER
Technical Qualifications, Experience & Approach (refer to RFQ Attachment C)	NUMBER

TECHNICAL RESPONSE & EVALUATION GUIDE

All Respondents must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). All Respondents must also detail the response page number for each item in the appropriate space below.

The Solicitation Coordinator will review all responses to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Evaluation Team must review the responses and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFQ requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	**Item Ref.**	**Section A— Mandatory Requirement Items**	**Pass/Fail**
		The Technical Response must be delivered to the State no later than the Technical Response Deadline specified in the RFQ § 2, Schedule of Events.	
		The Technical Response must not contain cost or pricing information of any type.	
		The Technical Response must not contain any restrictions of the rights of the State or other qualification of the response.	
		A Respondent must not submit alternate responses.	
		A Respondent must not submit multiple responses in different forms (as a prime and a subcontractor).	
	A.1.	Provide the Statement of Certifications and Assurances (RFQ Attachment E) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFQ and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall perform work under the contract has a possible conflict of interest (*e.g.*, employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Respondent's business relationship with the financial institution is in positive standing. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.	
	A.4.	Provide two current positive credit references from vendors with which	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	**Item Ref.**	**Section A— Mandatory Requirement Items**	**Pass/Fail**
		the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
	A.5.	Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months and indicating a positive credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will not be considered responsive.)	
	A. #.	REPEAT MANDATORY REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES AS NECESSARY	
State Use – RFQ Coordinator Signature, Printed Name & Date:			

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Respondent must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Respondent must also detail the response page number for each item in the appropriate space below. Evaluation Team members will independently evaluate and assign one score for all responses to Section B—General Qualifications & Experience Items.

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number of the person the State should contact regarding the response.
	B.2.	Describe the Respondent's form of business (*i.e.*, individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been performing the goods or services required by this RFQ.
	B.5.	Describe the Respondent's number of employees, client base, and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or sales of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Respondent or, to the Respondent's knowledge, any of the Respondent's employees, agents, independent contractors, or subcontractors, proposed to provide work on a contract pursuant to this RFQ, have been convicted of, pled guilty to, or pled *nolo contendere* to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFQ or is likely to have a material adverse effect on the Respondent's financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent's performance in a contract pursuant to this RFQ. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		state of licensure and licensure number for each person or entity that renders such opinions.
	B.10.	Provide a statement of whether there is any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent's performance in a contract pursuant to this RFQ. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders such opinions.
	B.11.	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFQ (*e.g.*, prior experience, training, certifications, resources, program and quality management systems, *etc.*).
	B.12.	Provide a narrative description of the proposed contract team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to provide the goods or services required by this RFQ, illustrating the lines of authority, and designating the individual responsible for the completion of each task and deliverable of the RFQ.
	B.13.	Provide a personnel roster listing the names of key people who the Respondent will assign to perform tasks required by this RFQ along with the estimated number of hours that each individual will devote to the required tasks. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	B.14.	Provide a statement of whether the Respondent intends to use subcontractors to accomplish the work required by this RFQ, and if so, detail: (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the work each subcontractor will perform; and (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFQ.
	B.15.	Provide documentation of the Respondent's commitment to diversity as represented by its business strategy, business relationships, and workforce— this documentation should detail all of the following: (a) a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises; (b) a listing of the Respondent's current contracts with business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		enterprises, including the following information: (i) contract description and total value (ii) Contractor name and ownership characteristics (e.g. ethnicity, gender, and service-disabled veteran); and (iii) Contractor contact and telephone number; (c) an estimate of the level of participation by business enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises in a contract awarded to the Respondent pursuant to this RFQ, including the following information: (i) participation estimate (expressed as a percent of the total contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics — **PERCENTAGES ONLY — DO NOT INCLUDE DOLLAR AMOUNTS**) (ii) descriptions of anticipated contracts (iii) names and ownership characteristics (e.g. ethnicity, gender, service-disabled veteran) of anticipated subcontractors and supply contractors anticipated; and (d) the percent of the Respondent's total current employees by ethnicity, gender and Tennessee service-disabled veterans NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will identify the positive qualifications and experience of a Respondent doing business with enterprises owned by minorities, women, Tennessee service-disabled veterans and small business enterprises and that offers a diverse workforce to meet the needs of the State.
	B.16.	Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous 5-year period. If so, provide the following information for all current and completed contracts: (a) the name, title, telephone number and e-mail address of the State contact responsible for the contract at issue; (b) the name of the procuring State agency; (c) a brief description of the contract's specification for goods or scope of services; (d) the contract term; and (e) the contract number. NOTES: ▪ Current or prior contracts with the State are not a prerequisite and are not required for the maximum evaluation score, and the existence of such contracts with the State will not automatically result in the addition or deduction of evaluation points. ▪ Each evaluator will generally consider the results of inquiries by the State regarding all contracts responsive to Section B.16 of this RFQ.
	B.17.	Provide customer references from individuals (who are not current or former officials or staff of the State of Tennessee) for projects similar to the goods or services sought under this RFQ and which represent: ▪ two (2) of the larger accounts currently serviced by the Respondent, and ▪ three (3) completed projects. All references must be provided in the form of standard reference questionnaires that

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
		have been fully completed by the individual providing the reference as required. The standard reference questionnaire, which must be used and completed as required, is detailed at RFQ Attachment F. References that are not completed as required will be considered nonresponsive and will not be considered. The Respondent will be solely responsible for obtaining the fully completed reference questionnaires, and for including them within the Respondent's sealed Technical Response. In order to obtain and submit the completed reference questionnaires, as required, follow the process detailed below: (a) "Customize" the standard reference questionnaire at Attachment F by adding the subject Respondent's name, and make exact duplicates for completion by references. (b) Send the customized reference questionnaires to each individual chosen to provide a reference along with a new standard #10 envelope. (c) Instruct the person who will provide a reference for the Respondent to: (i) complete the reference questionnaire (on the form provided or prepared, completed, and printed using an exact duplicate of the document); (ii) sign and date the completed, reference questionnaire; (iii) seal the completed, signed, and dated, reference questionnaire within the envelope provided; (iv) sign his or her name in ink across the sealed portion of the envelope; and (v) return the sealed envelope containing the completed reference questionnaire directly to the Respondent (the Respondent may wish to give each reference a deadline, such that the Respondent will be able to collect all required references in time to include them within the sealed Technical Response). (d) Do NOT open the sealed references upon receipt. (e) Enclose all sealed reference envelopes within a larger, labeled envelope for inclusion in the Technical Response as required. NOTES: ▪ The State will not accept late references or references submitted by any means other than that which is described above, and each reference questionnaire submitted must be completed as required. ▪ The State will not review more than the number of required references indicated above. ▪ While the State will base its reference check on the contents of the sealed reference envelopes included in the Technical Response package, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references. ▪ The State is under no obligation to clarify any reference information.
	B.#.	REPEAT REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES AS NECESSARY
	B.#.	REPEAT REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES AS NECESSARY

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	**Item Ref.**	**Section B— General Qualifications & Experience Items**
SCORE ***(for all Section B— Qualifications & Experience Items above):*** *(maximum possible score = RFQ § 5.4. NUMBER)*		
State Use – Evaluator Identification:		

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent should explain its approach to providing goods or services to the State. The items listed below represent specific questions the State would request you answer in your response. For ease of review, please annotate your explanation so that it contains references to the items listed below where they are addressed. Respondent should not feel constrained to answer only the specific questions listed below in its explanation and should feel free to provide attachments if necessary in an effort to provide a more thorough response.

The Evaluation Team, made up of three (3) or more State employees, will independently evaluate and score the response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The Solicitation Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's raw, weighted score for purposes of calculating the section scores as indicated.

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	**Item Ref.**	**Section C— Technical Qualifications, Experience & Approach Items**	**Item Score**	**Evaluation Factor**	**Raw Weighted Score**
	C.1.	Provide a narrative that illustrates the Respondent's understanding of the State's requirements and project schedule.		**NUMBER**	
	C.2.	Provide a narrative that illustrates how the Respondent will complete the delivery of goods or scope of services, accomplish required objectives, and meet the State's project schedule.		**NUMBER**	
	C.3.	Provide a narrative that illustrates how the Respondent will manage the project, ensure delivery of specified goods or completion of the scope of services, and accomplish required objectives within the State's project schedule.		**NUMBER**	
	C.#.	REPEAT REQUIREMENT ITEMS & ASSOCIATED ITEM REFERENCES & WEIGHTS AS NECESSARY		**NUMBER**	
The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.				**Total Raw Weighted Score:** *(sum of Raw Weighted Scores above)*	
Total Raw Weighted Score / **Maximum Possible Raw Weighted Score** *(i.e., 5 x the sum of item weights above)*			**X RFP § 5.4. NUMBER** *(maximum possible score)*	**= SCORE:**	

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	**Item Ref.**	**Section C— Technical Qualifications, Experience & Approach Items**	**Item Score**	**Evaluation Factor**	**Raw Weighted Score**
State Use – Evaluator Identification:					
State Use – Solicitation Coordinator Signature, Printed Name & Date:					

Cost Proposal & Evaluation Guide

For Qualified Respondents Only

Cost Proposals/Negotiations will only be requested of Qualified Respondents in the competitive range. This is a place holder for the document that will be issued to Qualified Respondents at that part of the procurement process.

STATEMENT OF CERTIFICATIONS AND ASSURANCES

An individual responding in his or her individual capacity or legally empowered to contractually bind the Respondent must complete and sign the Statement of Certifications and Assurances below as required, and this signed statement must be included with the response as required by the Request for Qualifications.

The Respondent does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:

1. The Respondent will comply with all of the provisions and requirements of the RFQ.
2. The Respondent will provide all specified goods or services as required by the contract awarded pursuant to this RFQ.
3. The Respondent accepts and agrees to all terms and conditions set out in the contract awarded pursuant to this RFQ.
4. The Respondent acknowledges and agrees that a contract resulting from the RFQ shall incorporate, by reference, all Response responses as a part of the contract.
5. The Respondent will comply, as applicable, with:
   (a) the laws of the State of Tennessee;
   (b) Title VI of the federal Civil Rights Act of 1964;
   (c) Title IX of the federal Education Amendments Act of 1972;
   (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
   (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the best of the undersigned's knowledge, information or belief, the information detailed within the Response to the RFQ is accurate.
7. The Response submitted to the RFQ was independently prepared, without collusion, and under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Respondent in connection with the request or any potential resulting contract.
9. The Response submitted in response to the RFQ shall remain valid for at least 120 days subsequent to the date of the Response opening and thereafter in accordance with any contract pursuant to the RFQ.

By signature below, the signatory certifies legal authority to bind the responding entity to the provisions of this request and any contract awarded pursuant to it. The State may, at its sole discretion and at any time, require evidence documenting the signatory's authority to be personally bound or to legally bind the responding entity.

DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO DO SO BY THE ENTITY RESPONDING TO THIS RFQ.

SIGNATURE & DATE: _____

PRINTED NAME & TITLE: _____

LEGAL ENTITY NAME: _____

FEIN or SSN: _____

REFERENCE QUESTIONNAIRE

The standard reference questionnaire provided on the following pages of this attachment MUST be completed by all individuals offering a reference for the Respondent.

The Respondent will be responsible for obtaining completed reference questionnaires as required (refer to RFQ Attachment B, General Qualifications & Experience Items, Item B.17.), and for enclosing the sealed reference envelopes within the Respondent's Technical Proposal.

(Insert Reference Questionnaire on following page)

RFQ # NUMBER PRO FORMA CONTRACT

The *pro forma* contract detailed in following pages of this exhibit contains some "blanks" (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFQ.

Pro Forma **ATTACHMENT 1**

(Fill out only by selected Contractor)

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
FEDERAL EMPLOYER IDENTIFICATION NUMBER (or Social Security number)	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind Contractor.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

SAMPLE LETTER OF DIVERSITY COMMITMENT

(Company Letterhead/Logo)

(Address)

(Date)

(Salutation),

(Company Name) is committed to achieving or surpassing a goal of (numeral) percent spend with certified diversity business enterprise firms on State of Tennessee contract # (Edison document #). Diversity businesses are defined as those that are owned by minority, women, small business and Tennessee service-disabled veterans which are certified by the Governor's Office of Diversity Business Enterprise (Go-DBE).

We confirm our commitment of (percentage) participation on the (Contract) by using the following diversity businesses:

(i) Name and ownership characteristics (i.e., ethnicity, gender, Tennessee service-disabled veteran) of anticipated diversity subcontractors and suppliers:

_____

(ii) Participation estimates (expressed as a percent of the total contract value to be dedicated to diversity subcontractors and suppliers):

_____%.

(iii) Description of anticipated services to be performed by diversity subcontractors and suppliers:

_____

_____

We accept that our commitment to diversity advances the State's efforts to expand opportunity of diversity businesses to do business with the State as contractors and sub-contractors.

Further, we commit to:

1. Using applicable reporting tools that allow the State to track and report purchases from businesses owned by minority, women, Tennessee service-disabled veterans and small business.

2. Reporting quarterly to the Go-DBE office the dollars spent with certified diversity businesses owned by minority, women, Tennessee service-disabled veterans and small business accomplished under contract # (Edison number).

(Company Name) is committed to working with the Go-DBE office to accomplish this goal.

Regards,

(Company authority – signature and title)

PROPOSED CHANGES TO:

- **INTERAGENCY AGREEMENT – GRANT TEMPLATE**

REDLINE COMPARISON TO 10/17/13 VERSION

~~IG~~INTERAGENCY AGREEMENT – GRANT MODEL

This model provides format and content for drafting a cost-reimbursement grant ~~contract with another TN state agency (NOT including~~agreement between two TN state agencies, neither of which has the legal capacity to contract or sue and be sued. (This model is optional with respect to the University of Tennessee and Board of Regents colleges and universities).

~~Documents of this type~~All agreements must ~~adhere to this model with revisions only as instructions permit. Insignificant deviations from this model, while always subject to disapproval, will, typically, not require a specific rule exception unless an oversight examiner requires separate documentation in a particular instance. If a formal rule exception request is not required, oversight approval of the document will constitute selected rule exception(s) as may be necessary.~~comply with the requirements of Central Procurement Policy Number 2013-007, Grant Management and Subrecipient Monitoring Policy and Procedures and with the Office of Management and Budget (OMB) Circular A-133, as applicable.

Complete form fields and follow, replace, or otherwise address red instructional text (*e.g.*, State Agency Name, amount, will/will not) as indicated and with conforming font and color.

GRANT AGREEMENT COVER SHEET

Complete ~~summary cover~~the Grant Agreement Cover Sheet fields as indicated within the ~~template~~model and the following field directions.

Agency Tracking # unique tracking number comprised of: 5-digit business unit # + unique, 5-digit #
example: 31707-12345

Funding amounts by fiscal year and funding source with row and column totals;
~~contract~~agreement maximum liability MUST equal the sum of the TOTAL ~~Contract~~ Amount column (i.e., the grand total amount for all fiscal years & all sources of funding)

> **A ~~summary cover~~Grant Agreement Cover Sheet properly completed and in accordance the model is required for every copy of the ~~contracting~~agreement document.**

PREAMBLE

Add additional information only if necessary.

A. SCOPE OF SERVICES

> **It is the responsibility of the ~~contracting~~grantor state agency to adequately draft a scope of services, and oversight examiners will rely on the ~~contracting~~grantor state agency head's signature on the ~~contract~~agreement document as certification and assurance that the proposed scope of services is clear and correct, adequate for all legal and enforcement purposes, and sufficiently detailed to ensure ~~contractor~~grantor state agency accountability and results.**

Do NOT include payment terms in the scope of services.

Draft the scope of services to clearly, specifically, and definitively detail ~~contractor~~ duties, responsibilities, and associated performance requirements and describe, in detail, the service and deliverable requirements and all related specifications.

Option: Grant Proposal Attachment

> **It is NOT acceptable to attach the associated grant proposal to the grant in lieu of a properly drafted scope of services. Proposals for funding are NOT adequately definitive to stand alone as the description of ~~contractor~~grantor state agency duties and responsibilities or performance requirements.**

To attach an associated grant proposal to the ~~contract~~agreement in support of a properly drafted scope of service, use the following optional section.

A.#. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant ~~Contract~~Agreement by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these

items shall govern in order of precedence below.

a. this Grant ~~Contract~~Agreement document with any attachments or exhibits (excluding the items listed at subsections b. and c., below);

b. the State grant proposal solicitation as may be amended, if any;

c. the Grantee's proposal (Attachment Reference) incorporated to elaborate supplementary scope of services specifications.

B. ~~CONTRACT~~AGREEMENT PERIOD

Do NOT route ~~a contract~~an agreement for approval after the ~~contract~~agreement period begin date.

~~**A contract with a term extension provision is NOT recommended may not be considered unless such is adequately justified in writing by the contracting agency head (as may be required by oversight authorities whose assent is required for contract approval).**~~

Draft the ~~contract~~agreement with an appropriate, definitive, and complete ~~contract~~agreement period not to exceed the five (5) year maximum permitted by ~~service contracting~~Central Procurement Office rules.

Option: Term Extension

To reserve the right to extend the agreement period beyond the original period, change the designation of the paragraph under B. to B.1., and add the following section:

B.2. Term Extension. The Grantor State Agency reserves the right to extend this Agreement for an additional period or periods of time. If a term extension necessitates additional funding beyond that which was included in the original Agreement, an increase of the Grantor State Agency's maximum liability will also be effected through an amendment to this Interagency Agreement.

C. PAYMENT TERMS AND CONDITIONS

Revise Payment Terms and Conditions sections only as provided in the instructions.

Payment Methodology

Subject to approval consideration on a case-by-case basis considering the amount of the advance payment, the scope of service, and the grantee, options below permit partial, periodic, and advance payments. Generally, a provision for an advance payment will only be approved in a grant with a government or non-profit entity.

The Comptroller's ~~Procurement Oversight~~Compliance Office ~~has informed that~~requires written justification for an advance payment provision of any type ~~will be required~~.

Option: Partial Advance Payment

To effect a partial advance payment, replace the section with the following.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. The amount of Written Dollar Amount ($Number) shall be paid to the Grantee in advance upon approval of this Grant ~~Contract~~Agreement. Then, upon progress toward the completion of the work, as described in section A of this Grant ~~Contract~~Agreement, the Grantee shall submit invoices for payment prior to any additional reimbursement of allowable costs. The total of all payments to the Grantee shall not exceed the maximum liability of this Grant ~~Contract~~Agreement.

Option: Periodic Advance Payment

To effect periodic advance payments, (1) Replace the section with the following.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. The amount of Written Dollar Amount ($Number) shall paid to the Grantee in advance upon approval of this Grant ~~Contract~~Agreement and on Date(s) on which the Grantor State Agency will make advance payment(s). The total of said payments shall not exceed the maximum liability of this Grant ~~Contract~~Agreement.

(2) Replace the first paragraph of the Disbursement Reconciliation and Close Out section with the following (which may be further revised to require more frequent grant disbursement reconciliation reports).

C.#. Disbursement Reconciliation and Close Out. The Grantee shall submit a grant disbursement reconciliation report within sixty (60) calendar days of the Grant ~~Contract~~Agreement end date and in form and substance acceptable to the Grantor State Agency (and include, as applicable, documentation and receipts as required by the above-referenced "State Comprehensive Travel Regulations").

Option: Total Advance Payment

To effect a total advance payment: (1) Replace the section with the following.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Payment to the Grantee shall be a lump sum made in advance upon approval of this Grant ~~Contract~~Agreement.

(2) Replace the first paragraph of the Disbursement Reconciliation and Close Out section with the following.

C.#. Disbursement Reconciliation and Close Out. The Grantee shall submit a grant disbursement reconciliation report within sixty (60) calendar days of the Grant ~~Contract~~Agreement end date and in form and substance acceptable to the State (and include, as applicable, documentation and receipts as required by the above-referenced "State Comprehensive Travel Regulations").

Budget Line-Items

The *Budget Line-Items* provision should NOT be amended after ~~contract~~agreement approval.

Revise line-item variance amount as appropriate and up to the maximum of twenty percent (20%).

Option: NO Line-Item Variance

Replace the section with the following alternative as appropriate.

C.~~6.~~5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant ~~Contract~~Agreement shall adhere to the Grant Budget. Reimbursable expenditures may NOT vary from the Grant Budget line-item amount(s) detailed. The Grant Budget is incorporated herein as though set forth verbatim.

Disbursement Reconciliation and Close Out

Revise the 1st paragraph of the section, as necessary, to require additional grant disbursement reconciliation reports.

Option: Grantee Match Requirement

If the Grant Budget details a grantee match requirement (in which the maximum total amount reimbursable by the state under the grant will be reduced by the amount of any Grantee failure to meet the match requirement), replace the section with the following (revising the maximum number of days to no less than 30).

C.#. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) calendar days of the Grant ~~Contract~~Agreement end date and in form and substance acceptable to the Grantor State Agency.

a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet said requirement.

i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant ~~contract~~agreement with the state of Tennessee.

ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the Grantor State Agency pursuant to this Grant ~~Contract~~Agreement, as detailed by the Grant Budget column "Grant ~~Contract~~Agreement," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.

b. If total disbursements by the Grantor State Agency pursuant to this Grant ~~Contract~~Agreement exceed the amounts permitted by the section C, payment terms and conditions of this Grant ~~Contract~~Agreement (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the Grantor State Agency. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

c. The Grantor State Agency shall not be responsible for the payment of any invoice submitted after the grant disbursement reconciliation report. The Grantor State Agency will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the Grantor State Agency, and such invoices will NOT be paid.

d. The Grantee's failure to provide a final grant disbursement reconciliation report as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant ~~Contract~~Agreement, and the Grantee shall be required to refund any and all payments by the Grantor State Agency pursuant to this Grant ~~Contract~~Agreement.

e. The Grantee must close out its accounting records at the end of the ~~contract~~agreement period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

D. STANDARD TERMS AND CONDITIONS

Do NOT add terms and conditions to section D (additional, necessary terms and conditions may be added to the section E, Special Terms and Conditions).

Termination for Convenience

Increase the thirty (30) calendar days notice requirement as appropriate.

E. SPECIAL TERMS AND CONDITIONS

Wherever instructions direct legal counsel involvement, compliance will be assumed.

Add the following sections as indicated and in the order below~~. After~~, after which, add other special terms and conditions sections as appropriate, provided that none conflict with state interests or standard ~~contract~~agreement provisions.

Charges To Service Recipients Prohibited

Delete the section as appropriate.

No Equipment Acquisition

Delete the section if the grant budget provides funding for the acquisition of equipment (if so, the contingently required State Interest In Equipment section below will likely be applicable).

State Interest In Equipment

Add the following section if the ~~contract~~agreement provides for the reimbursement of expenditures for equipment (revising the last sentence of the first paragraph as necessary to establish a lower dollar threshold for the definition of "equipment").

E.#. State Interest in Equipment. The Grantee shall take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant ~~Contract~~Agreement, subject to the Grantor State Agency's equitable interest therein, to the extent of its *pro rata* share, based upon the Grantor State Agency's contribution to the purchase price. "Equipment" shall be defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds $5,000.00.

As authorized by the provisions of the terms of the Tennessee Uniform Commercial Code — Secured Transaction, found at Title 47, Chapter 9 of the *Tennessee Code Annotated*, and the provisions of the Tennessee Motor Vehicle Title and Registration Law, found at Title 55, Chapter 1 of the *Tennessee Code Annotated*, an intent of this Grant document and the parties hereto is to create and acknowledge a security interest in favor of the Grantor State Agency in the equipment and/or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant document. A further intent of this Grant document is to acknowledge and continue the security interest in favor of the Grantor State Agency in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grants between the Grantor State Agency and the Grantee.

The Grantee hereto grants the Grantor State Agency a security interest in said equipment. This agreement is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the Grantor State Agency a security interest in said equipment. The Grantee agrees that the Grantor State Agency may file this Grant ~~Contract~~Agreement or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the Grantor State Agency, upon the Grantor State Agency's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant ~~Contract~~Agreement in such form as the Grantor State Agency may require to perfect a security interest with respect to said equipment. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the Grantor State Agency may reasonably require. Without the prior written consent of the Grantor State Agency, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant ~~Contract~~Agreement, including the covenants to pay when due all sums secured by this Grant ~~Contract~~Agreement, the

Grantor State Agency shall have the remedies of a secured party under the Uniform Commercial Code and, at the Grantor State Agency's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant ~~Contract~~Agreement. The Grantee shall maintain a perpetual inventory system for all equipment purchased with funds provided under this Grant ~~Contract~~Agreement and shall submit an inventory control report which must include, at a minimum, the following:

a. Description of the equipment;
b. Manufacturer's serial number or other identification number, when applicable;
c. Consecutive inventory equipment tag identification;
d. Acquisition date, cost, and check number;
e. Fund source, State grant number, or other applicable fund source identification;
f. Percentage of state funds applied to the purchase;
g. Location within the Grantee's operations where the equipment is used;
h. Condition of the property or disposition date if Grantee no longer has possession;
i. Depreciation method, if applicable; and
j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment with an identification number which is cross referenced to the equipment item on the inventory control report. The Grantee shall inventory equipment annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment purchased with funding through this ~~contract~~agreement within thirty (30) days of the Grant ~~Contract~~Agreement end date and in form and substance acceptable to the Grantor State Agency. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the Grantor State Agency, in writing, of any equipment loss describing reason(s) for the loss. Should the equipment be destroyed, lost, or stolen, the Grantee shall be responsible to the Grantor State Agency for the *pro rata* amount of the residual value at the time of loss based upon the Grantor State Agency's original contribution to the purchase price.

Upon termination of the Grant ~~Contract~~Agreement, where a further contractual relationship is not entered into, or at another time during the term of the Grant ~~Contract~~Agreement, the Grantee shall request written approval from the Grantor State Agency for any proposed disposition of equipment purchased with Grant funds. All equipment shall be disposed of in such a manner as parties may agree from among alternatives approved by Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

Confidentiality of Records

As appropriate, add the following section or an alternative recommended by ~~the contracting~~ agency legal counsel.

E.#. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the Grantor State Agency or acquired by the Grantee on behalf of the Grantor State Agency shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Grantee to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Grantee's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Grantee of this Grant ~~Contract~~Agreement; previously possessed by the Grantee without written obligations to the Grantor State Agency to protect it; acquired by the Grantee without written restrictions against disclosure from a third party which, to the Grantee's knowledge, is free to disclose the information; independently developed by the Grantee without the use of the Grantor State Agency's information; or, disclosed by the Grantor State Agency to others without restrictions against disclosure. Nothing in this paragraph shall permit Grantee to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the Grantor State Agency or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Grant ~~Contract~~Agreement.

HIPAA Compliance

Add the following section if it is applicable.

E.#. HIPAA Compliance. The Grantor State Agency and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.

a. The Grantee warrants that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this ~~contract~~agreement.

b. The Grantee warrants that it will cooperate with the Grantor State Agency, including cooperation and coordination with Grantor State Agency privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the grant so that both parties will be in compliance with HIPAA.

c. The Grantor State Agency and the Grantee will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the Grantor State Agency and the Grantee in compliance with HIPAA. This provision shall not apply if information received by the Grantor State Agency under this grant is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the Grantor State Agency to receive such information without entering into a business associate agreement or signing another such document.

Environmental Tobacco Smoke

Add the following section as appropriate.

E.#. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant ~~Contract~~Agreement.

Grantee Participation

Add the following section as appropriate.

E. #. Grantee Participation. Grantee Participation amount(s) detailed in the Grant Budget are intended as a goal for the total project, and the amount of actual Grantee Participation expenditures will not impact the maximum amounts reimbursable to the Grantee as detailed by the Grant Budget column, "Grant ~~Contract~~Agreement."

Federal Economic Stimulus Funding

If the ~~contract~~agreement is funded in whole or part by the American Recovery and Reinvestment Act of 2009 add the following section.

E.#. Federal Economic Stimulus Funding. This Grant ~~Contract~~Agreement requires the Grantee to provide products and/or services that are funded in whole or in part under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, (Recovery Act). The Grantee is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of the Recovery Act are met and that the Grantee provides information to the Grantor State Agency as required.

The Grantee (and any subcontractor) shall comply with the following:

a. Federal Grant Award Documents, as applicable.

b. Executive Office of the President, Office of Management and Budget (OMB) Guidelines as posted at www.whitehouse.gov/omb/recovery_default/, as well as OMB Circulars, including but not limited to A-102 and A-133 as posted at www.whitehouse.gov/omb/financial_offm_circulars/.

c. Office of Tennessee Recovery Act Management Directives (posted on the Internet at www.tnrecovery.gov).

d. The Recovery Act, including but not limited to the following sections of that Act:

(1) Section 1604 – Disallowable Use. No funds pursuant to this Grant ~~Contract~~Agreement may be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

(2) Section 1512 – Reporting and Registration Requirements. The Grantee must report on use of Recovery Act funds provided through this Grant ~~Contract~~Agreement. Information from these reports will be made available to the public.

(3) Section 1553 – Recovery Act Whistleblower Protections. An employee of any non-Federal employer receiving covered funds under the Recovery Act may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a state or federal regulatory or law enforcement agency, a person with supervisory authority over the employee (or other person working for the employer who has the authority to investigate, discover or terminate misconduct), a court or grand jury, the head of a Federal agency, or their representatives, information that the employee believes is evidence of one or more of the following related to the implementation or use of covered funds:

i. gross mismanagement,
ii. gross waste,
iii. substantial and specific danger to public health or safety,
iv. abuse of authority, or

v. violation of law, rule, or regulation (including those pertaining to the competition for or negotiation of a Grant ~~Contract~~Agreement).

Non-enforceability of Certain Provisions Waiving Rights and Remedies or Requiring Arbitration: Except as provided in a collective bargaining agreement, the rights and remedies provided to aggrieved employees by this section may not be waived by any agreement, policy, form, or condition of employment, including any predispute arbitration agreement. No predispute arbitration agreement shall be valid or enforceable if it requires arbitration of a dispute arising out of this section.

Requirement to Post Notice of Rights and Remedies: The Grantee and any subcontractor shall post notice of the rights and remedies as required under Section 1553. (Refer to Section 1553 of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5 located at www.recovery.gov, for specific requirements of this section and prescribed language for the notices.)

(4) Section 902 – Access Of Government Accountability Office. The Grantee shall provide that the Comptroller General and his representatives are authorized:

i. to examine any records of the Grantee or any of its subcontractors, that directly pertain to, and involve transactions relating to, this Grant ~~Contract~~Agreement or a subcontract; and
ii. to interview any officer or employee of the Grantee or any of its subcontractors regarding such transactions.

(5) Section 1514 – Inspector General Reviews. Any inspector general of a federal department or executive agency has the authority to review, as appropriate, any concerns raised by the public about specific investments using such funds made available in the Recovery Act. In addition, the findings of such reviews, along with any audits conducted by any inspector general of funds made available in the Recovery Act, shall be posted on the inspector general's website and linked to the website established by Recovery Act Section 1526, except that portions of reports may be redacted to the extent the portions would disclose information that is protected from public disclosure under sections 552 and 552a of title 5, United States Code.

(6) Section 1515 – Access of Offices of Inspector General to Certain Records and Employers. With respect to this Grant ~~Contract~~Agreement, any representative of an appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), is authorized:

i. to examine any records, of the Grantee or any of its subcontractors, that pertain to and involve transactions relating or pursuant to this Grant ~~Contract~~Agreement; and
ii. to interview any officer or employee of the Grantee or any subcontractors regarding such transactions.

(7) Section 1606 – Wage Rate Requirements. All laborers and mechanics employed by pursuant to this Grant ~~Contract~~Agreement shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. All rulings and interpretations of the Davis-Bacon Act and related acts contained in 29 CFR 1, 3, and 5 are herein incorporated by reference.

For purposes of this Grant ~~Contract~~Agreement, laborer or mechanic includes at

least those workers whose duties are manual or physical in nature (including those workers who use tools or who are performing the work of a trade), as distinguished from mental or managerial. The term laborer or mechanic includes apprentices, trainees, helpers, and, in the case of contracts subject to the Contract Work Hours and Safety Standards Act, watchmen or guards.

(8) Section 1605 – Buy American Requirements for Construction Material – Buy American, Use of American Iron, Steel, and Manufactured Goods. None of the funds provided by this Grant ~~Contract~~Agreement may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States.

e. The Grantee agrees to comply with any modifications or additional requirements that may be imposed by law and future guidance and clarifications of Recovery Act requirements.

f. If the Grantee enters into one or more subcontracts for any of the services performed under this Grant ~~Contract~~Agreement, each subcontract shall contain provisions specifically imposing on the subcontractor all requirements set forth in this ~~contract~~agreement section E.#., "Federal Economic Stimulus Funding."

If the ~~contract~~agreement also establishes a subrecipient relationship as defined by OMB Circular A-133, add the following as subsection E.#.d. (and re-letter all subsequent subsections accordingly).

d. The subrecipient Grantee, if covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133, agrees to specifically identify Recovery Act expenditures separately for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133.

If the ~~contract~~agreement also establishes a subrecipient relationship as defined by OMB Circular A-133, replace the newly designated section E.#.e.(2) with the following.

(2) Section 1512 – Reporting and Registration Requirements.
   i. The Grantee must report on use of Recovery Act funds provided through this Grant ~~Contract~~Agreement. Information from these reports will be made available to the public.
   ii. The subrecipient Grantee must maintain current registrations in the Central Contractor Registration (www.ccr.gov) at all times during which they have an active Grant Contract funded with Recovery Act funds.

Disclosure of Personal Identity Information

Add the following section as appropriate.

E.#. Disclosure of Personal Identity Information. The Grantee shall report to the Grantor State Agency any instances of unauthorized disclosure of confidential information that come to the attention of the Grantee. Any such report shall be made by the Grantee within twenty-four (24) hours after the instance has come to the attention of the Grantee. The Grantee, at the sole discretion of the Grantor State Agency, shall provide no cost credit monitoring services for individuals that are deemed to be part of a potential disclosure. The Grantee shall bear the cost of notification to individuals having personal identity information involved in a potential disclosure event, including individual letters and/or public notice.

Federal Funding Accountability and Transparency Act

Add the following section if the grant will be funded in whole or part by a federal grant or contract of $25,000 or more (excluding grants subject to section 1512 of the American Recovery and Reinvestment Act of 2009)), and the grant will provide for the expenditure of $25,000 or more in federal funds.

E.#. Federal Funding Accountability and Transparency Act (FFATA). This Grant requires the Grantee to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Grantee is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Grantee provides information to the State as required.

The Grantee shall comply with the following:

a. Reporting of Total Compensation of the Grantee's Executives.

(1) The Grantee shall report the names and total compensation of each of its five most highly compensated executives for the Grantee's preceding completed fiscal year, if in the Grantee's preceding fiscal year it received:

i. 80 percent or more of the Grantee's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
ii. $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at http://www.sec.gov/answers/execomp.htm.).

Executive means officers, managing partners, or any other employees in management positions.

(2) Total compensation means the cash and noncash dollar value earned by the executive during the Grantee's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.
ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
v. Above-market earnings on deferred compensation which is not tax qualified.
vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life

insurance paid on behalf of the employee, perquisites or property) for the executive exceeds $10,000.

b. The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant is awarded.

c. If this Grant is amended to extend its term, the Grantee must submit an executive total compensation report to the State by the end of the month in which the amendment to this Grant becomes effective.

d. The Grantee will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Grant. More information about obtaining a DUNS Number can be found at: http://fedgov.dnb.com/webform/

The Grantee's failure to comply with the above requirements is a material breach of this Grant for which the State may terminate this Grant for cause. The State will not be obligated to pay any outstanding invoice received from the Grantee unless and until the Grantee is in full compliance with the above requirements.

~~**Transfer of Contractor's Obligations**~~

~~Add the following section as appropriate.~~

~~**E.xx. TRANSFER OF CONTRACTOR'S OBLIGATIONS**~~

~~E.xx.a. The Contractor shall immediately notify the State in writing of a proposed merger, acquisition or sale of its business operation, or the part of its business operation that provides services under this Contract, or that this Contract will be sold to or assumed by another entity. The entity that is proposed to assume the Contractor's duties under this Contract, whether through merger, acquisition, sale or other transaction, will be hereinafter described as the New Entity.~~

~~E.xx.b. The Contractor (or, if the Contractor no longer exists as a legal entity, the New Entity) will provide to the State within a reasonable time, information that the State may require about the merger, acquisition or sale, which may include~~

~~i. the date and terms of the merger, acquisition or sale, including specifically, but not limited to, adequate documentation of the financial solvency and adequate capitalization of the proposed New Entity~~

~~ii. evidence of financial solvency and adequate capitalization of the proposed New Entity which may consist of,~~

~~(1) Debt;~~
~~(2) Assets;~~
~~(3) Liabilities;~~
~~(4) Cash flow~~
~~(5) Percentage of the total revenues of the company that are represented by this Contract;~~
~~(6) The most recent annual financial reports;~~
~~(7) The most recent annual financial reports filed with government agencies, if applicable.~~

~~iii. a complete description of the relationship of any New Entity to any parent company or subsidiary or division resulting from the merger, acquisition or sale of the original Contractor's business or the part of the original Contractor's business that provides services under this Contract or from assumption by, or sale to, another entity of the contract itself, including:~~

~~(1) the names and positions of corporate or company officers, project managers,~~

~~other Contractor management staff with responsibilities under the Contract, and numbers and the type of technical or other personnel who will be responsible for fulfilling the obligations of the Contract, and any subcontracts that will be used to provide any personal or other services under the Contract by the New Entity and,~~

~~(2) an organizational chart clearly describing the organizational structure of the New Entity, parent company, subsidiary, division or other unit of the entity or parent company with which it has merged or by which it, or the Contract, has been acquired.~~

~~iv. such additional evidence of financial solvency, adequate capitalization and information regarding corporate organizational and personnel assigned to the Contract as the State determines is necessary to evaluate the status of the proposed or consummated merger, acquisition or sale.~~

~~E.xx.c. The original Contractor shall immediately notify the State in writing in the event of a change in its legal name and/or Federal Employer Identification Number (FEIN). The Contractor shall comply with State requests for copies of any documents that have been filed with state corporate records officials or other officials in the state of its incorporation that verify the name change and a narrative description of the reasons for the name change. If a New Entity has succeeded to the interest of the original Contractor, it shall immediately provide the State written notification of its Federal Employer Identification Number (FEIN), its complete corporate name, State of incorporation, and other documentation required to effectuate the transfer.~~

~~E.xx.d. Notwithstanding any other provisions of this Contract to the contrary, the State may immediately terminate this Contract in whole or in stages in the event that it determines that the New Entity~~

~~i. has been debarred from State or Federal contracting in the past five years~~

~~ii. has had a contract terminated for cause by the State of Tennessee within the past five years.~~

~~The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor or New Entity for compensation for any service which has not been rendered. Upon such termination, the Contractor or New Entity shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.~~

~~E.xx.e. The New Entity shall provide to the State within ten (10) business days of the State's request, a notarized statement signed by an individual authorized to bind the New Entity certifying that all liabilities and obligations incurred by the former Contractor are assumed by the New Entity.~~

~~E.xx.f. If the New Entity owes money to the State of Tennessee, it acknowledges that Tennessee Code Annotated Section 9-4-604 requires repayment of these funds and will enter into a legally binding agreement for repayment.~~

SIGNATURES

By ~~contract~~agreement signature, the ~~contracting~~grantor state agency head shall assure and affirm that:

1. **there is a balance in the appropriation from which obligations under the agreement are required to be paid that is not already encumbered to pay other obligations;**
2. **the contracting agency maintains documentation of a fair and impartial contractor selection in full compliance with the approved procurement methodology as indicated by the summary cover; and,**
3. **the proposed scope of services is clear and correct, adequate for all legal and enforcement purposes, and sufficiently detailed to ensure contractor accountability and results.**

~~Draft the contract~~Additional approvals may be required, as such, please allow sufficient time for approvals. Draft the agreement so that the signature section immediately follows the previous section text separated by ONLY one blank line. Do NOT insert an arbitrary page break prior to the signature section.

GRANT BUDGET

> **ALL Grant Budgets must be type-written and mathematically correct in every aspect.**
>
> **Each Grant Budget page must be numbered consecutively.**
>
> **The Grant ~~Contract~~Agreement column total must equal the maximum liability of the grant.**
>
> **Line-Item funding must comply with the Expense Object Line-Item Category Definitions provided by F&A Accounts Policy 03, Appendix A (which is posted on the Internet at: http://www.state.tn.us/finance/act/documents/policy3.pdf). Budget line-items and the definitions above have legal, audit, and federal funding implications, and ~~contracting~~grantor state agency staff are solely responsible for whether appropriate line-items are funded in accordance with the scope of service and the definitions set out by F&A Accounts Policy 03.**

In line-items that WILL BE FUNDED, replace the zeros ("0.00") associated with each line-item as appropriate. If a line-item will NOT be funded, leave the associated, "0.00" dollar amount.

Grant Budget Line-Item Detail.

> **These instructions do NOT preclude adding Line-Item Detail (and associated requirements) for other line-items, provided that the additional detail is clear and mathematically correct.**

Delete the entire Grant Budget Line-Item Detail page if NONE of the following five line-items, which requires detail, is funded: Professional Fee, Grant & Award; Interest; Depreciation; Other Non-Personnel; Capital Purchase.

For each line-item requiring detail that is funded by the budget, complete the appropriate line-item detail box.

Delete the line-item detail box for each of the line-items that is NOT funded.

Do NOT draft the Grant Budget Line-Item Detail to describe a line-item only as "contracts," "contracted services," "other," "professional services," or "miscellaneous."

Multiple Grant Budget Periods.

> **If a multi-year grant is to be written such that funding is restricted on an annual basis, such must be reflected in the grant budget by means of repeated use of the model grant budget pages, numbered consecutively, detailing funding information for consecutive period of applicability. If a grant budget attachment does include multiple pages respectively applicable to consecutive periods of applicability, a "roll-up" budget page totaling all lines for all periods is NOT required. However, the sum of all totals must agree with the grant maximum liability and any other relevant ~~contract~~agreement provisions.**

Option: Grant Budget Grantee Match Requirement

Replace the grant budget table with the table on the following page if a grantee match is required.

GRANT BUDGET

Additional Identification Information As Necessary

The grant budget line-item amounts below shall be applicable only to expense incurred during the following

Applicable Period: **BEGIN:** DATE **END:** DATE

POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY [1]	GRANT ~~CONTRACT~~AGREEMENT	GRANTEE MATCH	TOTAL PROJECT
1. 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award [2]	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11. 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest [2]	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation [2]	0.00	0.00	0.00
18	Other Non-Personnel [2]	0.00	0.00	0.00
20	Capital Purchase [2]	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
n/a	Grantee Match Requirement (for any amount of the required Grantee Match that is not specifically delineated by budget line-items above)	0.00	0.00	0.00
25	**GRAND TOTAL**	**0.00**	**0.00**	**0.00**

[1] Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A.* (posted on the Internet at: http://www.state.tn.us/finance/act/documents/policy3.pdf).

[2] Applicable detail follows this page if line-item is funded.

[3] A Grantee Match Requirement is detailed by this Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant ~~Contract~~Agreement, as detailed by the "Grant ~~Contract~~Agreement" column above, shall be reduced by the amount of any Grantee failure to meet the Match Requirement.

INTERAGENCY GRANT ~~CONTRACT~~AGREEMENT COVER SHEET

~~(interdepartmental, cost-reimbursement grant between state agencies – not including a state college or university)~~

Begin Date	End Date	Agency Tracking #	Edison ID
		-	

Grantee Name

Subrecipient or Vendor	CFDA #
☐ Subrecipient ☐ Vendor	

Service Caption (one line only)

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL ~~Contract~~Agreement Amount
TOTAL:					

American Recovery and Reinvestment Act (ARRA) Funding: ☐ YES ☐ NO

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

Budget Officer Signature

Speed Chart (optional)	Account Code (optional)

~~OCR~~CPO USE - IG

GRANT ~~CONTRACT~~AGREEMENT
BETWEEN THE STATE OF TENNESSEE,
GRANTOR STATE AGENCY NAME
AND
GRANTEE STATE AGENCY NAME

This Grant, by and between the State of Tennessee, Grantor State Agency, hereinafter referred to as the "Grantor State Agency" and Grantee State Agency, hereinafter referred to as the "Grantee," is for the provision of Short Service Description, as further defined in the "SCOPE OF SERVICES."

A. SCOPE OF SERVICES:

A.1. The Grantee shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Grant ~~Contract~~Agreement.

A.#. Specify the services & deliverables that the ~~contractor~~grantee must provide as well as the technical specifications & delivery requirements that must be met (include sufficient detail to ensure accountability & definitive results). Do NOT include payment terms in the Scope of Service.

B. ~~CONTRACT~~AGREEMENT PERIOD:

This Grant ~~Contract~~Agreement shall be effective for the period beginning Date, and ending on Date. The Grantee hereby acknowledges and affirms that the Grantor State Agency shall have no obligation for Grantee services or expenditures that were not completed within this specified ~~contract~~agreement period.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the Grantor State Agency under this Grant ~~Contract~~Agreement exceed Written Dollar Amount ($Number). The Grant Budget, attached and incorporated hereto as Attachment Reference, shall constitute the maximum amount due the Grantee for all service and Grantee obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.

C.2. Compensation Firm. The maximum liability of the Grantor State Agency is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant ~~Contract~~Agreement and are not subject to escalation for any reason unless amended, except as provided in section C.5.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Upon progress toward the completion of the work, as described in section A of this Grant ~~Contract~~Agreement, the Grantee shall submit invoices prior to any reimbursement of allowable costs.

C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.

C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant ~~Contract~~Agreement shall adhere to the Grant Budget. The Grantee may vary from a Grant

Budget line-item amount by up to ~~one~~NUMBER percent (~~1~~#%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant ~~Contract~~Agreement amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant ~~Contract~~Agreement.

C.6. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant ~~Contract~~Agreement end date and in form and substance acceptable to the Grantor State Agency.

a. If total disbursements by the Grantor State Agency pursuant to this Grant ~~Contract~~Agreement exceed the amounts permitted by the section C, payment terms and conditions of this Grant ~~Contract~~Agreement, the Grantee shall refund the difference to the Grantor State Agency. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

b. The Grantor State Agency shall not be responsible for the payment of any invoice submitted after the grant disbursement reconciliation report. The Grantor State Agency will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the Grantor State Agency, and such invoices will NOT be paid.

c. The Grantee's failure to provide a final grant disbursement reconciliation report as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant ~~Contract~~Agreement, and the Grantee shall be required to refund any and all payments by the Grantor State Agency pursuant to this Grant ~~Contract~~Agreement.

d. The Grantee must close out its accounting records at the end of the ~~contract~~agreement period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

C.7. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the Grantor State Agency a copy of the indirect cost rate approved by the cognizant federal agency and the State. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate to amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the ~~contract~~agreement period. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency and the State. If the indirect cost rate is provisional during the period of this agreement, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the Grantor State Agency, and subject to the availability of funds the Grantor State Agency agrees to remit any underpayment to the Grantee.

C.8. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the contract period.

~~C.9. Payment of Invoice. A payment by the Grantor State Agency shall not prejudice the Grantor State Agency's right to object to or question any reimbursement, invoice, or matter in relation thereto. A payment by the Grantor State Agency shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.~~

~~C.10. Unallowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment theretofore made, which are determined by the Grantor State Agency, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, not to constitute allowable costs.~~

~~C.11. Deductions. The Grantor State Agency reserves the right to deduct from amounts, which are or shall become due and payable to the Grantee under this or any contract between the Grantee and the Grantor State Agency any amounts, which are or shall become due and payable to the Grantor State Agency by the Grantee.~~

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Grant ~~Contract~~Agreement until it is signed by the ~~contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations~~agency head, or his or her designee, of the state agencies that are parties to this Grant Agreement (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.2. Modification and Amendment. Except as specifically provided herein, this Grant ~~Contract~~Agreement may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base ~~contract~~agreement and, depending upon the specifics of the ~~contract~~agreement as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.3. Termination for Convenience. The Grant ~~Contract~~Agreement may be terminated by either party by giving written notice to the other, at least thirty (30) days before the effective date of termination. Should either party exercise this provision, the Grantee shall be entitled to reimbursement for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Grantor State Agency be liable to the Grantee for any service which has not been rendered. The final decision as to the amount, for which the Grantor State Agency is liable, shall be determined by the Grantor State Agency.

D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant in a timely or proper manner, or if the Grantee violates any terms of this Grant, the Grantor State Agency shall have the right to immediately terminate the Grant and withhold payments in excess of fair compensation for completed services.

D.5. Subcontracting. The Grantee shall not assign this Grant or enter into a subcontract for any of the services performed under this Grant without obtaining the prior written approval of the Grantor State Agency. Notwithstanding any use of approved subcontractors, the Grantee shall be the prime contractor and shall be responsible for all work performed.

~~D.6. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:~~

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

~~b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying,'' in accordance with its instructions.~~

~~c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.~~

~~This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.~~D.7. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant ~~Contract~~Agreement shall be subject to monitoring and evaluation by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.

D.~~8.~~7. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the Grantor State Agency as requested.

D.~~9.~~8. Procurement. If the other terms of this Grant ~~Contract~~Agreement allow reimbursement for the cost of goods, materials, supplies, equipment, and/or contracted services, and if such reimbursement is to be made with funds derived wholly or partially from federal sources, the determination of cost shall be governed by and reimbursement shall be subject to the Grantee's compliance with applicable federal procurement requirements. The Grantee shall obtain prior approval from the Grantor State Agency before purchasing any equipment under this Grant.

~~D.10. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.~~

~~D.11. State Liability. The Grantor State Agency shall have no liability except as specifically provided in this Grant Contract.~~D.~~12.~~9. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant ~~Contract~~Agreement.

D.~~13.~~10. Completeness. This Grant ~~Contract~~Agreement is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant ~~Contract~~Agreement supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.~~14.~~11. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant ~~Contract~~Agreement.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant ~~Contract~~Agreement, these special terms and conditions shall control.

E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant ~~Contract~~Agreement shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The Grantor State Agency:

Grantor State Agency Contact Name & Title
Grantor State Agency Name
Address
Email Address
Telephone # Number
FAX # Number

The Grantee:

Grantee Contact Name & Title
Grantee Name
Address
Email Address
Telephone # Number
FAX # Number

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

E.3. Subject to Funds Availability. The ~~Contract~~Agreement is subject to the appropriation and availability of state and/or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the ~~Procuring~~Grantor State Agency reserves the right to terminate the ~~Contract~~Agreement upon written notice to the ~~Contractor~~Grantee State Agency. Said termination shall not be deemed a breach of ~~Contract~~Agreement by the ~~Procuring~~Grantor State Agency. Upon receipt of the written notice, the ~~Contractor~~Grantee State Agency shall cease all work associated with the ~~Contract~~Agreement. Should such an event occur, the ~~Contractor~~Grantee State Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the ~~Contractor~~Grantee State Agency shall have no right to recover from the ~~Procuring~~Grantor State Agency any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.4. Charges to Service Recipients Prohibited. The Grantee shall not collect any amount in the form of fees or reimbursements from the recipients of any service provided pursuant to this Grant Contract.

E.5. No Equipment Acquisition. This Grant Contract does not involve the acquisition and disposition of equipment acquired with funds provided under this Grant Contract.

Add ALL Necessary or Contingently Required Special Terms & Conditions

IN WITNESS WHEREOF,

GRANTEE STATE AGENCY:

GRANTEE SIGNATURE **DATE**

PRINTED NAME AND TITLE OF ~~CONTRACTOR~~GRANTOR STATE AGENCY SIGNATORY (above)

GRANTOR STATE AGENCY NAME:

NAME & TITLE **DATE**

GRANT BUDGET

Additional Identification Information As Necessary

The grant budget line-item amounts below shall be applicable only to expense incurred during the following

Applicable Period: **BEGIN:** DATE **END:** DATE

POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY [1]	GRANT ~~CONTRACT~~AGREEMENT	GRANTEE PARTICIPATION	TOTAL PROJECT
1, 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award [2]	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11, 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest [2]	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation [2]	0.00	0.00	0.00
18	Other Non-Personnel [2]	0.00	0.00	0.00
20	Capital Purchase [2]	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	**GRAND TOTAL**	**0.00**	**0.00**	**0.00**

[1] Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A.* (posted on the Internet at: http://www.state.tn.us/finance/act/documents/policy3.pdf).

[2] Applicable detail follows this page if line-item is funded.

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

INTEREST	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

DEPRECIATION	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

OTHER NON-PERSONNEL	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

CAPITAL PURCHASE	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

Document comparison by Workshare Compare on Thursday, October 24, 2013 12:30:04 PM

Input:	
Document 1 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\GrantModelIG_70813.doc
Description	GrantModelIG_70813
Document 2 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\Interagency Grant (clean).doc
Description	Interagency Grant (clean)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	172
Deletions	201
Moved from	1
Moved to	1
Style change	0
Format changed	0
Total changes	375

PROPOSED CHANGES TO:

- **INTERAGENCY AGREEMENT – GRANT TEMPLATE**

CLEAN VERSION

INTERAGENCY AGREEMENT – GRANT MODEL

This model provides format and content for drafting a cost-reimbursement grant agreement between two TN state agencies, neither of which has the legal capacity to contract or sue and be sued. (This model is optional with respect to the University of Tennessee and Board of Regents colleges and universities). All agreements must comply with the requirements of Central Procurement Policy Number 2013-007, Grant Management and Subrecipient Monitoring Policy and Procedures and with the Office of Management and Budget (OMB) Circular A-133, as applicable.

Complete form fields and follow, replace, or otherwise address red instructional text (*e.g.*, State Agency Name, amount, will/will not) as indicated and with conforming font and color.

GRANT AGREEMENT COVER SHEET

Complete the Grant Agreement Cover Sheet fields as indicated within the model and the following field directions.

Agency Tracking # unique tracking number comprised of: 5-digit business unit # + unique, 5-digit #
example: 31707-12345

Funding amounts by fiscal year and funding source with row and column totals;
agreement maximum liability MUST equal the sum of the TOTAL Amount column (i.e., the grand total amount for all fiscal years & all sources of funding)

A Grant Agreement Cover Sheet properly completed and in accordance the model is required for every copy of the agreement document.

PREAMBLE

Add additional information only if necessary.

A. SCOPE OF SERVICES

It is the responsibility of the grantor state agency to adequately draft a scope of services, and oversight examiners will rely on the grantor state agency head's signature on the agreement document as certification and assurance that the proposed scope of services is clear and correct, adequate for all legal and enforcement purposes, and sufficiently detailed to ensure grantor state agency accountability and results.

Do NOT include payment terms in the scope of services.

Draft the scope of services to clearly, specifically, and definitively detail duties, responsibilities, and associated performance requirements and describe, in detail, the service and deliverable requirements and all related specifications.

Option: Grant Proposal Attachment

It is NOT acceptable to attach the associated grant proposal to the grant in lieu of a properly drafted scope of services. Proposals for funding are NOT adequately definitive to stand alone as the description of grantor state agency duties and responsibilities or performance requirements.

To attach an associated grant proposal to the agreement in support of a properly drafted scope of service, use the following optional section.

A.#. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Agreement by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.

a. this Grant Agreement document with any attachments or exhibits (excluding the items listed at subsections b. and c., below);

b. the State grant proposal solicitation as may be amended, if any;

c. the Grantee's proposal (Attachment Reference) incorporated to elaborate supplementary scope of services specifications.

B. AGREEMENT PERIOD

Do NOT route an agreement for approval after the agreement period begin date.

Draft the agreement with an appropriate, definitive, and complete agreement period not to exceed the five (5) year maximum permitted by Central Procurement Office rules.

Option: Term Extension

To reserve the right to extend the agreement period beyond the original period, change the designation of the paragraph under B. to B.1., and add the following section:

B.2. Term Extension. The Grantor State Agency reserves the right to extend this Agreement for an additional period or periods of time. If a term extension necessitates additional funding beyond that which was included in the original Agreement, an increase of the Grantor State Agency's maximum liability will also be effected through an amendment to this Interagency Agreement.

C. PAYMENT TERMS AND CONDITIONS

Revise Payment Terms and Conditions sections only as provided in the instructions.

Payment Methodology

Subject to approval consideration on a case-by-case basis considering the amount of the advance payment, the scope of service, and the grantee, options below permit partial, periodic, and advance payments. Generally, a provision for an advance payment will only be approved in a grant with a government or non-profit entity.

The Comptroller's Compliance Office requires written justification for an advance payment provision of any type.

Option: Partial Advance Payment

To effect a partial advance payment, replace the section with the following.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. The amount of Written Dollar Amount ($Number) shall be paid to the Grantee in advance upon approval of this Grant Agreement. Then, upon progress toward the completion of the work, as described in section A of this Grant Agreement, the Grantee shall submit invoices for payment prior to any additional reimbursement of allowable costs. The total of all payments to the Grantee shall not exceed the maximum liability of this Grant Agreement.

Option: Periodic Advance Payment

To effect periodic advance payments, (1) Replace the section with the following.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. The amount of Written Dollar Amount ($Number) shall paid to the Grantee in advance upon approval of this Grant Agreement and on Date(s) on which the Grantor State Agency will make advance payment(s). The total of said payments shall not exceed the maximum liability of this Grant Agreement.

(2) Replace the first paragraph of the Disbursement Reconciliation and Close Out section with the following (which may be further revised to require more frequent grant disbursement reconciliation reports).

C.#. Disbursement Reconciliation and Close Out. The Grantee shall submit a grant disbursement reconciliation report within sixty (60) calendar days of the Grant Agreement end date and in form and substance acceptable to the Grantor State Agency (and include, as applicable, documentation and receipts as required by the above-referenced "State Comprehensive Travel Regulations").

Option: Total Advance Payment

To effect a total advance payment: (1) Replace the section with the following.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Payment to the Grantee shall be a lump sum made in advance upon approval of this Grant Agreement.

(2) Replace the first paragraph of the Disbursement Reconciliation and Close Out section with the following.

C.#. Disbursement Reconciliation and Close Out. The Grantee shall submit a grant disbursement reconciliation report within sixty (60) calendar days of the Grant Agreement end date and in form and substance acceptable to the State (and include, as applicable, documentation and receipts as required by the above-referenced "State Comprehensive Travel Regulations").

Budget Line-Items

The *Budget Line-Items* provision should NOT be amended after agreement approval.

Revise line-item variance amount as appropriate and up to the maximum of twenty percent (20%).

Option: NO Line-Item Variance

Replace the section with the following alternative as appropriate.

C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Agreement shall adhere to the Grant Budget. Reimbursable expenditures may NOT vary from the Grant Budget line-item amount(s) detailed. The Grant Budget is incorporated herein as though set forth verbatim.

Disbursement Reconciliation and Close Out

Revise the 1st paragraph of the section, as necessary, to require additional grant disbursement reconciliation reports.

Option: Grantee Match Requirement

If the Grant Budget details a grantee match requirement (in which the maximum total amount reimbursable by the state under the grant will be reduced by the amount of any Grantee failure to meet the match requirement), replace the section with the following (revising the maximum number of days to no less than 30).

C.#. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) calendar days of the Grant Agreement end date and in form and substance acceptable to the Grantor State Agency.

a. The Grant Budget specifies a Grantee Match Requirement and the final grant

disbursement reconciliation report shall detail all Grantee expenditures recorded to meet said requirement.

i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant agreement with the state of Tennessee.

ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the Grantor State Agency pursuant to this Grant Agreement, as detailed by the Grant Budget column "Grant Agreement," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.

b. If total disbursements by the Grantor State Agency pursuant to this Grant Agreement exceed the amounts permitted by the section C, payment terms and conditions of this Grant Agreement (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the Grantor State Agency. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

c. The Grantor State Agency shall not be responsible for the payment of any invoice submitted after the grant disbursement reconciliation report. The Grantor State Agency will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the Grantor State Agency, and such invoices will NOT be paid.

d. The Grantee's failure to provide a final grant disbursement reconciliation report as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Agreement, and the Grantee shall be required to refund any and all payments by the Grantor State Agency pursuant to this Grant Agreement.

e. The Grantee must close out its accounting records at the end of the agreement period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

D. STANDARD TERMS AND CONDITIONS

Do NOT add terms and conditions to section D (additional, necessary terms and conditions may be added to the section E, Special Terms and Conditions).

Termination for Convenience

Increase the thirty (30) calendar days notice requirement as appropriate.

E. SPECIAL TERMS AND CONDITIONS

Wherever instructions direct legal counsel involvement, compliance will be assumed.

Add the following sections as indicated and in the order below, after which, add other special terms and conditions sections as appropriate, provided that none conflict with state interests or standard agreement provisions.

Charges To Service Recipients Prohibited

Delete the section as appropriate.

No Equipment Acquisition

Delete the section if the grant budget provides funding for the acquisition of equipment (if so, the contingently required State Interest In Equipment section below will likely be applicable).

State Interest In Equipment

Add the following section if the agreement provides for the reimbursement of expenditures for equipment (revising the last sentence of the first paragraph as necessary to establish a lower dollar threshold for the definition of "equipment").

E.#. State Interest in Equipment. The Grantee shall take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Agreement, subject to the Grantor State Agency's equitable interest therein, to the extent of its *pro rata* share, based upon the Grantor State Agency's contribution to the purchase price. "Equipment" shall be defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds $5,000.00.

As authorized by the provisions of the terms of the Tennessee Uniform Commercial Code — Secured Transaction, found at Title 47, Chapter 9 of the *Tennessee Code Annotated*, and the provisions of the Tennessee Motor Vehicle Title and Registration Law, found at Title 55, Chapter 1 of the *Tennessee Code Annotated*, an intent of this Grant document and the parties hereto is to create and acknowledge a security interest in favor of the Grantor State Agency in the equipment and/or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant document. A further intent of this Grant document is to acknowledge and continue the security interest in favor of the Grantor State Agency in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grants between the Grantor State Agency and the Grantee.

The Grantee hereto grants the Grantor State Agency a security interest in said equipment. This agreement is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the Grantor State Agency a security interest in said equipment. The Grantee agrees that the Grantor State Agency may file this Grant Agreement or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the Grantor State Agency, upon the Grantor State Agency's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant Agreement in such form as the Grantor State Agency may require to perfect a security interest with respect to said equipment. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the Grantor State Agency may reasonably require. Without the prior written consent of the Grantor State Agency, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Agreement, including the covenants to pay when due all sums secured by this Grant Agreement, the Grantor State Agency shall have the remedies of a secured party under the Uniform Commercial Code and, at the Grantor State Agency's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Agreement. The Grantee shall maintain a perpetual inventory system for all equipment purchased with funds provided under this Grant Agreement and shall submit an inventory control report which must include, at a minimum, the following:

a. Description of the equipment;

b. Manufacturer's serial number or other identification number, when applicable;
c. Consecutive inventory equipment tag identification;
d. Acquisition date, cost, and check number;
e. Fund source, State grant number, or other applicable fund source identification;
f. Percentage of state funds applied to the purchase;
g. Location within the Grantee's operations where the equipment is used;
h. Condition of the property or disposition date if Grantee no longer has possession;
i. Depreciation method, if applicable; and
j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment with an identification number which is cross referenced to the equipment item on the inventory control report. The Grantee shall inventory equipment annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment purchased with funding through this agreement within thirty (30) days of the Grant Agreement end date and in form and substance acceptable to the Grantor State Agency. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the Grantor State Agency, in writing, of any equipment loss describing reason(s) for the loss. Should the equipment be destroyed, lost, or stolen, the Grantee shall be responsible to the Grantor State Agency for the *pro rata* amount of the residual value at the time of loss based upon the Grantor State Agency's original contribution to the purchase price.

Upon termination of the Grant Agreement, where a further contractual relationship is not entered into, or at another time during the term of the Grant Agreement, the Grantee shall request written approval from the Grantor State Agency for any proposed disposition of equipment purchased with Grant funds. All equipment shall be disposed of in such a manner as parties may agree from among alternatives approved by Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

Confidentiality of Records

As appropriate, add the following section or an alternative recommended by agency legal counsel.

E.#. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the Grantor State Agency or acquired by the Grantee on behalf of the Grantor State Agency shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Grantee to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Grantee's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Grantee of this Grant Agreement; previously possessed by the Grantee without written obligations to the Grantor State Agency to protect it; acquired by the Grantee without written restrictions against disclosure from a third party which, to the Grantee's knowledge, is free to disclose the information; independently developed by the Grantee without the use of the Grantor State Agency's information; or, disclosed by the Grantor State Agency to others without restrictions against disclosure. Nothing in this paragraph shall permit Grantee to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the Grantor State Agency or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Grant Agreement.

HIPAA Compliance

Add the following section if it is applicable.

E.#. HIPAA Compliance. The Grantor State Agency and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.

a. The Grantee warrants that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this agreement.

b. The Grantee warrants that it will cooperate with the Grantor State Agency, including cooperation and coordination with Grantor State Agency privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the grant so that both parties will be in compliance with HIPAA.

c. The Grantor State Agency and the Grantee will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the Grantor State Agency and the Grantee in compliance with HIPAA. This provision shall not apply if information received by the Grantor State Agency under this grant is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the Grantor State Agency to receive such information without entering into a business associate agreement or signing another such document.

Environmental Tobacco Smoke

Add the following section as appropriate.

E.#. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Agreement.

Grantee Participation

Add the following section as appropriate.

E. #. Grantee Participation. Grantee Participation amount(s) detailed in the Grant Budget are intended as a goal for the total project, and the amount of actual Grantee Participation expenditures will not impact the maximum amounts reimbursable to the Grantee as detailed by the Grant Budget column, "Grant Agreement."

Federal Economic Stimulus Funding

If the agreement is funded in whole or part by the American Recovery and Reinvestment Act of 2009 add the following section.

E.#. Federal Economic Stimulus Funding. This Grant Agreement requires the Grantee to provide

products and/or services that are funded in whole or in part under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, (Recovery Act). The Grantee is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of the Recovery Act are met and that the Grantee provides information to the Grantor State Agency as required.

The Grantee (and any subcontractor) shall comply with the following:

a. Federal Grant Award Documents, as applicable.

b. Executive Office of the President, Office of Management and Budget (OMB) Guidelines as posted at www.whitehouse.gov/omb/recovery_default/, as well as OMB Circulars, including but not limited to A-102 and A-133 as posted at www.whitehouse.gov/omb/financial_offm_circulars/.

c. Office of Tennessee Recovery Act Management Directives (posted on the Internet at www.tnrecovery.gov).

d. The Recovery Act, including but not limited to the following sections of that Act:

(1) Section 1604 – Disallowable Use. No funds pursuant to this Grant Agreement may be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

(2) Section 1512 – Reporting and Registration Requirements. The Grantee must report on use of Recovery Act funds provided through this Grant Agreement. Information from these reports will be made available to the public.

(3) Section 1553 – Recovery Act Whistleblower Protections. An employee of any non-Federal employer receiving covered funds under the Recovery Act may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a state or federal regulatory or law enforcement agency, a person with supervisory authority over the employee (or other person working for the employer who has the authority to investigate, discover or terminate misconduct), a court or grand jury, the head of a Federal agency, or their representatives, information that the employee believes is evidence of one or more of the following related to the implementation or use of covered funds:

i. gross mismanagement,
ii. gross waste,
iii. substantial and specific danger to public health or safety,
iv. abuse of authority, or
v. violation of law, rule, or regulation (including those pertaining to the competition for or negotiation of a Grant Agreement).

Non-enforceability of Certain Provisions Waiving Rights and Remedies or Requiring Arbitration: Except as provided in a collective bargaining agreement, the rights and remedies provided to aggrieved employees by this section may not be waived by any agreement, policy, form, or condition of employment, including any predispute arbitration agreement. No predispute arbitration agreement shall be valid or enforceable if it requires arbitration of a dispute arising out of this section.

Requirement to Post Notice of Rights and Remedies: The Grantee and any subcontractor shall post notice of the rights and remedies as required under

Section 1553. (Refer to Section 1553 of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5 located at www.recovery.gov, for specific requirements of this section and prescribed language for the notices.)

(4) Section 902 – Access Of Government Accountability Office. The Grantee shall provide that the Comptroller General and his representatives are authorized:

i. to examine any records of the Grantee or any of its subcontractors, that directly pertain to, and involve transactions relating to, this Grant Agreement or a subcontract; and
ii. to interview any officer or employee of the Grantee or any of its subcontractors regarding such transactions.

(5) Section 1514 – Inspector General Reviews. Any inspector general of a federal department or executive agency has the authority to review, as appropriate, any concerns raised by the public about specific investments using such funds made available in the Recovery Act. In addition, the findings of such reviews, along with any audits conducted by any inspector general of funds made available in the Recovery Act, shall be posted on the inspector general's website and linked to the website established by Recovery Act Section 1526, except that portions of reports may be redacted to the extent the portions would disclose information that is protected from public disclosure under sections 552 and 552a of title 5, United States Code.

(6) Section 1515 – Access of Offices of Inspector General to Certain Records and Employers. With respect to this Grant Agreement, any representative of an appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), is authorized:

i. to examine any records, of the Grantee or any of its subcontractors, that pertain to and involve transactions relating or pursuant to this Grant Agreement; and
ii. to interview any officer or employee of the Grantee or any subcontractors regarding such transactions.

(7) Section 1606 – Wage Rate Requirements. All laborers and mechanics employed by pursuant to this Grant Agreement shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. All rulings and interpretations of the Davis-Bacon Act and related acts contained in 29 CFR 1, 3, and 5 are herein incorporated by reference.

For purposes of this Grant Agreement, laborer or mechanic includes at least those workers whose duties are manual or physical in nature (including those workers who use tools or who are performing the work of a trade), as distinguished from mental or managerial. The term laborer or mechanic includes apprentices, trainees, helpers, and, in the case of contracts subject to the Contract Work Hours and Safety Standards Act, watchmen or guards.

(8) Section 1605 – Buy American Requirements for Construction Material – Buy American, Use of American Iron, Steel, and Manufactured Goods. None of the funds provided by this Grant Agreement may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States.

e. The Grantee agrees to comply with any modifications or additional requirements that may

be imposed by law and future guidance and clarifications of Recovery Act requirements.

f. If the Grantee enters into one or more subcontracts for any of the services performed under this Grant Agreement, each subcontract shall contain provisions specifically imposing on the subcontractor all requirements set forth in this agreement section E.#., "Federal Economic Stimulus Funding."

If the agreement also establishes a subrecipient relationship as defined by OMB Circular A-133, add the following as subsection E.#.d. (and re-letter all subsequent subsections accordingly).

d. The subrecipient Grantee, if covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133, agrees to specifically identify Recovery Act expenditures separately for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133.

If the agreement also establishes a subrecipient relationship as defined by OMB Circular A-133, replace the newly designated section E.#.e.(2) with the following.

(2) Section 1512 – Reporting and Registration Requirements.
   i. The Grantee must report on use of Recovery Act funds provided through this Grant Agreement. Information from these reports will be made available to the public.
   ii. The subrecipient Grantee must maintain current registrations in the Central Contractor Registration (www.ccr.gov) at all times during which they have an active Grant Contract funded with Recovery Act funds.

Disclosure of Personal Identity Information

Add the following section as appropriate.

E.#. Disclosure of Personal Identity Information. The Grantee shall report to the Grantor State Agency any instances of unauthorized disclosure of confidential information that come to the attention of the Grantee. Any such report shall be made by the Grantee within twenty-four (24) hours after the instance has come to the attention of the Grantee. The Grantee, at the sole discretion of the Grantor State Agency, shall provide no cost credit monitoring services for individuals that are deemed to be part of a potential disclosure. The Grantee shall bear the cost of notification to individuals having personal identity information involved in a potential disclosure event, including individual letters and/or public notice.

Federal Funding Accountability and Transparency Act

Add the following section if the grant will be funded in whole or part by a federal grant or contract of $25,000 or more (excluding grants subject to section 1512 of the American Recovery and Reinvestment Act of 2009)), and the grant will provide for the expenditure of $25,000 or more in federal funds.

E.#. Federal Funding Accountability and Transparency Act (FFATA). This Grant requires the Grantee to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Grantee is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Grantee provides information to the State as required.

The Grantee shall comply with the following:

a. Reporting of Total Compensation of the Grantee's Executives.

(1) The Grantee shall report the names and total compensation of each of its five most highly compensated executives for the Grantee's preceding completed fiscal year, if in the Grantee's preceding fiscal year it received:

i. 80 percent or more of the Grantee's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
ii. $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at http://www.sec.gov/answers/execomp.htm.).

Executive means officers, managing partners, or any other employees in management positions.

(2) Total compensation means the cash and noncash dollar value earned by the executive during the Grantee's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.
ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
v. Above-market earnings on deferred compensation which is not tax qualified.
vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds $10,000.

b. The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant is awarded.

c. If this Grant is amended to extend its term, the Grantee must submit an executive total compensation report to the State by the end of the month in which the amendment to this Grant becomes effective.

d. The Grantee will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Grant. More information about obtaining a DUNS Number can be found at: http://fedgov.dnb.com/webform/

The Grantee's failure to comply with the above requirements is a material breach of this Grant for

which the State may terminate this Grant for cause. The State will not be obligated to pay any outstanding invoice received from the Grantee unless and until the Grantee is in full compliance with the above requirements.

SIGNATURES

By agreement signature, the grantor state agency head shall assure and affirm that:

1. **there is a balance in the appropriation from which obligations under the agreement are required to be paid that is not already encumbered to pay other obligations;**
2. **the contracting agency maintains documentation of a fair and impartial contractor selection in full compliance with the approved procurement methodology as indicated by the summary cover; and,**
3. **the proposed scope of services is clear and correct, adequate for all legal and enforcement purposes, and sufficiently detailed to ensure contractor accountability and results.**

Additional approvals may be required, as such, please allow sufficient time for approvals. Draft the agreement so that the signature section immediately follows the previous section text separated by ONLY one blank line. Do NOT insert an arbitrary page break prior to the signature section.

GRANT BUDGET

ALL Grant Budgets must be type-written and mathematically correct in every aspect.

Each Grant Budget page must be numbered consecutively.

The Grant Agreement column total must equal the maximum liability of the grant.

Line-Item funding must comply with the Expense Object Line-Item Category Definitions provided by F&A Accounts Policy 03, Appendix A (which is posted on the Internet at: http://www.state.tn.us/finance/act/documents/policy3.pdf). Budget line-items and the definitions above have legal, audit, and federal funding implications, and grantor state agency staff are solely responsible for whether appropriate line-items are funded in accordance with the scope of service and the definitions set out by F&A Accounts Policy 03.

In line-items that WILL BE FUNDED, replace the zeros ("0.00") associated with each line-item as appropriate. If a line-item will NOT be funded, leave the associated, "0.00" dollar amount.

Grant Budget Line-Item Detail.

These instructions do NOT preclude adding Line-Item Detail (and associated requirements) for other line-items, provided that the additional detail is clear and mathematically correct.

Delete the entire Grant Budget Line-Item Detail page if NONE of the following five line-items, which requires detail, is funded: Professional Fee, Grant & Award; Interest; Depreciation; Other Non-Personnel; Capital Purchase.

For each line-item requiring detail that is funded by the budget, complete the appropriate line-item detail box.

Delete the line-item detail box for each of the line-items that is NOT funded.

Do NOT draft the Grant Budget Line-Item Detail to describe a line-item only as "contracts," "contracted services," "other," "professional services," or "miscellaneous."

Multiple Grant Budget Periods.

If a multi-year grant is to be written such that funding is restricted on an annual basis, such must be reflected in the grant budget by means of repeated use of the model grant budget pages, numbered consecutively, detailing funding information for consecutive period of applicability. If a grant budget attachment does include multiple pages respectively applicable to consecutive periods of applicability, a "roll-up" budget page totaling all lines for all periods is NOT required. However, the sum of all totals must agree with the grant maximum liability and any other relevant agreement provisions.

Option: Grant Budget Grantee Match Requirement

Replace the grant budget table with the table on the following page if a grantee match is required.

GRANT BUDGET

Additional Identification Information As Necessary

The grant budget line-item amounts below shall be applicable only to expense incurred during the following

Applicable Period: **BEGIN:** DATE **END:** DATE

POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY [1]	GRANT AGREEMENT	GRANTEE MATCH	TOTAL PROJECT
1, 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award [2]	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11, 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest [2]	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation [2]	0.00	0.00	0.00
18	Other Non-Personnel [2]	0.00	0.00	0.00
20	Capital Purchase [2]	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
n/a	Grantee Match Requirement (for any amount of the required Grantee Match that is not specifically delineated by budget line-items above)	0.00	0.00	0.00
25	**GRAND TOTAL**	**0.00**	**0.00**	**0.00**

[1] Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A.* (posted on the Internet at: http://www.state.tn.us/finance/act/documents/policy3.pdf).

[2] Applicable detail follows this page if line-item is funded.

[3] A Grantee Match Requirement is detailed by this Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Agreement, as detailed by the "Grant Agreement" column above, shall be reduced by the amount of any Grantee failure to meet the Match Requirement.

INTERAGENCY GRANT AGREEMENT COVER SHEET

Begin Date	End Date	Agency Tracking #	Edison ID
		-	

Grantee Name

Subrecipient or Vendor	CFDA #
☐ Subrecipient ☐ Vendor	

Service Caption (one line only)

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Agreement Amount
TOTAL:					

American Recovery and Reinvestment Act (ARRA) Funding: ☐ YES ☐ NO

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

Budget Officer Signature

Speed Chart (optional)	Account Code (optional)

CPO USE - IG

GRANT AGREEMENT
BETWEEN THE STATE OF TENNESSEE,
GRANTOR STATE AGENCY NAME
AND
GRANTEE STATE AGENCY NAME

This Grant, by and between the State of Tennessee, Grantor State Agency, hereinafter referred to as the "Grantor State Agency" and Grantee State Agency, hereinafter referred to as the "Grantee," is for the provision of Short Service Description, as further defined in the "SCOPE OF SERVICES."

A. SCOPE OF SERVICES:

A.1. The Grantee shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Grant Agreement.

A.#. Specify the services & deliverables that the grantee must provide as well as the technical specifications & delivery requirements that must be met (include sufficient detail to ensure accountability & definitive results). Do NOT include payment terms in the Scope of Service.

B. AGREEMENT PERIOD:

This Grant Agreement shall be effective for the period beginning Date, and ending on Date. The Grantee hereby acknowledges and affirms that the Grantor State Agency shall have no obligation for Grantee services or expenditures that were not completed within this specified agreement period.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the Grantor State Agency under this Grant Agreement exceed Written Dollar Amount ($Number). The Grant Budget, attached and incorporated hereto as Attachment Reference, shall constitute the maximum amount due the Grantee for all service and Grantee obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.

C.2. Compensation Firm. The maximum liability of the Grantor State Agency is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Agreement and are not subject to escalation for any reason unless amended, except as provided in section C.5.

C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Upon progress toward the completion of the work, as described in section A of this Grant Agreement, the Grantee shall submit invoices prior to any reimbursement of allowable costs.

C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.

C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Agreement shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to NUMBER percent (#%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Agreement amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Agreement.

C.6. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Agreement end date and in form and substance acceptable to the Grantor State Agency.

a. If total disbursements by the Grantor State Agency pursuant to this Grant Agreement exceed the amounts permitted by the section C, payment terms and conditions of this Grant Agreement, the Grantee shall refund the difference to the Grantor State Agency. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

b. The Grantor State Agency shall not be responsible for the payment of any invoice submitted after the grant disbursement reconciliation report. The Grantor State Agency will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the Grantor State Agency, and such invoices will NOT be paid.

c. The Grantee's failure to provide a final grant disbursement reconciliation report as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Agreement, and the Grantee shall be required to refund any and all payments by the Grantor State Agency pursuant to this Grant Agreement.

d. The Grantee must close out its accounting records at the end of the agreement period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

C.7. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the Grantor State Agency a copy of the indirect cost rate approved by the cognizant federal agency and the State. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate to amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the agreement period. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency and the State. If the indirect cost rate is provisional during the period of this agreement, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the Grantor State Agency, and subject to the availability of funds the Grantor State Agency agrees to remit any underpayment to the Grantee.

C.8. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the contract period.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Grant Agreement until it is signed by the agency head, or his or her designee, of the state agencies that are parties to this Grant Agreement (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.2. Modification and Amendment. Except as specifically provided herein, this Grant Agreement may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base agreement and, depending upon the specifics of the agreement as amended, any additional officials required by Tennessee laws and regulations (said officials

may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.3. Termination for Convenience. The Grant Agreement may be terminated by either party by giving written notice to the other, at least thirty (30) days before the effective date of termination. Should either party exercise this provision, the Grantee shall be entitled to reimbursement for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Grantor State Agency be liable to the Grantee for any service which has not been rendered. The final decision as to the amount, for which the Grantor State Agency is liable, shall be determined by the Grantor State Agency.

D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant in a timely or proper manner, or if the Grantee violates any terms of this Grant, the Grantor State Agency shall have the right to immediately terminate the Grant and withhold payments in excess of fair compensation for completed services.

D.5. Subcontracting. The Grantee shall not assign this Grant or enter into a subcontract for any of the services performed under this Grant without obtaining the prior written approval of the Grantor State Agency. Notwithstanding any use of approved subcontractors, the Grantee shall be the prime contractor and shall be responsible for all work performed.

D.6. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Agreement shall be subject to monitoring and evaluation by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.

D.7. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the Grantor State Agency as requested.

D.8. Procurement. If the other terms of this Grant Agreement allow reimbursement for the cost of goods, materials, supplies, equipment, and/or contracted services, and if such reimbursement is to be made with funds derived wholly or partially from federal sources, the determination of cost shall be governed by and reimbursement shall be subject to the Grantee's compliance with applicable federal procurement requirements. The Grantee shall obtain prior approval from the Grantor State Agency before purchasing any equipment under this Grant.

D.9. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Agreement.

D.10. Completeness. This Grant Agreement is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Agreement supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.11. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Agreement.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Agreement, these special terms and conditions shall control.

E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Agreement shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight

courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The Grantor State Agency:

Grantor State Agency Contact Name & Title
Grantor State Agency Name
Address
Email Address
Telephone # Number
FAX # Number

The Grantee:

Grantee Contact Name & Title
Grantee Name
Address
Email Address
Telephone # Number
FAX # Number

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

E.3. Subject to Funds Availability. The Agreement is subject to the appropriation and availability of state and/or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the Grantor State Agency reserves the right to terminate the Agreement upon written notice to the Grantee State Agency. Said termination shall not be deemed a breach of Agreement by the Grantor State Agency. Upon receipt of the written notice, the Grantee State Agency shall cease all work associated with the Agreement. Should such an event occur, the Grantee State Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee State Agency shall have no right to recover from the Grantor State Agency any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.4. Charges to Service Recipients Prohibited. The Grantee shall not collect any amount in the form of fees or reimbursements from the recipients of any service provided pursuant to this Grant Contract.

E.5. No Equipment Acquisition. This Grant Contract does not involve the acquisition and disposition of equipment acquired with funds provided under this Grant Contract.

Add ALL Necessary or Contingently Required Special Terms & Conditions

IN WITNESS WHEREOF,

GRANTEE STATE AGENCY:

GRANTEE SIGNATURE **DATE**

PRINTED NAME AND TITLE OF GRANTOR STATE AGENCY SIGNATORY (above)

GRANTOR STATE AGENCY NAME:

NAME & TITLE **DATE**

GRANT BUDGET

Additional Identification Information As Necessary

The grant budget line-item amounts below shall be applicable only to expense incurred during the following

Applicable Period: **BEGIN:** DATE **END:** DATE

POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY [1]	GRANT AGREEMENT	GRANTEE PARTICIPATION	TOTAL PROJECT
1. 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award [2]	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11. 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest [2]	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation [2]	0.00	0.00	0.00
18	Other Non-Personnel [2]	0.00	0.00	0.00
20	Capital Purchase [2]	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	**GRAND TOTAL**	**0.00**	**0.00**	**0.00**

[1] Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A.* (posted on the Internet at: http://www.state.tn.us/finance/act/documents/policy3.pdf).

[2] Applicable detail follows this page if line-item is funded.

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

INTEREST	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

DEPRECIATION	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

OTHER NON-PERSONNEL	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

CAPITAL PURCHASE	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

PROPOSED CHANGES TO:

- **CONTRACT AMENDMENT TEMPLATE**

REDLINE COMPARISON TO 10/17/13 VERSION

~~AMEND-K MODEL~~CONTRACT AMENDMENT TEMPLATE

This ~~model~~template prescribes the format and content for a fee-for-service, no cost, or revenue type contract amendment.

Documents of this type must adhere to this ~~model (or the model version dated 7-1-11) with revisions only as instructions permit. Insignificant deviations from this model, while always subject to disapproval, will, typically, not require a specific rule exception unless an oversight examiner requires separate documentation in a particular instance. If a formal rule exception request is not required, oversight approval of the document will constitute selected rule exception(s) as may be necessary~~template with revisions only in accordance with an approved rule exception request.

Complete form fields and follow, replace, or otherwise address red instructional text (*e.g.*, State Agency Name, amount, will/will not) as indicated and with conforming font and color.

CONTRACT AMENDMENT COVER SHEET

Complete ~~summary cover~~the Contract Amendment Cover Sheet fields as indicated within the template and the following field directions. Note some fields are not applicable to statewide contracts or other contracts created in Edison.

Agency Tracking #	unique tracking number comprised of: 5-digit business unit # + unique, 5-digit # example: 31707-12345
Increase/Decrease	amount by which the maximum liability will change pursuant to this amendment; express the amount as a negative number using "( )" symbols if the maximum liability is decreased; express it as "0" if there is no change in the total contract amount
Funding	amounts by fiscal year and funding source with row and column totals; contract maximum liability MUST equal the sum of the TOTAL Contract Amount column (i.e., the grand total amount for all fiscal years &and all sources of funding)

> **A ~~summary cover~~Contract Amendment Cover Sheet properly completed and in accordance the ~~model~~template is required for every copy of the contracting document.**

PREAMBLE

Add additional information only if necessary.

If the amendment involves a contractor name change, enter the NEW name followed by the parenthetical statement, "(as amended herein)."

AMENDMENT DETAIL

Draft the amendment with sections similar to the following, as appropriate, and number each amendment section consecutively.

Option: Delete & Replace Section

Use the following to delete and replace an existing sub-section.

#.	Contract section Reference is deleted in its entirety and replaced with the following:
	#. New Text — include ALL of the deleted language that continues to be necessary after this amendment

Option: Delete & Replace Attachment

Use the following to delete and replace an existing attachment.

#.	Contract Attachment Reference is deleted in its entirety and replaced with the new attachment Same Reference attached hereto.

Option: Add Section

> **Adding an** attachment **reference alone does not add the attachment (refer to add attachment option below).**

Use the following to add a new sub-section after all existing sub-sections of the contract section.

#.	The following is added as Contract section New Section Reference. #. New Text

Option: Add Attachment

Use the following to add a new attachment.

#.	Contract Attachment New Attachment Reference attached hereto is added as a new attachment.

Option: Contractor Name Amendment

> **Documentation to evidence the legitimacy of the name change is required for approval.**

Use the following to change the contractor's name.

#.	The following is added as Contract section E. New Sub-Section Number.: E.#. Contractor Name. All references to "Original Legal Entity Name" shall be deleted and replaced with "New Legal Entity Name."

EFFECTIVE DATE

> **The effective date of an amendment ~~may NOT be retroactive (e.g., before~~should permit enough time to accommodate the approval process. Retroactive amendments (i.e., effective date earlier than the date ~~that~~when the amendment ~~is~~was submitted for Edison approval routing)~~.~~ are disfavored and may NOT be approved.**

SIGNATURES

Draft the amendment so that the signature section immediately follows the previous section text separated by ONLY one blank line. Do NOT insert an arbitrary page break prior to the signature section. The Contractor's signature must be acquired prior to any signature on behalf of the State.

CONTRACT AMENDMENT COVER SHEET

Agency Tracking #	Edison ID	Contract #	Amendment #

Contractor Legal Entity Name	Edison Vendor ID

Amendment Purpose & Effect(s)

Amendment Changes Contract End Date: ☐ YES ☐ NO	End Date:

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **$**

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
TOTAL:					

American Recovery and Reinvestment Act (ARRA) Funding: ☐ YES ☐ NO

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

~~OCR~~CPO USE

Speed Chart (optional)	Account Code (optional)

AMENDMENT NUMBER
OF CONTRACT ASSIGNED NUMBER

This Amendment is made and entered by and between the State of Tennessee, State Agency Name, hereinafter referred to as the "State" and Contractor Legal Entity Name, hereinafter referred to as the "Contractor/~~Grantee.~~" ~~It.~~" For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

Amendment Section(s) — Refer to Model Instructions

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective DATE. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

CONTRACTOR/~~GRANTEE~~ LEGAL ENTITY NAME:

SIGNATURE **DATE**

PRINTED NAME AND TITLE OF SIGNATORY (above)

STATE AGENCY NAME:

AGENCY HEAD NAME & TITLE **DATE**

Document comparison by Workshare Compare on Thursday, October 24, 2013 12:27:39 PM

Input:	
Document 1 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\amend-k.doc
Description	amend-k
Document 2 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\Contract Amendment (clean).doc
Description	Contract Amendment (clean)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	23
Deletions	20
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	43

PROPOSED CHANGES TO:

- **CONTRACT AMENDMENT TEMPLATE**

CLEAN VERSION

CONTRACT AMENDMENT TEMPLATE

This template prescribes the format and content for a fee-for-service, no cost, or revenue type contract amendment.

Documents of this type must adhere to this template with revisions only in accordance with an approved rule exception request.

Complete form fields and follow, replace, or otherwise address red instructional text (*e.g.*, State Agency Name, amount, will/will not) as indicated and with conforming font and color.

CONTRACT AMENDMENT COVER SHEET

Complete the Contract Amendment Cover Sheet fields as indicated within the template and the following field directions. Note some fields are not applicable to statewide contracts or other contracts created in Edison.

Agency Tracking #	unique tracking number comprised of: 5-digit business unit # + unique, 5-digit # example: 31707-12345
Increase/Decrease	amount by which the maximum liability will change pursuant to this amendment; express the amount as a negative number using "( )" symbols if the maximum liability is decreased; express it as "0" if there is no change in the total contract amount
Funding	amounts by fiscal year and funding source with row and column totals; contract maximum liability MUST equal the sum of the TOTAL Contract Amount column (i.e., the grand total amount for all fiscal years and all sources of funding)

A Contract Amendment Cover Sheet properly completed and in accordance the template is required for every copy of the contracting document.

PREAMBLE

Add additional information only if necessary.

If the amendment involves a contractor name change, enter the NEW name followed by the parenthetical statement, "(as amended herein)."

AMENDMENT DETAIL

Draft the amendment with sections similar to the following, as appropriate, and number each amendment section consecutively.

Option: Delete & Replace Section

Use the following to delete and replace an existing sub-section.

#. Contract section Reference is deleted in its entirety and replaced with the following:

#. New Text — include ALL of the deleted language that continues to be necessary after this amendment

Option: Delete & Replace Attachment

Use the following to delete and replace an existing attachment.

#. Contract Attachment Reference is deleted in its entirety and replaced with the new attachment Same Reference attached hereto.

Option: Add Section

Adding an attachment reference alone does not add the attachment (refer to add attachment option below).

Use the following to add a new sub-section after all existing sub-sections of the contract section.

#.	The following is added as Contract section New Section Reference. #. New Text

Option: Add Attachment

Use the following to add a new attachment.

#.	Contract Attachment New Attachment Reference attached hereto is added as a new attachment.

Option: Contractor Name Amendment

Documentation to evidence the legitimacy of the name change is required for approval.

Use the following to change the contractor's name.

#.	The following is added as Contract section E. New Sub-Section Number.: E.#. Contractor Name. All references to "Original Legal Entity Name" shall be deleted and replaced with "New Legal Entity Name."

EFFECTIVE DATE

The effective date of an amendment should permit enough time to accommodate the approval process. Retroactive amendments (i.e., effective date earlier than the date when the amendment was submitted for Edison approval routing) are disfavored and may NOT be approved.

SIGNATURES

Draft the amendment so that the signature section immediately follows the previous section text separated by ONLY one blank line. Do NOT insert an arbitrary page break prior to the signature section. The Contractor's signature must be acquired prior to any signature on behalf of the State.

CONTRACT AMENDMENT COVER SHEET

Agency Tracking #	Edison ID	Contract #	Amendment #

Contractor Legal Entity Name	Edison Vendor ID

Amendment Purpose & Effect(s)

Amendment Changes Contract End Date: ☐ YES ☐ NO	End Date:

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): $

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
TOTAL:					

American Recovery and Reinvestment Act (ARRA) Funding: ☐ YES ☐ NO

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

CPO USE

Speed Chart (optional)	Account Code (optional)

AMENDMENT NUMBER
OF CONTRACT ASSIGNED NUMBER

This Amendment is made and entered by and between the State of Tennessee, State Agency Name, hereinafter referred to as the "State" and Contractor Legal Entity Name, hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

Amendment Section(s) — Refer to Model Instructions

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective DATE. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

CONTRACTOR LEGAL ENTITY NAME:

SIGNATURE **DATE**

PRINTED NAME AND TITLE OF SIGNATORY (above)

STATE AGENCY NAME:

AGENCY HEAD NAME & TITLE **DATE**

PROPOSED CHANGES TO:

- **AMENDMENT REQUEST**

REDLINE COMPARISON TO 10/17/13 VERSION

~~Non-Competitive~~ Amendment Request

~~NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.~~
Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@state.tn.us

APPROVED
~~COMMISSIONER OF FINANCE & ADMINISTRATION~~ CHIEF PROCUREMENT OFFICER DATE

Request Tracking #		
1. Procuring Agency		
2. Contractor		
3. Contract #		
4. Proposed Amendment #		
5. Edison ID #		
6. Contract Begin Date		
7. **Current Contract End Date** *– with ALL options to extend exercised*		
8. **Proposed Contract End Date** *– with ALL options to extend exercised*		
9. **Current Maximum Contract Cost** *– with ALL options to extend exercised*		$
10. **Proposed Maximum Contract Cost** *– with ALL options to extend exercised*		$
11. **Office for Information Resources Pre-Approval Endorsement Request** *– information technology service (N/A to THDA)*		☐ **Not Applicable** ☐ **Attached**
12. **eHealth ~~Initiative Support~~Pre-Approval Endorsement Request** *– health-related professional, pharmaceutical, laboratory, or imaging*		☐ **Not Applicable** ☐ **Attached**
13. **Human Resources ~~Support~~Pre-Approval Endorsement Request** *– state employee training service*		☐ **Not Applicable** ☐ **Attached**
14. Explanation Need for the Proposed Amendment		

Request Tracking #	
15. Name & Address of the Contractor's Principal Owner(s) *– NOT required for a TN state education institution*	
16. Evidence Contractor's Experience & Length Of Experience Providing the ~~Service~~Goods or Services	
17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives	
18. Justification *~~– specifically explain why non-competitive negotiation is in the best interest of the state~~*	
Agency Head Signature and Date *– MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented ~~exigent~~ circumstances*	

Document comparison by Workshare Compare on Thursday, October 24, 2013 12:29:09 PM

Input:	
Document 1 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\request-non-amend.doc
Description	request-non-amend
Document 2 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\Amendment Request (clean).doc
Description	Amendment Request (clean)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	7
Deletions	10
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	17

PROPOSED CHANGES TO:

- **AMENDMENT REQUEST**

CLEAN VERSION

Amendment Request

Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@state.tn.us

APPROVED	
CHIEF PROCUREMENT OFFICER	DATE

Request Tracking #	
1. Procuring Agency	
2. Contractor	
3. Contract #	
4. Proposed Amendment #	
5. Edison ID #	

6. Contract Begin Date	
7. Current Contract End Date *– with ALL options to extend exercised*	
8. Proposed Contract End Date *– with ALL options to extend exercised*	
9. Current Maximum Contract Cost *– with ALL options to extend exercised*	**$**
10. Proposed Maximum Contract Cost *– with ALL options to extend exercised*	**$**
11. Office for Information Resources Pre-Approval Endorsement Request *– information technology service (N/A to THDA)*	☐ **Not Applicable** ☐ **Attached**
12. eHealth Pre-Approval Endorsement Request *– health-related professional, pharmaceutical, laboratory, or imaging*	☐ **Not Applicable** ☐ **Attached**
13. Human Resources Pre-Approval Endorsement Request *– state employee training service*	☐ **Not Applicable** ☐ **Attached**
14. Explanation Need for the Proposed Amendment	
15. Name & Address of the Contractor's Principal Owner(s) *– NOT required for a TN state education institution*	
16. Evidence Contractor's Experience & Length Of Experience Providing the Goods or Services	

Request Tracking #	
17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives	
18. Justification	
Agency Head Signature and Date – *MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented circumstances*	

PROPOSED CHANGES TO:

• SPECIAL CONTRACT REQUEST

REDLINE COMPARISON TO 10/17/13 VERSION

Special Contract Request

This form should be utilized to facilitate contract and procurement requests that require the Chief Procurement Officer's prior approval and that of the Comptroller of the Treasury, as applicable.
NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: agsprs.agsprs@tn.gov.

APPROVED	APPROVED
COMPTROLLER OF THE TREASURY DATE	~~Chief Procurement Officer~~CHIEF PROCUREMENT OFFICER DATE

Request Tracking #	–
1. Contracting Agency	
2. Type of Contract or Procurement Method	☐ ~~Non-Competitive~~ No Cost ☐ Revenue ☐ Sole Source ☐ Proprietary ☐ Competitive Negotiation ☐ Other _____
3. Requestor Contact Information	
~~4. Date Requested~~	
4. ~~5.~~ Brief ~~Service~~Goods or Services Caption	
5. Description of the Goods or Services to be Acquired	
6. Proposed Contractor	
7. Name & Address of the Contractor's principal owner(s) *– NOT required for a TN state education institution*	
8. ~~7.~~ **Proposed Contract Period** – *with ALL options to extend exercised* ***The proposed contract start date shall follow the approval date of this request.***	**months**
~~8. Maximum Contract Cost – with ALL options to extend exercised~~	~~$~~
9. Office for Information Resources Pre-Approval Endorsement Request	☐ Not Applicable ☐ Attached

Request Tracking #	–
– information technology (N/A to THDA)	
10. **eHealth ~~Initiative Support~~ Pre-Approval Endorsement Request** *– health-related professional, pharmaceutical, laboratory, or imaging*	☐ **Not Applicable** ☐ **Attached**
11. **Human Resources ~~Support~~ Pre-Approval Endorsement Request** *– state employee training*	☐ **Not Applicable** ☐ **Attached**
~~12. Has the contracting agency procured the subject service before?~~ ~~NO YES, it was procured by...~~ ~~*RFP Non-Competitive Negotiation Another Competitive Method*~~	
~~13. Will the State incur any substantial cost as a result of the subject agreement? (For No Cost or Revenue Contracts only)~~	~~NO YES Not Applicable~~
~~14. Will the State also contract with other parties interested in entering substantially the same agreement?~~	~~NO YES~~
~~15. Description of Product/Services Contractor Will Provide~~	
12. ~~16. Is this product/service~~**Are these goods or services currently available on a statewide contract?** ~~NO YES~~ **If YES, please explain why the current statewide contract is not being used for this procurement.**	☐ **NO** ☐ **YES,** _____
~~17. Summary of State Responsibilities Under Proposed Contract (For No Cost and Revenue Contracts only)~~	
13. **Maximum Contract Cost** *– with ALL options to extend exercised*	$ _____
14. Was there an initial government estimate? If so, what amount?	☐ **NO** ☐ **YES, $** _____
15. Cost Determination Used- How did agency arrive at the estimate of expected costs?	_____
16. Explanation of Fair and Reasonable Price- Explain how agency determined that price is fair and reasonable	_____
17. Documentation of Discussions with Contractor- How did agency document discussions with Contractor? Attach documentation to this request as applicable.	_____
18. Explanation of Need for or ~~Requirement Placed~~requirement placed on the State to ~~Acquire~~acquire the ~~Service~~goods or services	_____
19. Proposed ~~Contract Impact~~contract impact on ~~Current~~current State ~~Operations~~operations	_____
20. **Justification** – Specifically explain why the goods or services should be acquired through the procurement method ~~being~~	_____

Request Tracking #	–
~~requested is required~~or contract type selected.	
~~21. Contractor Selection Process~~ **For No Cost and ~~Efforts to Identify Reasonable, Competitive, Procurement Alternatives~~Revenue Contracts Only**	
21. ~~22. Name & Address of the Contractor's Principal Owner(s) — NOT required for~~**What costs will the State incur as a** ~~TN state education institution~~**result of this contract? If any, please explain.**	____
22. Could the State also contract with other parties interested in entering substantially the same agreement? Please explain.	☐ NO ☐ YES
23. Summary of State responsibilities under proposed contract	____
For Sole Source and Proprietary Procurements Only	
24. Explanation of Need for or requirement placed on the State to acquire the goods or services	____
25. ~~23.~~ **Evidence of Contractor's ~~Experience & Length Of Experience Providing~~experience & length of experience providing the ~~Service~~goods or services to be procured.**	____
~~24. Was there an initial government estimate?~~	~~NO YES~~
26. ~~25. Cost Determination Used-~~ ~~How did agency arrive at the price?~~ **Has the contracting agency procured the subject goods or services before? If yes, provide the method used to purchase the goods or services and the name and address of the contractor.**	☐ NO ☐ YES, **Method:** ____ **Name/Address:** ____
27. ~~26. Documentation of Discussions with Contractor-~~ **Contractor selection process and efforts to identify reasonable, competitive, procurement alternatives** ~~How did agency document discussions with Contractor?~~	____
~~27. Explanation of Fair and Reasonable Price- Explain why price is fair and reasonable under the circumstances~~ **Signature Required for all Special Contract Requests**	
Agency Head Signature and Date – *MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented ~~exigent~~ circumstances*	

Request Tracking #	–
Signature:	Date:

Document comparison by Workshare Compare on Thursday, October 24, 2013 4:47:11 PM

Input:	
Document 1 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\SpecialContractRequestform.docx
Description	SpecialContractRequestform
Document 2 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\Special Contract Request (clean).docx
Description	Special Contract Request (clean)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	100
Deletions	78
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	178

PROPOSED CHANGES TO:

• SPECIAL CONTRACT REQUEST

CLEAN VERSION

Special Contract Request

This form should be utilized to facilitate contract and procurement requests that require the Chief Procurement Officer's prior approval and that of the Comptroller of the Treasury, as applicable.
NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: agsprs.agsprs@tn.gov.

APPROVED	APPROVED
COMPTROLLER OF THE TREASURY DATE	CHIEF PROCUREMENT OFFICER DATE

Request Tracking #	–
1. Contracting Agency	
2. Type of Contract or Procurement Method	☐ No Cost ☐ Revenue ☐ Sole Source ☐ Proprietary ☐ Competitive Negotiation ☐ Other _____
3. Requestor Contact Information	
4. Brief Goods or Services Caption	
5. Description of the Goods or Services to be Acquired	
6. Proposed Contractor	
7. Name & Address of the Contractor's principal owner(s) *– NOT required for a TN state education institution*	
8. Proposed Contract Period *– with ALL options to extend exercised* ***The proposed contract start date shall follow the approval date of this request.***	**months**
9. Office for Information Resources Pre-Approval Endorsement Request *– information technology (N/A to THDA)*	☐ Not Applicable ☐ Attached
10. eHealth Pre-Approval Endorsement Request *– health-related professional, pharmaceutical, laboratory, or imaging*	☐ Not Applicable ☐ Attached
11. Human Resources Pre-Approval Endorsement Request *– state employee training*	☐ Not Applicable ☐ Attached

Request Tracking #	–
12. Are these goods or services currently available on a statewide contract? If YES, please explain why the current statewide contract is not being used for this procurement.	☐ NO ☐ YES,
13. Maximum Contract Cost – *with ALL options to extend exercised*	$
14. Was there an initial government estimate? If so, what amount?	☐ NO ☐ YES, $
15. Cost Determination Used- How did agency arrive at the estimate of expected costs?	
16. Explanation of Fair and Reasonable Price- Explain how agency determined that price is fair and reasonable	
17. Documentation of Discussions with Contractor- How did agency document discussions with Contractor? Attach documentation to this request as applicable.	
18. Explanation of Need for or requirement placed on the State to acquire the goods or services	
19. Proposed contract impact on current State operations	
20. Justification – Specifically explain why the goods or services should be acquired through the procurement method or contract type selected.	
For No Cost and Revenue Contracts Only	
21. What costs will the State incur as a result of this contract? If any, please explain.	
22. Could the State also contract with other parties interested in entering substantially the same agreement? Please explain.	☐ NO ☐ YES
23. Summary of State responsibilities under proposed contract	
For Sole Source and Proprietary Procurements Only	
24. Explanation of Need for or requirement placed on the State to acquire the goods or services	
25. Evidence of Contractor's experience & length of experience providing the goods or services to be procured.	
26. Has the contracting agency procured the subject goods or services before? If yes, provide the method used to purchase the goods or services and the name and address of the contractor.	☐ NO ☐ YES, **Method:** **Name/Address:**
27. Contractor selection process and efforts to identify reasonable, competitive, procurement alternatives	

Request Tracking #	–

Signature Required for all Special Contract Requests

Agency Head Signature and Date – *MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented circumstances*

Signature: Date:

PROPOSED CHANGES TO:

• PROTEST BOND EXAMPLE

REDLINE COMPARISON TO 10/17/13 VERSION

PROTEST BOND

The Surety Company issuing bond shall be licensed to transact business in the State of Tennessee by the Tennessee Department of Commerce and Insurance. Bonds shall be certified and current Power-of-Attorney for the Surety's Attorney-in-Fact attached.

KNOW ALL BY THESE PRESENTS:

That we,

_____

(Name of ~~Protestor~~Protesting Party)

_____

(Address of ~~Protestor~~Protesting Party)

as the party filing a protest of the State of Tennessee's determination(s) regarding a ~~Request for Proposals (RFP)~~solicitation process, (hereinafter called the ~~Protestor~~"Protesting Party"), and

_____

(Name of Surety)

_____

(Address of Surety)

as Surety, (hereinafter called the "Surety"), do hereby acknowledge ourselves indebted and securely bound and held unto the State of Tennessee as Obligee, (hereinafter called the "Obligee"), and in the penal sum of

_____

(Dollar Amount of Bond)

good and lawful money of the United States of America, for the use and benefit of those entitled thereto, for the payment of which, well and truly to be made, we bind ourselves, our heirs, our administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

BUT THE CONDITION OF THE FOREGOING OBLIGATION OR BOND IS THIS:

WHEREAS, the Obligee has issued a ~~Request for Proposals~~solicitation bearing the ~~RFP~~ Number:

_____

(~~RFP~~Solicitation Number)

AND, the ~~Protestor~~Protesting Party, as an actual ~~proposer~~respondent to the ~~RFP~~solicitation, claims to be aggrieved in connection with said ~~RFP~~procurement process;

AND, the signature of an attorney or the ~~Protestor~~Protesting Party on a request for consideration, protest, motion, or other document constitutes a certificate by the signer that the signer has read such document,

Example

that to the best of the signer's knowledge, information, and belief formed after reasonable inquiry, it is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law, and that it is not interposed for any improper purpose, such as to harass, limit competition, or to cause unnecessary delay or needless increase in the cost of the procurement or of the litigation;

AND, neither a protest nor a stay of award shall proceed under the laws of the State of Tennessee unless the ~~Protestor~~Protesting Party posts a protest bond, the ~~Protestor~~Protesting Party does file this protest bond payable to the Obligee with a notice of protest regarding the ~~subject RFP~~procurement process;

AND, the Obligee shall hold the protest bond for at least eleven (11) calendar days after the date of the final determination on the protest by the ~~head of the affected agency;~~chief procurement officer;

AND, if the ~~Protestor~~Protesting Party appeals the ~~affected agency head's~~chief procurement officer's determination ~~on the protest to the Review Committee, in accordance with subsection Tennessee Code Annotated, § 12-4-109(a)(1)(E)(vii), the head of the agency shall hold said~~to the protest committee, the chief procurement officer shall hold the protest bond until instructed by the ~~Review Committee as to its disposition~~protest committee to either keep the bond or return it to the Protesting Party.

NOW, THEREFORE, this obligation or bond shall remain in full force and effect and shall be immediately payable to the state conditioned upon a decision by the ~~Review Committee~~protest committee that:

1. ~~a~~A request for consideration, protest, pleading, motion, or other document is signed by an attorney or ~~the Protestor~~Protesting Party, before or after appeal to the ~~Review Committee~~chief procurement officer or protest committee, in violation of Tennessee Code Annotated, § 12-4-~~109(a)(1)(E)(ii~~-3-514(b);
2. ~~the Protestor~~The protest has been brought or pursued ~~the protest~~ in bad faith; ~~or~~
3. ~~the Protestor's notice of~~The protest does not state on its face a valid basis for protest; or
4. For any other reason approved by the protest committee.

In which case, this obligation or bond shall be immediately payable to the Obligee. Otherwise, this obligation or bond shall be null and void.

IN WITNESS WHEREOF the ~~Protestor~~Protesting Party has hereunto affixed its signature and Surety has hereunto caused to be affixed its corporate signature, and seal, by its duly authorized officers, on this

_____ day of _____ in the year _____.

WITNESS:

_____

(Name of ~~Protestor~~)Protesting Party) (Name of Surety)

_____

(Authorized Signature of ~~Protestor~~)Protesting Party) (Signature of Attorney-in-Fact)

_____

(Name of Signatory) (Name of Attorney-in-Fact)

Example

(Title of Signatory) (Tennessee License Number of Surety)

Document comparison by Workshare Compare on Thursday, October 24, 2013 12:30:42 PM

Input:	
Document 1 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\protest.pdf
Description	protest
Document 2 ID	file://C:\Users\ba01350\Desktop\subcmte meetings\Protest Bond Example (clean).docx
Description	Protest Bond Example (clean)
Rendering set	Standard

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Statistics:	
	Count
Insertions	53
Deletions	36
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	89

PROPOSED CHANGES TO:

• PROTEST BOND EXAMPLE

CLEAN VERSION

PROTEST BOND

The Surety Company issuing bond shall be licensed to transact business in the State of Tennessee by the Tennessee Department of Commerce and Insurance. Bonds shall be certified and current Power-of-Attorney for the Surety's Attorney-in-Fact attached.

KNOW ALL BY THESE PRESENTS:

That we,

_____

(Name of Protesting Party)

_____

(Address of Protesting Party)

as the party filing a protest of the State of Tennessee's determination(s) regarding a solicitation process, (hereinafter called the "Protesting Party"), and

_____

(Name of Surety)

_____

(Address of Surety)

as Surety, (hereinafter called the "Surety"), do hereby acknowledge ourselves indebted and securely bound and held unto the State of Tennessee as Obligee, (hereinafter called the "Obligee"), and in the penal sum of

_____

(Dollar Amount of Bond)

good and lawful money of the United States of America, for the use and benefit of those entitled thereto, for the payment of which, well and truly to be made, we bind ourselves, our heirs, our administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

BUT THE CONDITION OF THE FOREGOING OBLIGATION OR BOND IS THIS:

WHEREAS, the Obligee has issued a solicitation bearing the Number:

_____

(Solicitation Number)

AND, the Protesting Party, as an actual respondent to the solicitation, claims to be aggrieved in connection with said procurement process;

AND, the signature of an attorney or the Protesting Party on a request for consideration, protest, motion, or other document constitutes a certificate by the signer that the signer has read such document, that to

Example

the best of the signer's knowledge, information, and belief formed after reasonable inquiry, it is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law, and that it is not interposed for any improper purpose, such as to harass, limit competition, or to cause unnecessary delay or needless increase in the cost of the procurement or of the litigation;

AND, neither a protest nor a stay of award shall proceed under the laws of the State of Tennessee unless the Protesting Party posts a protest bond, the Protesting Party does file this protest bond payable to the Obligee with a notice of protest regarding the procurement process;

AND, the Obligee shall hold the protest bond for at least eleven (11) calendar days after the date of the final determination on the protest by the chief procurement officer;

AND, if the Protesting Party appeals the chief procurement officer's determination to the protest committee, the chief procurement officer shall hold the protest bond until instructed by the protest committee to either keep the bond or return it to the Protesting Party.

NOW, THEREFORE, this obligation or bond shall remain in full force and effect and shall be immediately payable to the state conditioned upon a decision by the protest committee that:

1. A request for consideration, protest, pleading, motion, or other document is signed by an attorney or Protesting Party, before or after appeal to the chief procurement officer or protest committee, in violation of Tennessee Code Annotated, § 12-3-514(b);
2. The protest has been brought or pursued in bad faith;
3. The protest does not state on its face a valid basis for protest; or
4. For any other reason approved by the protest committee.

In which case, this obligation or bond shall be immediately payable to the Obligee. Otherwise, this obligation or bond shall be null and void.

IN WITNESS WHEREOF the Protesting Party has hereunto affixed its signature and Surety has hereunto caused to be affixed its corporate signature, and seal, by its duly authorized officers, on this

_____ day of _____ in the year _____.

WITNESS:

_____	_____
(Name of Protesting Party)	(Name of Surety)
_____	_____
(Authorized Signature of Protesting Party)	(Signature of Attorney-in-Fact)
_____	_____
(Name of Signatory)	(Name of Attorney-in-Fact)
_____	_____
(Title of Signatory)	(Tennessee License Number of Surety)

Example

PROPOSED CHANGES TO:

POLICY NO. 2013-009:

CENTRAL PROCUREMENT OFFICE BUSINESS CONDUCT AND ETHICS POLICY AND PROCEDURES

REDLINE COMPARISON TO 10/17/13 VERSION

Policy Number 2013-009
Central Procurement Office
Business Conduct and Ethics Policy and Procedures

Effective: May 28, 2013
Prepared by: The Central Procurement Office of the State of Tennessee

1. Purpose.

To establish a code of business and ethical conduct for employees involved in the procurement or contracting processes on behalf of the State of Tennessee.

2. Scope.

The Central Procurement Office recognizes that persons involved in the procurement or contracting process on behalf of the Central Procurement Office and State agencies represent the State in all facets of their work. All employees of the Central Procurement Office and State agencies involved in the procurement or contracting process are expected to conduct themselves such that their personal and professional conduct does not have a negative effect on the work of the Central Procurement Office or the procuring State Agency or reflect poorly on the public image, reputation, or credibility of the State. Accordingly, these policies and procedures apply to all employees of the Central Procurement Office and procuring State Agencies involved with procurements, solicitations, negotiations, contract awards and amendments to such awarded contracts, or protest and termination hearings with respect to procurements.

3. Definitions.

For purposes of this policy, the following terms shall have the meanings described below:

~~"State Agency" - means the departments, agencies, and entities of the State of Tennessee.~~

"Immediate Family" – means ~~a Central Procurement Office or procuring State Agency employee's spouse, parent, sibling, or child.~~spouse, dependent children or stepchildren, or relatives related by blood or marriage.

~~"Procurement" - means requesting, buying, purchasing, renting, leasing, or otherwise acquiring any goods or services on behalf of the State.~~

""Procurement"" – means the act of buying, purchasing, renting, leasing, or otherwise acquiring any goods or services covered by these Rules. It also includes all functions that pertain to the obtaining of any goods or service, including the description of requirements, selection and solicitation of sources, preparation and award of a contract, and all phases of contract administration.

"State" – means the State of Tennessee, including its departments, agencies, and entities that fall under its purview.

"State Agency" – means the departments, agencies, and entities of the State of Tennessee.

4. Requirement of Good Faith and Fair Dealing.

All procurement professionals involved in the public procurement process, which includes without limitation, solicitations, negotiation, performance, award, administration of State contracts or hearing of protests, must act in good faith and deal with the public in a fair and impartial manner. Each Central Procurement Office and procuring State Agency employee must act with honesty and integrity and shall remove himself or herself from the procurement process in the event he or she cannot act in good faith or conduct his or her work in a fair and unbiased manner.

5. Fiduciary Duty.

Public employment is a public trust. All procurement professionals owe a fiduciary duty to the State and each employee plays an important role in ensuring that the State's needed goods and services are procured in an efficient and economical manner on terms and conditions in the best interests of the State.

6. Avoiding Conflicts of Interest.

All Central Procurement Office Employees or employees of procuring State agencies should avoid any actions, relationships, or business transactions that conflict with the State's best interests or otherwise create conflicts of interests, real or perceived, that taint the procurement process or the reputation of the State.

No employee of Central Procurement Office or procuring State Agency that is involved in the procurement process shall participate in any portion of the procurement process when:

- The employee is contemporaneously employed by a bidder, offeror, or contractor involved in the procurement;
- The employee, any member of the employee's immediate family, or persons with whom the employee has personal or professional relationships that preclude the employee from acting in a fair and impartial manner, holds a position with a bidder, offeror, or contractor such as an officer, director, trustee, partner or the like;
- The employee owns or controls an interest of more than one percent (1%) in any business that has a financial interest arising from the procurement;
- The employee, any member of the employee's immediate family, or persons with whom the employee has personal or professional relationships that preclude the employee from acting in a fair and impartial manner, has a financial interest arising from the procurement; or
- The employee, a member of the employee's immediate family, or persons with whom the employee has personal or professional relationships that impair the employee's ability to act in a fair and impartial manner, is negotiating, or has an arrangement concerning prospective employment with a bidder, offeror, or contractor.
-

7. Prohibition against Rebates, Gifts, Compensation.

No Central Procurement Office or procuring State Agency employee shall solicit, demand, accept, or agree to accept from any person, which includes without limitation, a bidder, offeror, contractor, or subcontractor, any rebate, gift, money, or anything of value whatsoever, or any promise, obligation, or contract for future rewards or compensation in connection with the procurement process.

8. Site Visits Related to a Procurement.

Site visits needed to properly evaluate goods or services for a pending or future solicitation are allowed subject to the following conditions:

- If site visits are required within the solicitation for evaluation purposes, the State, and not the respondent being evaluated, must pay for such visits.
- Exceptions to this policy may be made by the Chief Procurement Officer or his or her designee. Any exception must be made on a case-by-case basis. If an exception is made, a written determination signed by the Chief Procurement Officer or his or her designee shall be included in the contract file.
- State employees making such site visits will incur and recover travel costs from the State entity for which the procurement is being conducted in accordance with State travel regulations.
- No direct reimbursement of individuals by a respondent is permitted. The procuring agency will determine all costs incurred by State employees in connection with the site visit and bill the appropriate respondent for reimbursement of costs by means of a check payable to the State entity.

9. Required Disclosures for procuring State Agency Employees. ~~Related to Procurements.~~

All procuring State Agency persons participating in the p~~P~~rocurement p~~P~~rocess shall execute a disclosure substantially in form to Attachment A to this policy. Any potential conflict shall be brought to the attention of the individual's immediate supervisor to determine whether re-assignment is warranted. Procuring State Agency employees should also be responsible for filing annual conflict of interest disclosures in accordance with their particular agency's policies and procedures. Filing an annual disclosure statement does not absolve an individual related in a particular procurement from disclosing conflicts on a case-by-case basis. Such disclosures shall be made available to the Central Procurement Office upon request.

~~–~~From time-to-time, evaluation panel members, by virtue of the nature of their roles as evaluators, will be privy to confidential or sensitive information that is only available to panel members~~-~~. The Chief Procurement Officer shall require participants to execute a confidentiality agreement, substantially in form to Attachment B to this policy, whereby the participants agrees not to disclose any information, whether written or oral, received by the participants during the solicitation process.

10. Required Disclosures for Central Procurement Office Employees~~Required Disclosures~~.

An employee of the Central Procurement Office ~~or procuring State Agency~~ involved in a procurement shall make disclosures to the Chief Procurement Officer in the following situations:

- When the employee has family or personal or professional relationships that conflict with, or give the appearance of a conflict;
- When the employee has an interest, familial, personal, professional or financial, that conflicts with the best interests of the State;
- The employee was previously employed by a bidder, offeror, or contractor involved in the procurement;

When the employee is aware of or should be aware of any other facts or circumstances that compromise the employee's ability to carry out his or her fiduciary duty to the State and act in a fair and impartial manner with respect to the State or the public.

•

Al~~All~~ Central Procurement Office ~~or procuring State Agency~~ employees shall execute an annual conflict of interest and confidentiality ~~questionnaire~~attestations ~~on such forms as prescribed by the Chief Procurement Officer~~substantially in form to Attachment C to this policy. The annual ~~conflict of interest questionnaire~~attestations shall be maintained by the Director of Category Management and Legal Team.

~~**Annual Disclosure.**~~

~~All Central Procurement Office or procuring State Agency employees shall execute an annual conflict of interest questionnaire on such forms as prescribed by the Chief Procurement Officer. The annual conflict of interest questionnaire shall be maintained by the Director of Category Management and Legal Team.~~

Related Statutes, Rules and Policies

Tenn. Code Ann. §§ 4-56-101, *et seq.*
Tenn. Code Ann. §§ 12-3-101, *et seq.*
Tenn. Code Ann. §§ 12-4-101, *et seq.*

ATTACHMENT A

CONFLICT OF INTEREST DISCLOSURE STATEMENT

INSTRUCTIONS FOR THE STATEMENT SIGNATORY:
Complete the space provided with the Procurement number applicable to the statement.
Complete, sign and date the applicable section (development or evaluation).
Complete each space provided beside the disclosure statements by either "initialing" the statement (to indicate an affirmation of the corresponding statement) OR by writing "N/A" (to indicate that the corresponding statement is not applicable).
If a possible conflict of interest is identified, a description of such should be attached to this document.

Solicitation NUMBER:	

INDIVIDUAL INVOLVED WITH PROCUREMENT DEVELOPMENT—

	I did not identify any potential conflict of interest, financial or otherwise, regarding my involvement with the development, formulation, drafting or review of the subject RFP or its scope of services.
	I identified the following possible conflict of interest issues, detailed and attached hereto, which might adversely reflect on or threaten the integrity of the subject RFP process:

SIGNATURE & DATE: _____

PRINTED NAME: _____

INDIVIDUAL INVOLVED WITH PROPOSAL EVALUATIONS—

	I reviewed the attached listing of service providers making proposals in response to the subject RFP and did not identify any potential conflict of interest, financial or otherwise, regarding my ability to fairly evaluate OR assist with the evaluation of all proposals.
	I reviewed the attached listing of service providers making proposals in response to the subject RFP and identified the following possible conflict of interest issues, detailed and attached hereto, which might adversely reflect on my ability to fairly evaluate OR assist with the evaluation of all proposals.

SIGNATURE & DATE: _____

PRINTED NAME: _____

ATTACHMENT B

ATTESTATION REGARDING CONFIDENTIALITY IN THE EVALUATION OF [INSERT PROCUREMENT METHOD] # _____ FOR _____

Employee Name: _____

Employee Phone Number: _____

Employee Email Address: _____

I, _____ (***print name***), do hereby attest, certify, warrant, and assure that I shall not disclose any procurement evaluation information related to [INSERT PROCUREMENT METHOD] #_____ for _____ until the Notice of Intent to Award is communicated in writing or electronic transmission to all respondents.

_____ _____

Employee's Signature Date

ATTACHMENT C

CENTRAL PROCUREMENT OFFICE EMPLOYEES
ANNUAL ATTESTATIONS

Employee Name: _____

Employee Phone Number: _____

Employee Email Address: _____

CONFLICT OF INTEREST

I, _____ (***print name***), do hereby attest, certify, warrant and assure that I will not participate in any portion of a procurement process when there is a potential conflict of interest, financial or otherwise, regarding my involvement with the procurement.

Furthermore, I _____ (***print name***), do hereby attest, certify, warrant and assure that I will make disclosures to the Chief Procurement Officer in the following situations:

- When I have family or personal or professional relationships that conflict with, or give the appearance of a conflict;
- When I have an interest, familial, personal, professional or financial, that conflicts with the best interests of the State;
- The I was previously employed by a bidder, offeror, or contractor involved in the procurement;
- When I am aware of or should be aware of any other facts or circumstances that compromise my ability to carry out his or her fiduciary duty to the State and act in a fair and impartial manner with respect to the State or the public.

CONFIDENTIALITY

I, _____ (***print name***), do hereby attest, certify, warrant, and assure that I shall not disclose any procurement evaluation information related to a procurement until the Notice of Intent to Award is communicated in writing or electronic transmission to all respondents.

_____

Employee's Signature Date

PROPOSED CHANGES TO:

POLICY NO. 2013-009:

CENTRAL PROCUREMENT OFFICE BUSINESS CONDUCT AND ETHICS POLICY AND PROCEDURES

CLEAN VERSION

Policy Number 2013-009
Central Procurement Office
Business Conduct and Ethics Policy and Procedures

Effective: May 28, 2013
Prepared by: The Central Procurement Office of the State of Tennessee

1. Purpose.

To establish a code of business and ethical conduct for employees involved in the procurement or contracting processes on behalf of the State of Tennessee.

2. Scope.

The Central Procurement Office recognizes that persons involved in the procurement or contracting process on behalf of the Central Procurement Office and State agencies represent the State in all facets of their work. All employees of the Central Procurement Office and State agencies involved in the procurement or contracting process are expected to conduct themselves such that their personal and professional conduct does not have a negative effect on the work of the Central Procurement Office or the procuring State Agency or reflect poorly on the public image, reputation, or credibility of the State. Accordingly, these policies and procedures apply to all employees of the Central Procurement Office and procuring State Agencies involved with procurements, solicitations, negotiations, contract awards and amendments to such awarded contracts, or protest and termination hearings with respect to procurements.

3. Definitions.

For purposes of this policy, the following terms shall have the meanings described below:

"Immediate Family" – means spouse, dependent children or stepchildren, or relatives related by blood or marriage.

"Procurement" – means the act of buying, purchasing, renting, leasing, or otherwise acquiring any goods or services covered by these Rules. It also includes all functions that pertain to the obtaining of any goods or service, including the description of requirements, selection and solicitation of sources, preparation and award of a contract, and all phases of contract administration.

"State" – means the State of Tennessee, including its departments, agencies, and entities that fall under its purview.

"State Agency" – means the departments, agencies, and entities of the State of Tennessee.

4. Requirement of Good Faith and Fair Dealing.

All procurement professionals involved in the public procurement process, which includes without limitation, solicitations, negotiation, performance, award, administration of State contracts or hearing of protests, must act in good faith and deal with the public in a fair and

impartial manner. Each Central Procurement Office and procuring State Agency employee must act with honesty and integrity and shall remove himself or herself from the procurement process in the event he or she cannot act in good faith or conduct his or her work in a fair and unbiased manner.

5. Fiduciary Duty.

Public employment is a public trust. All procurement professionals owe a fiduciary duty to the State and each employee plays an important role in ensuring that the State's needed goods and services are procured in an efficient and economical manner on terms and conditions in the best interests of the State.

6. Avoiding Conflicts of Interest.

All Central Procurement Office Employees or employees of procuring State agencies should avoid any actions, relationships, or business transactions that conflict with the State's best interests or otherwise create conflicts of interests, real or perceived, that taint the procurement process or the reputation of the State.

No employee of Central Procurement Office or procuring State Agency that is involved in the procurement process shall participate in any portion of the procurement process when:

- The employee is contemporaneously employed by a bidder, offeror, or contractor involved in the procurement;
- The employee, any member of the employee's immediate family, or persons with whom the employee has personal or professional relationships that preclude the employee from acting in a fair and impartial manner, holds a position with a bidder, offeror, or contractor such as an officer, director, trustee, partner or the like;
- The employee owns or controls an interest of more than one percent (1%) in any business that has a financial interest arising from the procurement;
- The employee, any member of the employee's immediate family, or persons with whom the employee has personal or professional relationships that preclude the employee from acting in a fair and impartial manner, has a financial interest arising from the procurement; or
- The employee, a member of the employee's immediate family, or persons with whom the employee has personal or professional relationships that impair the employee's ability to act in a fair and impartial manner, is negotiating, or has an arrangement concerning prospective employment with a bidder, offeror, or contractor.

7. Prohibition against Rebates, Gifts, Compensation.

No Central Procurement Office or procuring State Agency employee shall solicit, demand, accept, or agree to accept from any person, which includes without limitation, a bidder, offeror, contractor, or subcontractor, any rebate, gift, money, or anything of value whatsoever, or any promise, obligation, or contract for future rewards or compensation in connection with the procurement process.

8. Site Visits Related to a Procurement.

Site visits needed to properly evaluate goods or services for a pending or future solicitation are allowed subject to the following conditions:

- If site visits are required within the solicitation for evaluation purposes, the State, and not the respondent being evaluated, must pay for such visits.
- Exceptions to this policy may be made by the Chief Procurement Officer or his or her designee. Any exception must be made on a case-by-case basis. If an exception is made, a written determination signed by the Chief Procurement Officer or his or her designee shall be included in the contract file.
- State employees making such site visits will incur and recover travel costs from the State entity for which the procurement is being conducted in accordance with State travel regulations.
- No direct reimbursement of individuals by a respondent is permitted. The procuring agency will determine all costs incurred by State employees in connection with the site visit and bill the appropriate respondent for reimbursement of costs by means of a check payable to the State entity.

9. Required Disclosures for procuring State Agency Employees.

All procuring State Agency persons participating in the procurement process shall execute a disclosure substantially in form to Attachment A to this policy. Any potential conflict shall be brought to the attention of the individual's immediate supervisor to determine whether re-assignment is warranted. Procuring State Agency employees should also be responsible for filing annual conflict of interest disclosures in accordance with their particular agency's policies and procedures. Filing an annual disclosure statement does not absolve an individual related in a particular procurement from disclosing conflicts on a case-by-case basis. Such disclosures shall be made available to the Central Procurement Office upon request.

From time-to-time, evaluation panel members, by virtue of the nature of their roles as evaluators, will be privy to confidential or sensitive information that is only available to panel members. The Chief Procurement Officer shall require participants to execute a confidentiality agreement, substantially in form to Attachment B to this policy, whereby the participants agrees not to disclose any information, whether written or oral, received by the participants during the solicitation process.

10. Required Disclosures for Central Procurement Office Employees.

An employee of the Central Procurement Office involved in a procurement shall make disclosures to the Chief Procurement Officer in the following situations:

- When the employee has family or personal or professional relationships that conflict with, or give the appearance of a conflict;
- When the employee has an interest, familial, personal, professional or financial, that conflicts with the best interests of the State;
- The employee was previously employed by a bidder, offeror, or contractor involved in the procurement;

- When the employee is aware of or should be aware of any other facts or circumstances that compromise the employee's ability to carry out his or her fiduciary duty to the State and act in a fair and impartial manner with respect to the State or the public.

All Central Procurement Office employees shall execute an annual conflict of interest and confidentiality attestations substantially in form to Attachment C to this policy. The annual attestations shall be maintained by the Director of Category Management and Legal Team.

Related Statutes, Rules and Policies
Tenn. Code Ann. §§ 4-56-101, *et seq.*
Tenn. Code Ann. §§ 12-3-101, *et seq.*
Tenn. Code Ann. §§ 12-4-101, *et seq.*

ATTACHMENT A

CONFLICT OF INTEREST DISCLOSURE STATEMENT

INSTRUCTIONS FOR THE STATEMENT SIGNATORY:
Complete the space provided with the Procurement number applicable to the statement.
Complete, sign and date the applicable section (development or evaluation).
Complete each space provided beside the disclosure statements by either "initialing" the statement (to indicate an affirmation of the corresponding statement) OR by writing "N/A" (to indicate that the corresponding statement is not applicable).
If a possible conflict of interest is identified, a description of such should be attached to this document.

Solicitation NUMBER:	

INDIVIDUAL INVOLVED WITH PROCUREMENT DEVELOPMENT—

	I did not identify any potential conflict of interest, financial or otherwise, regarding my involvement with the development, formulation, drafting or review of the subject RFP or its scope of services.
	I identified the following possible conflict of interest issues, detailed and attached hereto, which might adversely reflect on or threaten the integrity of the subject RFP process:

SIGNATURE & DATE: _____

PRINTED NAME: _____

INDIVIDUAL INVOLVED WITH PROPOSAL EVALUATIONS—

	I reviewed the attached listing of service providers making proposals in response to the subject RFP and did not identify any potential conflict of interest, financial or otherwise, regarding my ability to fairly evaluate OR assist with the evaluation of all proposals.
	I reviewed the attached listing of service providers making proposals in response to the subject RFP and identified the following possible conflict of interest issues, detailed and attached hereto, which might adversely reflect on my ability to fairly evaluate OR assist with the evaluation of all proposals.

SIGNATURE & DATE: _____

PRINTED NAME: _____

ATTACHMENT B

ATTESTATION REGARDING CONFIDENTIALITY IN THE EVALUATION OF [INSERT PROCUREMENT METHOD] # _____ FOR _____

Employee Name: _____

Employee Phone Number: _____

Employee Email Address: _____

I, _____ (***print name***), do hereby attest, certify, warrant, and assure that I shall not disclose any procurement evaluation information related to [INSERT PROCUREMENT METHOD] #_____ for _____ until the Notice of Intent to Award is communicated in writing or electronic transmission to all respondents.

_____ _____

Employee's Signature Date

ATTACHMENT C

CENTRAL PROCUREMENT OFFICE EMPLOYEES
ANNUAL ATTESTATIONS

Employee Name: _____

Employee Phone Number: _____

Employee Email Address: _____

CONFLICT OF INTEREST

I, _____ (***print name***), do hereby attest, certify, warrant and assure that I will not participate in any portion of a procurement process when there is a potential conflict of interest, financial or otherwise, regarding my involvement with the procurement.

Furthermore, I _____ (***print name***), do hereby attest, certify, warrant and assure that I will make disclosures to the Chief Procurement Officer in the following situations:

- When I have family or personal or professional relationships that conflict with, or give the appearance of a conflict;
- When I have an interest, familial, personal, professional or financial, that conflicts with the best interests of the State;
- The I was previously employed by a bidder, offeror, or contractor involved in the procurement;
- When I am aware of or should be aware of any other facts or circumstances that compromise my ability to carry out his or her fiduciary duty to the State and act in a fair and impartial manner with respect to the State or the public.

CONFIDENTIALITY

I, _____ (***print name***), do hereby attest, certify, warrant, and assure that I shall not disclose any procurement evaluation information related to a procurement until the Notice of Intent to Award is communicated in writing or electronic transmission to all respondents.

_____ _____

Employee's Signature Date

PROPOSED CHANGES TO:

POLICY NO. 2013-002:

CENTRAL PROCUREMENT OFFICE PROCUREMENT METHODS POLICY AND PROCEDURES

REDLINE COMPARISON TO EXISTING POLICY

Policy Number 2013-002
Central Procurement Office
Procurement Methods Policy and Procedures

Effective: May 28, 2013
Prepared by: The Central Procurement Office of the State of Tennessee

1. Purpose.

To establish a policy and procedure concerning procurement methods used by the Central Procurement Office and Delegated State Agencies when procuring goods and services that ensures fairness, transparency and the maximum amount of competition for State contracts.

2. Scope.

This policy applies to all procurements and resulting contracts as required by statute or rule.

3. Definitions.

For purposes of this policy, the following terms shall have the meanings described below:

"Agency" - means each State board, commission, committee, department, officer, or any other unit of State government.

"Agency Term Contract"- means a State Agency Contract in which a source or sources of supply are established for a specified period of time at an agreed upon unit price or prices.

"Best and Final Offer" or "BAFO" - means a negotiation tool whereby the State requests that respondents provide their best and final offer or response.

"Central Procurement Office" means the State office established and empowered by Tenn. Code Ann. § 4-56-104.

"Central Procurement Office Policy" means a documented set of guidelines concerning procurement related strategy, which directs and restricts the plans, decisions, and actions of State procurement professionals as approved by the Procurement Commission in accordance with Tenn. Code Ann. §§ 4-56-101, *et seq.*

"Competitive Negotiation" – means a competitive procurement method that involves direct contract negotiation with one or more respondents who have been pre-qualified or pre-selected by the Central Procurement Office through a competitive process.

"Competitive Negotiation Techniques" – means those direct negotiation techniques used in connection with a competitive negotiation method of procurement.

"Contract" means any duly authorized and legally binding written agreement or purchase order for goods or services by and between the State of Tennessee and any person or any separate entity with the independent legal capacity to contract and sue and be sued.

"Contracting Party" means a person or legal entity with the independent legal capacity to contract or sue and be sued that has been awarded a contract through proper authority.

"Delegated Authority" means a written document, approved in accordance with Central Procurement Office Policy, that authorizes a State Agency to award a grant, make a loan consistent with a grant, or procure goods or services on behalf of the State.

"Delegated State Agency" means a State Agency that, in accordance with Central Procurement Office Policy, has authority to award a grant, make a loan consistent with a grant, or procure goods or services program(s) within specified limits and guidelines.

"Emergency Purchases" means a State Agency purchase made during an actual emergency arising from unforeseen causes without the issuance of a competitive solicitation.

"Immaterial Defect" – means a defect in a response to a solicitation, which is of no substantial consequence, that is capable of correction through supplemental information or a clarifying response. A defect is immaterial when the effect on price, quantity, or delivery is negligible when contrasted with the total cost or scope of the goods or services being procured. Any defect, the correction of which gives a respondent a competitive advantage vis-à-vis other respondents or prejudicial to one or more respondents, shall not be deemed to be an immaterial defect.

"Person" – means a natural person or legal entity with the legal capacity to enter into contracts or sue and be sued.

"Procurement" - means buying, purchasing, renting, leasing, or otherwise acquiring any goods or services. It also includes all functions that pertain to the obtaining of any goods or services, including the description of requirements, selection and solicitation of sources, negotiation, preparation and award of a Contract, and all phases of Contract administration.

"Purchase Order" - means a document issued by the Central Procurement Office or a State Agency to a Contracting Party authorizing a purchase. Upon delivery to the Contracting Party, a "purchase order" becomes a binding Contract on both parties.

"Respondent" – means a natural person or legal entity with the capacity to contract or sue and be sued who has submitted a written response to a solicitation.

"Responsible" – with respect to a respondent or a proposer means a person who has the capacity in all material respects to perform fully the Contract requirements, and the integrity and reliability that will assure good faith performance.

"Responsive" – with respect to a respondent or a proposer means a person who has submitted a proposal, which conforms in all material respects, to the terms of the Solicitation.

"Reverse Auction" – shall have the meaning set forth in Tenn. Code Ann. § 12-3-219.

"Rules" means the Comprehensive Rules and Regulations concerning the procurement of goods and services adopted by the Procurement Commission of the State of Tennessee.

"Solicitation" means a written document that facilitates the award of a contract to Contracting Parties for goods or services. Examples of solicitations include, but are not limited to, an Invitation to Bid, a Request for Information, a Request for Proposals, and a Request for Qualifications.

"Sole Source Procurement" means a procurement for which only one vendor possesses the unique and singularly available capability to meet requirement of the solicitation, such as technical qualifications, ability to deliver at a particular time, or services from a public utility or a situation where a particular supplier or person is identified as the only qualified source available to the requisitioning authority.

"Specification" -means any description of the physical, functional, or performance characteristics, or of the nature of a supply, service, or construction item. "Specification" includes, as appropriate, requirements for inspecting, testing, or preparing a supply, service, or construction item for delivery.

"State" – means the State of Tennessee and its Agencies, boards and commissions as the context requires.

"State Agency" - means the departments, agencies, and entities of the State of Tennessee.

"Statewide Contract" means a contract for goods or services established by the Chief Procurement Officer that all State Agencies must utilize and that may be used by local governments, higher education and not-for-profit entities.

"Target Pricing" – means a negotiation tool whereby the State provides respondents with the price the State expects to pay for a good or service.

4. Procurements - Generally.

All procurements shall utilize an approved procurement method in accordance with applicable statutes, the Rules or Central Procurement Office Policy. Allowable procurement methods and information gathering methods and techniques include, but are not limited to, the following:

- Informal Solicitations
- Invitation to Bid (ITB)
- Request for Proposals (RFP)
- Emergency Purchases

- Competitive Negotiation
- Sole Source
- Reverse Auction
- Request for Information
- Request for Qualifications (RFQ)

5. Waiver of Immaterial Defects in a Response.

The maximum amount of competition for State contracts is in the best interests of the State. immaterial defects in a response should be waived, corrections or clarifications by respondents should be allowed after responses are reviewed, provided these defects are not of the type to give one respondent an unfair competitive advantage over other respondents. Procurement professionals should use restraint in deeming responses to be non-responsive on the basis of immaterial defects in a response that do not impugn competition, but that are capable of being responsive through correction or clarification.

6. Addenda, Amendments, and Clarifications to a Solicitation.

Prior to public release, all solicitations and subsequent addenda, amendments, and clarifications to a solicitation require the approval of the Central Procurement Office and all other State entities that endorsed or approved the original solicitation. All solicitations, including any addenda, amendments, and clarifications to a solicitation, shall be approved based on the following:

- Application of the requirements of Central Procurement Office Policy and the Rules;
- Adequacy of the scope of service description; and
- Adequacy of the solicitation's assurance of:
    - Fairness to potential providers of commodities or services;
    - Clear and open competition;
    - Achievement of procurement objectives; and
    - Protection of the State's best interests.

7. Pre-Proposal Conference.

Central Procurement Office or procuring State Agency staff may conduct a Pre-Proposal conference after release of the solicitation, but before responses are submitted, if such is determined to be in the best interests of the State.

8. Oral Presentation.

A solicitation may require oral presentations in a manner set forth in the solicitation. Oral presentations shall be conducted after the solicitation is released, but before responses are submitted to the Central Procurement Office or procuring State Agency.

9. General Requirements of Solicitations and Response Evaluation.

Each solicitation shall establish a time schedule for opening and evaluation of responses and inspection of the procurement file.

9.1. *Technical Response.*

The technical response evaluation should include, but is not limited to, consideration of the following factors:

- Quality of the goods or reliability of the services;
- Experience and qualifications (e.g., pending litigation, years in business, utilization of diverse business enterprises as sub-consultants, subcontractors, or suppliers to assist in providing goods or services, partnering with or mentoring of diverse business programs associated with the delivery of goods or services, and customer references, etc.);
- Technical approach;
- Financial ability to perform;
- Delivery terms (e.g., number of days for product to be shipped or for job to be started, etc.);
- Past vendor performance, financial resources, and ability to perform to specification requirements;
- The effect of the purchase on Agency productivity;
- Environmental options and resources (e.g., green, energy efficiency, earth-conscious considerations , recycle options, remanufactured/refurbished products or equipment, packaging, certificates, permits, awards, successful and ongoing programs, etc.); and
- Used products or equipment.

9.2. *Cost Proposal.*

The cost proposal should include, but not be limited to, the following considerations:

- Acquisition costs;
- Costs of implementation;
- Delivery costs;
- Discounts or Rebates;
- Cost of any State employee training associated with the purchase;
- Implementation and start-up costs, including installation costs, life cycle costs, trade-in value and warranty options;
- Discounts;

Once the evaluation team has completed the evaluation of the technical portion of the response, the cost proposal (e.g., single award, line item, or group award) will be calculated using a formula set forth in the solicitation. The relative scoring and weight between the technical response and the cost proposal shall be set forth in the solicitation.

The evaluation team shall combine the technical response scores with the cost proposal scores for each respondent to determine the response that has the highest evaluated score. Technical responses and cost proposals may be contemporaneously evaluated or tabulated so long as the evaluation panel for the technical responses is independent of the persons tabulating or otherwise analyzing the cost proposals. In no event should the persons serving on the evaluation panel for the technical responses be influenced by the cost proposals and all safe guards must be in place to maintain a proper segregation of duties and responsibilities.

10. Rejection of Responses.

The Chief Procurement Officer or Delegated State Agency, with the approval of the Chief Procurement Officer, shall have the absolute discretion to reject any and all responses. The Chief Procurement Officer or Delegated State Agency shall provide written notification to all respondents whose responses were rejected. If the evaluation team determines that a response is non-responsive, non-responsible, or rejects a response for any reason, the State should not complete the technical response evaluation or open the associated cost proposal. Minor clerical errors or immaterial defects will not automatically result in rejection of a response.

Any response that does not meet the requirements of the solicitation may be considered to be nonresponsive and the response may be rejected. Examples of non-responsiveness include, but are not limited to:

- The response is untimely;
- The response is incomplete;
- The response is inconsistent with the specifications as set forth in the solicitation; or
- The response restricts the rights of the State or otherwise qualifies the respondent's proposal as set forth in his or her response.

All responses may be rejected by the Chief Procurement Officer or Delegated State Agency for the following reasons:

- Unreasonably high prices or failure of all responses to meet technical specifications as set forth in the solicitation;
- Error or defect in the solicitation;
- Cessation of need;
- Unavailability of funds;
- Lack of adequate competition;
- A determination by the State Agency, with the concurrence of the Chief Procurement Officer, that proceeding with the Procurement would be detrimental to the best interests of the State.

A rejection of all responses shall be documented and set forth the reasons for rejection of all responses. The Chief Procurement Officer shall report rejection of all responses to the Comptroller of the Treasury.

Selection or rejection of a response does not affect its status as a public record. Upon completion of the review and evaluation of responses submitted in response to a solicitation, evaluated responses and associated materials shall be open for review by the public in accordance with Tenn. Code Ann. § 10-7-504(a)(7).

The Chief Procurement Officer may reject any response, even a response that is ostensibly responsive, that contains prices for individual items or services that are inconsistent with the solicitation or unrealistic when compared to other prices in other responses to the same solicitation, provided that doing so is in the best interests of the State.

11. Verification of Ability to Perform.

Responses may be deemed non-responsive for lack of apparent ability to perform the proposed contract after adequate assurance of performance is requested by the Central Procurement Office and the respondent is unable to provide the requested assurance. A respondent must, upon request of the State, furnish satisfactory evidence of the ability to furnish products or services in accordance with the terms, conditions, and specifications of the solicitation. Proposal bonds, performance bonds or other security may be required for any contract. All such requirements shall be set forth in the solicitation.

The procuring Agency may inspect the facilities of any respondent or require additional information regarding a respondent's ability to perform the proposed contract. A site visit may be conducted by an Agency where the commodity or service at issue may be impacted by site conditions

12. Amendment or Withdrawal of Responses.

A respondent may withdraw or amend a response prior to its opening. After response opening, and prior to award, a respondent may withdraw a response or a portion thereof only upon a written determination by the Chief Procurement Officer that there is an obvious response error supported by appropriate industry, market or vendor cost information and where enforcement of the response would impose an unconscionable hardship on the respondent.

13. Notice of Intent to Award.

A Notice of Intent to Award shall be communicated in writing or by electronic transmission to all respondents. Each contract shall be awarded and let by the State with reasonable promptness to the apparent winning respondent, e.g., on the basis of highest evaluation score or lowest cost, whose response meets the requirements and criteria set forth in the solicitation. Where more than one item is specified in a solicitation, the State reserves the right to determine the winning respondent, or respondents in the case of a multiple award, either on the basis of each individual item, a group of items, or the total of all items, unless otherwise provided in the solicitation.

14. Contract Award.

The Central Procurement Office or Delegated State Agency shall document the evaluation team members' names, scores, and evaluation results and recommend an award to the respondent who has received the highest evaluation score or in the case of an ITB, an award to the responsive and responsible respondent with the lowest cost response.

Notwithstanding the foregoing, there are situations where it is in the best interests of the State to award a contract to a respondent other than the respondent with the lowest cost proposal. In such event, the Chief Procurement Officer, or his or her designee, shall document the reasons for awarding a contract to a respondent other than one with the lowest cost proposal. Justifications for such an award include, but are not limited to:

- The highest evaluated response, taken as a whole, falls outside the competitive range;
- The respondent is not capable of meeting the solicitation requirements;
- The respondent is not able to perform under the terms of the contract as awarded, e.g., in terms of quality, quantity or timeliness of performance; or
- Based on the totality of the above and other considerations, award to another respondent is in the best interests of the State, provided this determination is supported by sufficient documentation that will become part of the procurement file.

After the evaluation team completes the award recommendation process and notifies the respondents of the official award recommendation, the procurement file shall be open and available for public inspection for at least seven (7) calendar days prior to the actual award of the contract. Protests shall be governed by Tenn. Code Ann. § 4-56-101, *et seq.*, and the Rules of the Central Procurement Office.

15. Single Response to Solicitation.

In the event that only one response is received by the Central Procurement Office or the procuring State Agency by the response deadline in response to a solicitation, the State may elect one of the following actions:

- The procuring Agency head may request the Chief Procurement Officer to cancel the solicitation based upon insufficient competition;
- Open the technical response to determine whether it meets minimum requirements. If it does not meet minimum requirements, the procuring Agency head may request the Chief Procurement Officer to approve to cancel the solicitation;
- If the response meets minimum requirements, the procuring Agency may open the cost proposal and negotiate with the respondent; or
- The procuring Agency head may also request the Chief Procurement Officer to approve or cancel the solicitation if the cost is deemed excessive after attempts at negotiation.

16. Cancellation or Reissuance of Solicitation.

Cancellation or reissuance of a solicitation requires a written notice of cancellation or reissuance from the Central Procurement Office for contracts procured by the Central Procurement Office or written notice of cancellation or reissuance from the procuring Agency if it is an Agency

procured contract. Any notice of cancellation or reissuance of a solicitation by an Agency shall also be provided to the Central Procurement Office. All decisions to cancel or reissue a solicitation shall be documented and become part of the procurement file.

17. Tie Responses.

A tie will exist where two or more respondents offer goods or services that meet all specifications and terms and conditions at identical prices, including cash discount offered for prompt payment. A tie will be broken by considering the following factors, in descending order:

- First preference shall be given to a "Tennessee Respondent." Pursuant to Tenn. Code Ann. § 12-4-121(c)(2), a "Tennessee Respondent" means a business that is:
    - Incorporated in this State;
    - Has its principal place of business in this State; or
    - Has an established physical presence in this State.
- Second preference shall be given to certified disadvantaged business enterprise ("DBE") respondents.
- Third preference shall be given to the respondent who was the low cost respondent on other items being procured for the same solicitation.
- Fourth preference shall be given to the respondent who offers the best delivery.
- If a tie remains, it shall be broken by lot or coin toss.

18. Protests.

Protests shall be governed by Tenn. Code Ann. § 4-56-101, *et seq.*, Central Procurement Policy, and the Rules.

19. Procurement and Information Gathering Methods and Techniques.

19.1. *Informal Solicitations.*

Informal solicitations may be used for one time purchases or for contracts with a total value not to exceed twenty-five thousand dollars ($25,000.00) or such amount approved by the Procurement Commission. Three quotes should be obtained, when practicable. The person soliciting quotes shall document the quotes received in accordance with Central Procurement Office Policy, which shall become part of the procurement file. Purchase orders or contracts may not be artificially divided by a Delegated State Agency in order to make the purchase amount fall below limitations established in Central Procurement Office Policy or the Rules.

19.2. *Invitation to Bid ("ITB").*

An ITB is a request, verbal or written, which is made to prospective suppliers of commodities or providers of services requesting the submission of a response for the

purpose of awarding a contract or transmitting a purchase order. An ITB is generally an objective determination where the award is made to the responsive and responsible respondent who meets the minimum specifications and requirements at the lowest cost.

All ITBs shall require, at a minimum, that respondents:

- Provide a valid mailing or email address;
- Sign the response prior to opening;
- Provide a net price for the unit specified for each item;
- Initial in ink any corrections of a line item unit price made by the respondent;
- Provide the number of calendar days required for delivery after receipt of order; and

- State the length of time in which a proposed pricing is valid (failure to do so will result in pricing being valid for sixty (60) days).

Alternate items may be proposed in a response if allowed by the terms of the solicitation and if the alternate item or items meet the specifications in terms of quality, form and function. The procuring Agency may specify whether alternate items are allowed.

19.3. *Request for Proposals ("RFP").*

A RFP is a formal invitation to potential respondents to submit a proposal to provide a good or service to a State or one or more of its Agencies. Additionally, a RFP is a Procurement process whereby the State has the ability to judge if a respondent's qualifications, experience, and approach will result in an award of a contract to a respondent on terms and conditions in the best interests of the State.

Terms and conditions for a RFP are derived from the *pro forma* Contract (located on the Central Procurement Office website) developed during the RFP creation and attached to the solicitation. A RFP shall set forth specific provisions in accordance with Central Procurement Office Policy and include and meet the following:

- The description of the technical requirements for the goods or services to be procured by RFP shall provide sufficient detail to minimize the likelihood of respondent confusion;
- The technical requirements and scope in the RFP shall not contain features that unduly restrict competition;
- The RFP shall contain directions regarding the submittal of responses;
- State requirements and restrictions regarding the RFP should be detailed in the RFP;
- A description of the evaluation factors to be considered in evaluating the responses should be detailed in the RFP. Evaluation factors should include, by way of example only, respondent qualifications, experience, technical approach, and cost; A declaration of whether the contract award is subject to successful contract negotiation should be detailed in the RFP; and
- The RFP shall contain a schedule of events that specifies RFP deadlines. Respondents shall be given a reasonable time, as determined by the Chief Procurement

Officer, to consider the required scope and the response evaluation factors before responses are submitted. The schedule of events may contain the deadlines for events, which includes by way of example only:

- RFP Issuance Date;
- Disability Accommodation Request;
- Pre-Proposal Conference;
- Notice of Intent to Propose;
- Respondent Written "Questions and Comments" Submission;
- State Response to Written "Questions and Comments";
- Oral Presentation;
- Site Visit;
- Performance Bond Submission;
- Response Submission;
- State Completion of Technical Response Evaluations;
- State Opening and Scoring of Cost Proposals;
- State Evaluation Notice Released and RFP Files Opened for Public Inspection; and
- Contract Signing.

The Central Procurement Office or Delegated State Agency shall carefully consider all persons involved with the development, formulation, drafting, or review of a RFP and safeguard against any perceived or actual conflicts of interest.

The Central Procurement Office or Delegated State Agency shall approve all RFPs and any addenda, amendments, and clarifications to RFPs before their public release. All RFPs that would result in contracts requiring the Comptroller's approval shall also require the approval of the Office of the Comptroller of the Treasury before their public release. Further, any addenda, amendments, and clarifications to RFPs that would result in contracts requiring the Comptroller's approval shall be filed by the procuring Agency with the Comptroller of the Treasury contemporaneously with their public release.

A RFP or its revisions shall be approved based on the following:

- Application of the requirements of the Rules and Central Procurement Office Policy;
- Adequacy of the scope description; and
- Adequacy of the RFP's assurance of:

  - Fairness to respondents;
  - Clear and open competition;
  - Achievement of procurement objectives; and
  - Protection of the State's interests.

Upon approval, the Central Procurement Office or Delegated State Agency shall send the RFP or a written or electronic notice that the specific RFP has been released to a documented list of potential providers.

19.3.1. *Evaluation of Responses.*

To foster the integrity of the RFP evaluation process, each respondent shall be required to submit the Cost Proposal component of the response in a sealed and labeled envelope separate from the technical response component. The cost proposal shall be evaluated separately from the technical response:

- The technical response and the cost proposal may be opened and evaluated simultaneously provided safeguards are in place to avoid the panel evaluating the technical proposal being influenced by the cost proposal;
- The scores of both technical response and the cost proposal may be combined to arrive at a total evaluation score.
- Any response that fails to adequately separate the cost proposal components from the technical response components may be considered non-responsive and rejected by the Chief Procurement Officer in his or her sole discretion.
- Response evaluations shall be impartial and ensure that all material requirements of the RFP have been met.
- Responses shall be evaluated in a manner consistent with the Rules and Central Procurement Office Policy.
- Prior to reviewing responses, each Response Evaluation Team member shall review a list of persons making responses and determine if the member has a conflict of interest with serving on the Response Evaluation Team. Each member shall sign a conflict of interest statement as required by Central Procurement Policy. The conflict of interest statement shall be retained in the Procurement file.
- Responses shall be evaluated based on criteria set forth in the solicitation and on the basis of factors pertinent to the goods or services being procured.
- The Central Procurement Office or Delegated State Agency shall award a contract to the respondent whose response receives the highest evaluation score based on the respondent's technical response and cost proposal.
- Contract awards to a respondent other than the respondent receiving the highest evaluated score shall require the written approval of the Chief Procurement Officer. Justification for the contract award shall be documented in the procurement file.

19.4. *Emergency Purchases.*

"Emergency Purchases" are State Agency purchases made during an actual emergency arising from unforeseen causes without the issuance of a competitive solicitation.

The Central Procurement Office or Delegated State Agency may make purchases of goods or services in the open market to meet emergencies arising from an unforeseen cause.

Emergency purchases shall be made by contract in accordance with Central Procurement Office Policy and the Rules and utilize competitive procurement methods or negotiations whenever practicable. The procuring Agency shall maintain a procurement file that addresses the following:

- The circumstances leading to an emergency purchase;
- Procurement-related actions taken in response to the emergency, including procurement methods used; and
- A complete list of goods or services procured, including prices paid and total purchase amount.

19.4.1. *Conditions of Use for Emergency Purchase.*

Typical circumstances that warrant the use of an Emergency Purchase method include, by way of example only, natural disasters, e.g., tornadoes and floods, fire and oil or other hazardous material spill, mechanical failures, system outages, or unforeseen police action. An "emergency" does not require the declaration of a State of Emergency. Poor planning or the expiration of funds does not constitute an emergency. While these circumstances may require immediate action or may justify use of Non-Competitive Procurement methods, these circumstances do not warrant use of an Emergency Purchase method.

19.4.2. *Emergency Purchase Approval Process and Written Documentation.*

The Chief Procurement Officer may delegate Emergency Purchase authority to a State Agency to address emergencies arising from any unforeseen cause, including, but not limited to, delays by contractors, delays in transportation, unanticipated work volume, system or mechanical failures acts of God, or unforeseen police action. Delegated State Agencies may procure goods or services through the Emergency Purchase method in accordance with applicable rules, policies, and procedures. State Agencies should make Emergency Purchases through the Edison system and submit in writing to the Central Procurement Office the following information upon request by the Central Procurement Office:

- The circumstances leading to the Emergency Purchase;
- The procurement-related actions taken in response to the emergency, including procurement methods used;
- A complete list of goods or services procured, including prices paid and total purchase amount; and
- As applicable, additional purchases expected, including expected price and total purchase amount, as of the time of the report.

19.5. *Competitive Negotiation.*

A competitive negotiation is a procurement method that involves direct discussions between the State and respondents who have been pre-qualified through a pre-

qualification method and found to be responsive and responsible. The purpose of a competitive negotiation is to facilitate discussion between the State and the best evaluated respondent or respondents to ensure award of a contract or contracts on terms on conditions in the best interests of the State.

Competitive negotiation techniques may be used in conjunction with any procurement method. All negotiations shall be conducted by the Chief Procurement Officer, his or her appointed lead negotiator, or an appointed negotiation team. The State may elect to negotiate by requesting revised cost proposals from one or more responsive and responsible respondents. The State, however, reserves the right to award a contract on the basis of initial responses received. Accordingly, each response should contain the respondent's best terms from a price and technical standpoint.

The State reserves the right to conduct multiple negotiation rounds or limit negotiations to only respondents in the competitive range or to only the highest evaluated respondent. If the State exercises its right to enter into negotiations, it may identify areas of one or more proposals that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those identified issues during negotiations.

All responsive and responsible respondents the State has identified for further cost negotiation will receive equivalent information. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct Target Pricing and other price or service level negotiations. Target Pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual respondent pricing. During Target Price negotiations, respondents are not obligated to meet or beat target prices, but respondents will not be allowed to increase prices they propose. All communications, clarifications and negotiations shall be conducted in a manner that supports fairness in proposal improvement. Note that each clarification sought by the State may be unique to an individual respondent.

The Central Procurement Office staff shall maintain, at a minimum, the following documentation for a competitive negotiation:

- A log of the date and time of each meeting with a respondent, including the identity of the respondent and its representative;
- A description of the nature or reason for all material communications with each respondent; and
- A copy of all written and electronic communications between the Central Procurement Office or State Agency and each respondent.

19.6. *Sole Source Procurements.*

Sole source procurements may be made when an item or service possesses specific characteristics that can only be filled by a single source or where exclusive rights exist. Sole source procurements shall require the State Agency to provide advance justification to the Central Procurement Office in accordance with Central Procurement Office Policy. All sole source procurements, regardless of the dollar amount, require the Chief Procurement Officer's prior approval. Reporting of sole source procurements shall be provided to the Comptroller of the Treasury in such form and time period as prescribed in Central Procurement Policy. The Chief Procurement Officer in approving the use of a sole source method of procurement shall consider and adequately document in the procurement file the following:

- Whether the vendor possesses exclusive or predominant capabilities or the item or service contains features providing a superior utility not obtainable from similar vendors;
- Whether the product or service is unique and available from only one source;
- Whether the program requirements can be modified so that competitively procured goods or services may be used;
- Whether items must be interchangeable or compatible with in-place items;
- Whether or not it is in the State's best interests to conduct a pilot program for a defined period of time; or
- Whether the economics, technical aspects, or other facts and circumstances of the procurement in question make the use of a sole source procurement method a more prudent choice than a competitive procurement method.

Sole source procurements shall also be conducted in accordance with the Central Procurement Office's *Non-competitive Procurement Policy and Procedures.*

19.7. *Reverse Auction.*

A Reverse Auction is a competitive process that allows respondents to bid on specified goods or services electronically and adjust cost proposals during a specified time period. An award shall be made to the respondent determined to be the lowest responsible and responsive respondent at the close of the specified response period.

19.8. *Request for Information ("RFI").*

A "Request for Information" or "RFI" is a solicitation sent to a broad base of potential suppliers for the purpose of developing strategy, building a database, or preparing for a Request for Proposals or a Request for Qualifications. A RFI enables an equitable and simultaneous comparison of vendors. Agencies may use this tool to gather information about the availability of goods or services. A RFI is created through the Edison system and should be utilized when:

- An Agency has a procurement need, but requires more information to fully understand the industry;
- The Agency desires to identify vendors who are available to supply the needed good or service; or

- When the Central Procurement Office or procuring State Agency determines that a RFP process will benefit from a RFI.

19.9. *Request for Qualifications ("RFQ").*

~~A "Request for Qualifications" or "RFQ" is a written solicitation containing a list of qualifications that must be met before a vendor may propose in response to a Request for Proposals. A written response from a vendor is the appropriate response to a Request for Qualifications. A RFQ is a document that may be distributed before initiation of the Solicitation process. It is used to gather information from potential vendors regarding qualifications of providers of goods and services within the market place.~~
A "Request for Qualifications" or "RFQ" may only be utilized by the Central Procurement Office. It is a written solicitation used to identify the vendors who~~o~~ possess the requisite qualifications, as may be evidenced by their experience, certifications, skills, or other credentials, to successfully fulfill the State's needs. A RFQ is also useful to gather information regarding qualifications of providers of goods and services within the market place. Those respondents who are able to effectively demonstrate that they are within the competitive range as outlined in the RFQ will be considered "Qualified Respondents" and will be short-listed or pre-qualified for further evaluation, analysis or negotiation. All Qualified Respondents may be permitted to propose in response to a Request for Proposals, competitive negotiations, or subsequent solicitation. A RFQ should contain sufficient project detail so potential respondents are able to identify the qualifications required for successful project completion. A written response from a vendor is the appropriate response to a RFQ.

Related Statutes, Rules and Policies.
Tenn. Code Ann. §§ 4-56-101, *et seq.*
Tenn. Code Ann. §§ 12-3-101, *et seq.*
Tenn. Code Ann. §§ 12-4-101, *et seq.*

PROPOSED CHANGES TO:

POLICY NO. 2013-002:

CENTRAL PROCUREMENT OFFICE PROCUREMENT METHODS POLICY AND PROCEDURES

CLEAN VERSION

Policy Number 2013-002
Central Procurement Office
Procurement Methods Policy and Procedures

Effective: May 28, 2013
Prepared by: The Central Procurement Office of the State of Tennessee

1. Purpose.

To establish a policy and procedure concerning procurement methods used by the Central Procurement Office and Delegated State Agencies when procuring goods and services that ensures fairness, transparency and the maximum amount of competition for State contracts.

2. Scope.

This policy applies to all procurements and resulting contracts as required by statute or rule.

3. Definitions.

For purposes of this policy, the following terms shall have the meanings described below:

"Agency" - means each State board, commission, committee, department, officer, or any other unit of State government.

"Agency Term Contract"- means a State Agency Contract in which a source or sources of supply are established for a specified period of time at an agreed upon unit price or prices.

"Best and Final Offer" or "BAFO" - means a negotiation tool whereby the State requests that respondents provide their best and final offer or response.

"Central Procurement Office" means the State office established and empowered by Tenn. Code Ann. § 4-56-104.

"Central Procurement Office Policy" means a documented set of guidelines concerning procurement related strategy, which directs and restricts the plans, decisions, and actions of State procurement professionals as approved by the Procurement Commission in accordance with Tenn. Code Ann. §§ 4-56-101, *et seq.*

"Competitive Negotiation" – means a competitive procurement method that involves direct contract negotiation with one or more respondents who have been pre-qualified or pre-selected by the Central Procurement Office through a competitive process.

"Competitive Negotiation Techniques" – means those direct negotiation techniques used in connection with a competitive negotiation method of procurement.

"Contract" means any duly authorized and legally binding written agreement or purchase order for goods or services by and between the State of Tennessee and any person or any separate entity with the independent legal capacity to contract and sue and be sued.

"Contracting Party" means a person or legal entity with the independent legal capacity to contract or sue and be sued that has been awarded a contract through proper authority.

"Delegated Authority" means a written document, approved in accordance with Central Procurement Office Policy, that authorizes a State Agency to award a grant, make a loan consistent with a grant, or procure goods or services on behalf of the State.

"Delegated State Agency" means a State Agency that, in accordance with Central Procurement Office Policy, has authority to award a grant, make a loan consistent with a grant, or procure goods or services program(s) within specified limits and guidelines.

"Emergency Purchases" means a State Agency purchase made during an actual emergency arising from unforeseen causes without the issuance of a competitive solicitation.

"Immaterial Defect" – means a defect in a response to a solicitation, which is of no substantial consequence, that is capable of correction through supplemental information or a clarifying response. A defect is immaterial when the effect on price, quantity, or delivery is negligible when contrasted with the total cost or scope of the goods or services being procured. Any defect, the correction of which gives a respondent a competitive advantage vis-à-vis other respondents or prejudicial to one or more respondents, shall not be deemed to be an immaterial defect.

"Person" – means a natural person or legal entity with the legal capacity to enter into contracts or sue and be sued.

"Procurement" - means buying, purchasing, renting, leasing, or otherwise acquiring any goods or services. It also includes all functions that pertain to the obtaining of any goods or services, including the description of requirements, selection and solicitation of sources, negotiation, preparation and award of a Contract, and all phases of Contract administration.

"Purchase Order" - means a document issued by the Central Procurement Office or a State Agency to a Contracting Party authorizing a purchase. Upon delivery to the Contracting Party, a "purchase order" becomes a binding Contract on both parties.

"Respondent" – means a natural person or legal entity with the capacity to contract or sue and be sued who has submitted a written response to a solicitation.

"Responsible" – with respect to a respondent or a proposer means a person who has the capacity in all material respects to perform fully the Contract requirements, and the integrity and reliability that will assure good faith performance.

"Responsive" – with respect to a respondent or a proposer means a person who has submitted a proposal, which conforms in all material respects, to the terms of the Solicitation.

"Reverse Auction" – shall have the meaning set forth in Tenn. Code Ann. § 12-3-219.

"Rules" means the Comprehensive Rules and Regulations concerning the procurement of goods and services adopted by the Procurement Commission of the State of Tennessee.

"Solicitation" means a written document that facilitates the award of a contract to Contracting Parties for goods or services. Examples of solicitations include, but are not limited to, an Invitation to Bid, a Request for Information, a Request for Proposals, and a Request for Qualifications.

"Sole Source Procurement" means a procurement for which only one vendor possesses the unique and singularly available capability to meet requirement of the solicitation, such as technical qualifications, ability to deliver at a particular time, or services from a public utility or a situation where a particular supplier or person is identified as the only qualified source available to the requisitioning authority.

"Specification" -means any description of the physical, functional, or performance characteristics, or of the nature of a supply, service, or construction item. "Specification" includes, as appropriate, requirements for inspecting, testing, or preparing a supply, service, or construction item for delivery.

"State" – means the State of Tennessee and its Agencies, boards and commissions as the context requires.

"State Agency" - means the departments, agencies, and entities of the State of Tennessee.

"Statewide Contract" means a contract for goods or services established by the Chief Procurement Officer that all State Agencies must utilize and that may be used by local governments, higher education and not-for-profit entities.

"Target Pricing" – means a negotiation tool whereby the State provides respondents with the price the State expects to pay for a good or service.

4. Procurements - Generally.

All procurements shall utilize an approved procurement method in accordance with applicable statutes, the Rules or Central Procurement Office Policy. Allowable procurement methods and information gathering methods and techniques include, but are not limited to, the following:

- Informal Solicitations
- Invitation to Bid (ITB)
- Request for Proposals (RFP)
- Emergency Purchases

- Competitive Negotiation
- Sole Source
- Reverse Auction
- Request for Information
- Request for Qualifications (RFQ)

5. Waiver of Immaterial Defects in a Response.

The maximum amount of competition for State contracts is in the best interests of the State. immaterial defects in a response should be waived, corrections or clarifications by respondents should be allowed after responses are reviewed, provided these defects are not of the type to give one respondent an unfair competitive advantage over other respondents. Procurement professionals should use restraint in deeming responses to be non-responsive on the basis of immaterial defects in a response that do not impugn competition, but that are capable of being responsive through correction or clarification.

6. Addenda, Amendments, and Clarifications to a Solicitation.

Prior to public release, all solicitations and subsequent addenda, amendments, and clarifications to a solicitation require the approval of the Central Procurement Office and all other State entities that endorsed or approved the original solicitation. All solicitations, including any addenda, amendments, and clarifications to a solicitation, shall be approved based on the following:

- Application of the requirements of Central Procurement Office Policy and the Rules;
- Adequacy of the scope of service description; and
- Adequacy of the solicitation's assurance of:
    - Fairness to potential providers of commodities or services;
    - Clear and open competition;
    - Achievement of procurement objectives; and
    - Protection of the State's best interests.

7. Pre-Proposal Conference.

Central Procurement Office or procuring State Agency staff may conduct a Pre-Proposal conference after release of the solicitation, but before responses are submitted, if such is determined to be in the best interests of the State.

8. Oral Presentation.

A solicitation may require oral presentations in a manner set forth in the solicitation. Oral presentations shall be conducted after the solicitation is released, but before responses are submitted to the Central Procurement Office or procuring State Agency.

9. General Requirements of Solicitations and Response Evaluation.

Each solicitation shall establish a time schedule for opening and evaluation of responses and inspection of the procurement file.

9.1. *Technical Response.*

The technical response evaluation should include, but is not limited to, consideration of the following factors:

- Quality of the goods or reliability of the services;
- Experience and qualifications (e.g., pending litigation, years in business, utilization of diverse business enterprises as sub-consultants, subcontractors, or suppliers to assist in providing goods or services, partnering with or mentoring of diverse business programs associated with the delivery of goods or services, and customer references, etc.);
- Technical approach;
- Financial ability to perform;
- Delivery terms (e.g., number of days for product to be shipped or for job to be started, etc.);
- Past vendor performance, financial resources, and ability to perform to specification requirements;
- The effect of the purchase on Agency productivity;
- Environmental options and resources (e.g., green, energy efficiency, earth-conscious considerations , recycle options, remanufactured/refurbished products or equipment, packaging, certificates, permits, awards, successful and ongoing programs, etc.); and
- Used products or equipment.

9.2. *Cost Proposal.*

The cost proposal should include, but not be limited to, the following considerations:

- Acquisition costs;
- Costs of implementation;
- Delivery costs;
- Discounts or Rebates;
- Cost of any State employee training associated with the purchase;
- Implementation and start-up costs, including installation costs, life cycle costs, trade-in value and warranty options;
- Discounts;

Once the evaluation team has completed the evaluation of the technical portion of the response, the cost proposal (e.g., single award, line item, or group award) will be calculated using a formula set forth in the solicitation. The relative scoring and weight between the technical response and the cost proposal shall be set forth in the solicitation.

The evaluation team shall combine the technical response scores with the cost proposal scores for each respondent to determine the response that has the highest evaluated score. Technical responses and cost proposals may be contemporaneously evaluated or tabulated so long as the evaluation panel for the technical responses is independent of the persons tabulating or otherwise analyzing the cost proposals. In no event should the persons serving on the evaluation panel for the technical responses be influenced by the cost proposals and all safe guards must be in place to maintain a proper segregation of duties and responsibilities.

10. Rejection of Responses.

The Chief Procurement Officer or Delegated State Agency, with the approval of the Chief Procurement Officer, shall have the absolute discretion to reject any and all responses. The Chief Procurement Officer or Delegated State Agency shall provide written notification to all respondents whose responses were rejected. If the evaluation team determines that a response is non-responsive, non-responsible, or rejects a response for any reason, the State should not complete the technical response evaluation or open the associated cost proposal. Minor clerical errors or immaterial defects will not automatically result in rejection of a response.

Any response that does not meet the requirements of the solicitation may be considered to be nonresponsive and the response may be rejected. Examples of non-responsiveness include, but are not limited to:

- The response is untimely;
- The response is incomplete;
- The response is inconsistent with the specifications as set forth in the solicitation; or
- The response restricts the rights of the State or otherwise qualifies the respondent's proposal as set forth in his or her response.

All responses may be rejected by the Chief Procurement Officer or Delegated State Agency for the following reasons:

- Unreasonably high prices or failure of all responses to meet technical specifications as set forth in the solicitation;
- Error or defect in the solicitation;
- Cessation of need;
- Unavailability of funds;
- Lack of adequate competition;
- A determination by the State Agency, with the concurrence of the Chief Procurement Officer, that proceeding with the Procurement would be detrimental to the best interests of the State.

A rejection of all responses shall be documented and set forth the reasons for rejection of all responses. The Chief Procurement Officer shall report rejection of all responses to the Comptroller of the Treasury.

Selection or rejection of a response does not affect its status as a public record. Upon completion of the review and evaluation of responses submitted in response to a solicitation, evaluated responses and associated materials shall be open for review by the public in accordance with Tenn. Code Ann. § 10-7-504(a)(7).

The Chief Procurement Officer may reject any response, even a response that is ostensibly responsive, that contains prices for individual items or services that are inconsistent with the solicitation or unrealistic when compared to other prices in other responses to the same solicitation, provided that doing so is in the best interests of the State.

11. Verification of Ability to Perform.

Responses may be deemed non-responsive for lack of apparent ability to perform the proposed contract after adequate assurance of performance is requested by the Central Procurement Office and the respondent is unable to provide the requested assurance. A respondent must, upon request of the State, furnish satisfactory evidence of the ability to furnish products or services in accordance with the terms, conditions, and specifications of the solicitation. Proposal bonds, performance bonds or other security may be required for any contract. All such requirements shall be set forth in the solicitation.

The procuring Agency may inspect the facilities of any respondent or require additional information regarding a respondent's ability to perform the proposed contract. A site visit may be conducted by an Agency where the commodity or service at issue may be impacted by site conditions

12. Amendment or Withdrawal of Responses.

A respondent may withdraw or amend a response prior to its opening. After response opening, and prior to award, a respondent may withdraw a response or a portion thereof only upon a written determination by the Chief Procurement Officer that there is an obvious response error supported by appropriate industry, market or vendor cost information and where enforcement of the response would impose an unconscionable hardship on the respondent.

13. Notice of Intent to Award.

A Notice of Intent to Award shall be communicated in writing or by electronic transmission to all respondents. Each contract shall be awarded and let by the State with reasonable promptness to the apparent winning respondent, e.g., on the basis of highest evaluation score or lowest cost, whose response meets the requirements and criteria set forth in the solicitation. Where more than one item is specified in a solicitation, the State reserves the right to determine the winning respondent, or respondents in the case of a multiple award, either on the basis of each individual item, a group of items, or the total of all items, unless otherwise provided in the solicitation.

14. Contract Award.

The Central Procurement Office or Delegated State Agency shall document the evaluation team members' names, scores, and evaluation results and recommend an award to the respondent who has received the highest evaluation score or in the case of an ITB, an award to the responsive and responsible respondent with the lowest cost response.

Notwithstanding the foregoing, there are situations where it is in the best interests of the State to award a contract to a respondent other than the respondent with the lowest cost proposal. In such event, the Chief Procurement Officer, or his or her designee, shall document the reasons for awarding a contract to a respondent other than one with the lowest cost proposal. Justifications for such an award include, but are not limited to:

- The highest evaluated response, taken as a whole, falls outside the competitive range;
- The respondent is not capable of meeting the solicitation requirements;
- The respondent is not able to perform under the terms of the contract as awarded, e.g., in terms of quality, quantity or timeliness of performance; or
- Based on the totality of the above and other considerations, award to another respondent is in the best interests of the State, provided this determination is supported by sufficient documentation that will become part of the procurement file.

After the evaluation team completes the award recommendation process and notifies the respondents of the official award recommendation, the procurement file shall be open and available for public inspection for at least seven (7) calendar days prior to the actual award of the contract. Protests shall be governed by Tenn. Code Ann. § 4-56-101, *et seq.*, and the Rules of the Central Procurement Office.

15. Single Response to Solicitation.

In the event that only one response is received by the Central Procurement Office or the procuring State Agency by the response deadline in response to a solicitation, the State may elect one of the following actions:

- The procuring Agency head may request the Chief Procurement Officer to cancel the solicitation based upon insufficient competition;
- Open the technical response to determine whether it meets minimum requirements. If it does not meet minimum requirements, the procuring Agency head may request the Chief Procurement Officer to approve to cancel the solicitation;
- If the response meets minimum requirements, the procuring Agency may open the cost proposal and negotiate with the respondent; or
- The procuring Agency head may also request the Chief Procurement Officer to approve or cancel the solicitation if the cost is deemed excessive after attempts at negotiation.

16. Cancellation or Reissuance of Solicitation.

Cancellation or reissuance of a solicitation requires a written notice of cancellation or reissuance from the Central Procurement Office for contracts procured by the Central Procurement Office or written notice of cancellation or reissuance from the procuring Agency if it is an Agency

procured contract. Any notice of cancellation or reissuance of a solicitation by an Agency shall also be provided to the Central Procurement Office. All decisions to cancel or reissue a solicitation shall be documented and become part of the procurement file.

17. Tie Responses.

A tie will exist where two or more respondents offer goods or services that meet all specifications and terms and conditions at identical prices, including cash discount offered for prompt payment. A tie will be broken by considering the following factors, in descending order:

- First preference shall be given to a "Tennessee Respondent." Pursuant to Tenn. Code Ann. § 12-4-121(c)(2), a "Tennessee Respondent" means a business that is:
    - Incorporated in this State;
    - Has its principal place of business in this State; or
    - Has an established physical presence in this State.
- Second preference shall be given to certified disadvantaged business enterprise ("DBE") respondents.
- Third preference shall be given to the respondent who was the low cost respondent on other items being procured for the same solicitation.
- Fourth preference shall be given to the respondent who offers the best delivery.
- If a tie remains, it shall be broken by lot or coin toss.

18. Protests.

Protests shall be governed by Tenn. Code Ann. § 4-56-101, *et seq.*, Central Procurement Policy, and the Rules.

19. Procurement and Information Gathering Methods and Techniques.

19.1. *Informal Solicitations.*

Informal solicitations may be used for one time purchases or for contracts with a total value not to exceed twenty-five thousand dollars ($25,000.00) or such amount approved by the Procurement Commission. Three quotes should be obtained, when practicable. The person soliciting quotes shall document the quotes received in accordance with Central Procurement Office Policy, which shall become part of the procurement file. Purchase orders or contracts may not be artificially divided by a Delegated State Agency in order to make the purchase amount fall below limitations established in Central Procurement Office Policy or the Rules.

19.2. *Invitation to Bid ("ITB").*

An ITB is a request, verbal or written, which is made to prospective suppliers of commodities or providers of services requesting the submission of a response for the

purpose of awarding a contract or transmitting a purchase order. An ITB is generally an objective determination where the award is made to the responsive and responsible respondent who meets the minimum specifications and requirements at the lowest cost.

All ITBs shall require, at a minimum, that respondents:

- Provide a valid mailing or email address;
- Sign the response prior to opening;
- Provide a net price for the unit specified for each item;
- Initial in ink any corrections of a line item unit price made by the respondent;
- Provide the number of calendar days required for delivery after receipt of order; and

- State the length of time in which a proposed pricing is valid (failure to do so will result in pricing being valid for sixty (60) days).

Alternate items may be proposed in a response if allowed by the terms of the solicitation and if the alternate item or items meet the specifications in terms of quality, form and function. The procuring Agency may specify whether alternate items are allowed.

19.3. *Request for Proposals ("RFP").*

A RFP is a formal invitation to potential respondents to submit a proposal to provide a good or service to a State or one or more of its Agencies. Additionally, a RFP is a Procurement process whereby the State has the ability to judge if a respondent's qualifications, experience, and approach will result in an award of a contract to a respondent on terms and conditions in the best interests of the State.

Terms and conditions for a RFP are derived from the *pro forma* Contract (located on the Central Procurement Office website) developed during the RFP creation and attached to the solicitation. A RFP shall set forth specific provisions in accordance with Central Procurement Office Policy and include and meet the following:

- The description of the technical requirements for the goods or services to be procured by RFP shall provide sufficient detail to minimize the likelihood of respondent confusion;
- The technical requirements and scope in the RFP shall not contain features that unduly restrict competition;
- The RFP shall contain directions regarding the submittal of responses;
- State requirements and restrictions regarding the RFP should be detailed in the RFP;
- A description of the evaluation factors to be considered in evaluating the responses should be detailed in the RFP. Evaluation factors should include, by way of example only, respondent qualifications, experience, technical approach, and cost; A declaration of whether the contract award is subject to successful contract negotiation should be detailed in the RFP; and
- The RFP shall contain a schedule of events that specifies RFP deadlines. Respondents shall be given a reasonable time, as determined by the Chief Procurement

Officer, to consider the required scope and the response evaluation factors before responses are submitted. The schedule of events may contain the deadlines for events, which includes by way of example only:

- RFP Issuance Date;
- Disability Accommodation Request;
- Pre-Proposal Conference;
- Notice of Intent to Propose;
- Respondent Written "Questions and Comments" Submission;
- State Response to Written "Questions and Comments";
- Oral Presentation;
- Site Visit;
- Performance Bond Submission;
- Response Submission;
- State Completion of Technical Response Evaluations;
- State Opening and Scoring of Cost Proposals;
- State Evaluation Notice Released and RFP Files Opened for Public Inspection; and
- Contract Signing.

The Central Procurement Office or Delegated State Agency shall carefully consider all persons involved with the development, formulation, drafting, or review of a RFP and safeguard against any perceived or actual conflicts of interest.

The Central Procurement Office or Delegated State Agency shall approve all RFPs and any addenda, amendments, and clarifications to RFPs before their public release. All RFPs that would result in contracts requiring the Comptroller's approval shall also require the approval of the Office of the Comptroller of the Treasury before their public release. Further, any addenda, amendments, and clarifications to RFPs that would result in contracts requiring the Comptroller's approval shall be filed by the procuring Agency with the Comptroller of the Treasury contemporaneously with their public release.

A RFP or its revisions shall be approved based on the following:

- Application of the requirements of the Rules and Central Procurement Office Policy;
- Adequacy of the scope description; and
- Adequacy of the RFP's assurance of:
  - Fairness to respondents;
  - Clear and open competition;
  - Achievement of procurement objectives; and
  - Protection of the State's interests.

Upon approval, the Central Procurement Office or Delegated State Agency shall send the RFP or a written or electronic notice that the specific RFP has been released to a documented list of potential providers.

19.3.1. *Evaluation of Responses.*

To foster the integrity of the RFP evaluation process, each respondent shall be required to submit the Cost Proposal component of the response in a sealed and labeled envelope separate from the technical response component. The cost proposal shall be evaluated separately from the technical response:

- The technical response and the cost proposal may be opened and evaluated simultaneously provided safeguards are in place to avoid the panel evaluating the technical proposal being influenced by the cost proposal;
- The scores of both technical response and the cost proposal may be combined to arrive at a total evaluation score.
- Any response that fails to adequately separate the cost proposal components from the technical response components may be considered non-responsive and rejected by the Chief Procurement Officer in his or her sole discretion.
- Response evaluations shall be impartial and ensure that all material requirements of the RFP have been met.
- Responses shall be evaluated in a manner consistent with the Rules and Central Procurement Office Policy.
- Prior to reviewing responses, each Response Evaluation Team member shall review a list of persons making responses and determine if the member has a conflict of interest with serving on the Response Evaluation Team. Each member shall sign a conflict of interest statement as required by Central Procurement Policy. The conflict of interest statement shall be retained in the Procurement file.
- Responses shall be evaluated based on criteria set forth in the solicitation and on the basis of factors pertinent to the goods or services being procured.
- The Central Procurement Office or Delegated State Agency shall award a contract to the respondent whose response receives the highest evaluation score based on the respondent's technical response and cost proposal.
- Contract awards to a respondent other than the respondent receiving the highest evaluated score shall require the written approval of the Chief Procurement Officer. Justification for the contract award shall be documented in the procurement file.

19.4. *Emergency Purchases.*

"Emergency Purchases" are State Agency purchases made during an actual emergency arising from unforeseen causes without the issuance of a competitive solicitation.

The Central Procurement Office or Delegated State Agency may make purchases of goods or services in the open market to meet emergencies arising from an unforeseen cause.

Emergency purchases shall be made by contract in accordance with Central Procurement Office Policy and the Rules and utilize competitive procurement methods or negotiations whenever practicable. The procuring Agency shall maintain a procurement file that addresses the following:

- The circumstances leading to an emergency purchase;
- Procurement-related actions taken in response to the emergency, including procurement methods used; and
- A complete list of goods or services procured, including prices paid and total purchase amount.

19.4.1. *Conditions of Use for Emergency Purchase.*

Typical circumstances that warrant the use of an Emergency Purchase method include, by way of example only, natural disasters, e.g., tornadoes and floods, fire and oil or other hazardous material spill, mechanical failures, system outages, or unforeseen police action. An "emergency" does not require the declaration of a State of Emergency. Poor planning or the expiration of funds does not constitute an emergency. While these circumstances may require immediate action or may justify use of Non-Competitive Procurement methods, these circumstances do not warrant use of an Emergency Purchase method.

19.4.2. *Emergency Purchase Approval Process and Written Documentation.*

The Chief Procurement Officer may delegate Emergency Purchase authority to a State Agency to address emergencies arising from any unforeseen cause, including, but not limited to, delays by contractors, delays in transportation, unanticipated work volume, system or mechanical failures acts of God, or unforeseen police action. Delegated State Agencies may procure goods or services through the Emergency Purchase method in accordance with applicable rules, policies, and procedures. State Agencies should make Emergency Purchases through the Edison system and submit in writing to the Central Procurement Office the following information upon request by the Central Procurement Office:

- The circumstances leading to the Emergency Purchase;
- The procurement-related actions taken in response to the emergency, including procurement methods used;
- A complete list of goods or services procured, including prices paid and total purchase amount; and
- As applicable, additional purchases expected, including expected price and total purchase amount, as of the time of the report.

19.5. *Competitive Negotiation.*

A competitive negotiation is a procurement method that involves direct discussions between the State and respondents who have been pre-qualified through a pre-

qualification method and found to be responsive and responsible. The purpose of a competitive negotiation is to facilitate discussion between the State and the best evaluated respondent or respondents to ensure award of a contract or contracts on terms on conditions in the best interests of the State.

Competitive negotiation techniques may be used in conjunction with any procurement method. All negotiations shall be conducted by the Chief Procurement Officer, his or her appointed lead negotiator, or an appointed negotiation team. The State may elect to negotiate by requesting revised cost proposals from one or more responsive and responsible respondents. The State, however, reserves the right to award a contract on the basis of initial responses received. Accordingly, each response should contain the respondent's best terms from a price and technical standpoint.

The State reserves the right to conduct multiple negotiation rounds or limit negotiations to only respondents in the competitive range or to only the highest evaluated respondent. If the State exercises its right to enter into negotiations, it may identify areas of one or more proposals that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those identified issues during negotiations.

All responsive and responsible respondents the State has identified for further cost negotiation will receive equivalent information. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct Target Pricing and other price or service level negotiations. Target Pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual respondent pricing. During Target Price negotiations, respondents are not obligated to meet or beat target prices, but respondents will not be allowed to increase prices they propose. All communications, clarifications and negotiations shall be conducted in a manner that supports fairness in proposal improvement. Note that each clarification sought by the State may be unique to an individual respondent.

The Central Procurement Office staff shall maintain, at a minimum, the following documentation for a competitive negotiation:

- A log of the date and time of each meeting with a respondent, including the identity of the respondent and its representative;
- A description of the nature or reason for all material communications with each respondent; and
- A copy of all written and electronic communications between the Central Procurement Office or State Agency and each respondent.

19.6. *Sole Source Procurements.*

Sole source procurements may be made when an item or service possesses specific characteristics that can only be filled by a single source or where exclusive rights exist. Sole source procurements shall require the State Agency to provide advance justification to the Central Procurement Office in accordance with Central Procurement Office Policy. All sole source procurements, regardless of the dollar amount, require the Chief Procurement Officer's prior approval. Reporting of sole source procurements shall be provided to the Comptroller of the Treasury in such form and time period as prescribed in Central Procurement Policy. The Chief Procurement Officer in approving the use of a sole source method of procurement shall consider and adequately document in the procurement file the following:

- Whether the vendor possesses exclusive or predominant capabilities or the item or service contains features providing a superior utility not obtainable from similar vendors;
- Whether the product or service is unique and available from only one source;
- Whether the program requirements can be modified so that competitively procured goods or services may be used;
- Whether items must be interchangeable or compatible with in-place items;
- Whether or not it is in the State's best interests to conduct a pilot program for a defined period of time; or
- Whether the economics, technical aspects, or other facts and circumstances of the procurement in question make the use of a sole source procurement method a more prudent choice than a competitive procurement method.

Sole source procurements shall also be conducted in accordance with the Central Procurement Office's *Non-competitive Procurement Policy and Procedures*.

19.7. *Reverse Auction.*

A Reverse Auction is a competitive process that allows respondents to bid on specified goods or services electronically and adjust cost proposals during a specified time period. An award shall be made to the respondent determined to be the lowest responsible and responsive respondent at the close of the specified response period.

19.8. *Request for Information ("RFI").*

A "Request for Information" or "RFI" is a solicitation sent to a broad base of potential suppliers for the purpose of developing strategy, building a database, or preparing for a Request for Proposals or a Request for Qualifications. A RFI enables an equitable and simultaneous comparison of vendors. Agencies may use this tool to gather information about the availability of goods or services. A RFI is created through the Edison system and should be utilized when:

- An Agency has a procurement need, but requires more information to fully understand the industry;
- The Agency desires to identify vendors who are available to supply the needed good or service; or

- When the Central Procurement Office or procuring State Agency determines that a RFP process will benefit from a RFI.

19.9. *Request for Qualifications ("RFQ").*

A "Request for Qualifications" or "RFQ" may only be utilized by the Central Procurement Office. It is a written solicitation used to identify the vendors who possess the requisite qualifications, as may be evidenced by their experience, certifications, skills, or other credentials, to successfully fulfill the State's needs. A RFQ is also useful to gather information regarding qualifications of providers of goods and services within the market place. Those respondents who are able to effectively demonstrate that they are within the competitive range as outlined in the RFQ will be considered "Qualified Respondents" and will be short-listed or pre-qualified for further evaluation, analysis or negotiation. All Qualified Respondents may be permitted to propose in response to a Request for Proposals, competitive negotiations, or subsequent solicitation. A RFQ should contain sufficient project detail so potential respondents are able to identify the qualifications required for successful project completion. A written response from a vendor is the appropriate response to a RFQ.

Related Statutes, Rules and Policies.
Tenn. Code Ann. §§ 4-56-101, *et seq.*
Tenn. Code Ann. §§ 12-3-101, *et seq.*
Tenn. Code Ann. §§ 12-4-101, *et seq.*

PROPOSED CHANGES TO:

SECTIONS 5.13.3, 6.3.3, AND 11 OF THE *PROCUREMENT PROCEDURES MANUAL OF THE CENTRAL PROCUREMENT OFFICE*

REDLINE VERSION

1. **DELETE:**

~~1.~~ Competitive Negotiation Request from the list of documents available online under § 11

~~2.~~

Revise section :

2.

5.13.3. Sole Source or Proprietary Contract Awards.

All ~~rule exception~~ Special Contract Requests to award a sole source or proprietary contract shall first be approved by the Chief Procurement Officer and be accompanied by sufficient documentation supporting the request. When it becomes apparent pursuant to a competitive procurement that the source of supply of the good or service at issue involves sole source or proprietary rights, the Chief Procurement Officer shall approve the contract award. Additional State approvals of the contract may be required pursuant to Section 5.15.3 of this Manual.

3. **Revise section:**

6.3.3. Proprietary Procurement Approval Process.

All Special Contract Requests for Proprietary Procurements, with accompanied justification and circumstances for limiting competition to a select group of distributors or suppliers, must be submitted to the Chief Procurement Officer for approval prior to the draft or issuance of any associated procurement document. All other approvals for the selected procurement method still apply.

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PROPOSED CHANGES TO:

SECTIONS 5.13.3, 6.3.3, AND 11 OF THE *PROCUREMENT PROCEDURES MANUAL OF THE CENTRAL PROCUREMENT OFFICE*

CLEAN VERSION

Procurement Procedures Manual of the Central Procurement Office

1. **DELETE:**

Competitive Negotiation Request from the list of documents available online under § 11

2. **Revise section :**

5.13.3. Sole Source or Proprietary Contract Awards.

All Special Contract Requests to award a sole source or proprietary contract shall first be approved by the Chief Procurement Officer and be accompanied by sufficient documentation supporting the request. When it becomes apparent pursuant to a competitive procurement that the source of supply of the good or service at issue involves sole source or proprietary rights, the Chief Procurement Officer shall approve the contract award. Additional State approvals of the contract may be required pursuant to Section 5.15.3 of this Manual.

3. **Revise section:**

6.3.3. Proprietary Procurement Approval Process.

All Special Contract Requests for Proprietary Procurements, with accompanied justification and circumstances for limiting competition to a select group of distributors or suppliers, must be submitted to the Chief Procurement Officer for approval prior to the draft or issuance of any associated procurement document. All other approvals for the selected procurement method still apply.