



**AGENDA**

**ADVISORY COUNCIL ON STATE PROCUREMENT MEETING #028  
TUESDAY, MAY 31, 2016 – 1:30 P.M.  
TN TOWER – 3<sup>rd</sup> FLOOR, NASHVILLE ROOM**

<b>AGENDA ITEM</b>		<b>PAGE #</b>
I.	Call to Order	--
II.	Approve Minutes from February 29, 2016 Meeting ..... (see attached documentation)	<b>3</b>
III.	New Business  Proposed revisions to the following Central Procurement Office documents (see attached documentation):  (1) Request For Qualifications (RFQ) and Request For Proposals (RFP) Templates - Statement of Certifications and Assurances..... (2) Edison Document Naming Convention Model – NEW..... (3) FA Template – Revised Instructions to include Liquidated Damages Request ..... (4) Liquidated Damages Request Document – NEW ..... (5) <i>Procurement Procedures Manual of the Central Procurement Office</i> - Section 11.2, General Information..... (6) Governmental Grant (GG) and GR Templates - B#. Optional Federal Pre-Award Authority Language - NEW ..... (7) Debarment and Suspension Language - Revised in various templates and models ..... (8) <i>Procurement Procedures Manual of the Central Procurement Office</i> – Section 8.4.4., Continuing Duty to Disclose ..... (9) FA Template – Insurance Provision ..... (10) GR Template - Insurance Provision ..... (11) Request For Qualifications (RFQ) and Request For Proposals (RFP) Templates - Section A., Mandatory Requirement Items.....	<b>14</b> <b>22</b> <b>25</b> <b>29</b> <b>32</b> <b>40</b> <b>42</b> <b>46</b> <b>50</b> <b>62</b> <b>66</b>
IV.	Other Business	--
V.	Adjournment	--

**MINUTES OF FEBRUARY 29, 2016  
MEETING**



**MINUTES**  
**ADVISORY COUNCIL ON STATE PROCUREMENT MEETING #027**  
**MONDAY, FEBRUARY 29, 2016 - 2:30 P.M.**  
**TN TOWER - 3<sup>rd</sup> FLOOR - NASHVILLE ROOM**

**Members in Attendance:**

Mike Perry, Jason Mumpower, Buddy Lea, Ted Hayden, Sondra Howe, Rick Peppers, Stewart Shunk, Chris Todd, Michelle Lane

**Members Participating by Telephone:**

Terry McKee

**Others in Attendance:**

Stroud Vaughn, Christopher Ivey, Paul Krivacka, Bryan Chriske, Don Ivancic, Shannon Howell, Kyle Hunter, Jenny Young, Elaine Williams, Bryant Brantley, Laura Kinard, Sheila Ewing-Agnew, Kaci Stewart, Charlotte McKinney

- I. Call to Order:** Mike Perry, Chief Procurement Officer, called the meeting to order and recognized that a quorum of members was present.
- II. Minutes from the January 6, 2016 Meeting:** Mr. Perry asked if there were any corrections or additions to the minutes from the January 6, 2016 meeting. Seeing none, a motion was made by Jason Mumpower, Chief of Staff, Office of the Comptroller of the Treasury, to accept the minutes as presented. The motion was seconded by Buddy Lea, Assistant Commissioner, Department of Finance and Administration. All members voted in favor – none opposed.
- III. New Business:** Mr. Perry asked Paul Krivacka, Lead Attorney/Director of Category Management, Central Procurement Office, to present the Central Procurement Office (“CPO”) documents from the New Business section of the agenda.

- (1) *Procurement Procedures Manual of the Central Procurement Office* – Section 11.2 Service Contracts Coordinator Designation document

Mr. Krivacka summarized the following points with regard to *Procurement Procedures Manual of the Central Procurement Office* – Section 11.2 Service Contracts Coordinator Designation document:

- Recommend deleting this document and the reference to this document in section 11.2. of the *Procurement Procedures Manual of the Central Procurement Office*

- This document was a carry-over from the Office of Contract Review (“OCR”) and no longer serves a purpose. The document is narrowly focused on services only as opposed to goods and services. The document implies a restriction to one contact person and some agencies want to have more than one contact person.
- The information the document provides is duplicative. Under the CPO Rules, each State Agency is required to establish an annual contract management plan that includes information about the specific staff positions and resources that will be assigned to contract management (Rule 0690-03-01-.27). Because the information provided by this document is duplicative, the Service Contracts Coordinator Designation document is no longer needed.

Mr. Perry added that prior to the creation of the Central Procurement Office, the Office of Contract Review (“OCR”) was under the Department of Finance and Administration (“F&A”) and was responsible for professional services contracting. The Service Contracts Coordinator Designation document is a holdover from that time and is redundant at this point as the information is incorporated from other means. Mr. Perry asked if there were any questions or comments regarding *Procurement Procedures Manual of the Central Procurement Office – Section 11.2 Service Contracts Coordinator Designation* document.

Mr. Lea added that the Service Contracts Coordinator Designation form was useful at one time but with the restructuring and reorganization it is now superfluous. Mr. Lea made a motion to recommend *Procurement Procedures Manual of the Central Procurement Office – Section 11.2 Service Contracts Coordinator Designation* document as presented to the Procurement Commission for approval. Mr. Mumpower seconded the motion. All members voted in favor – none opposed.

## (2) Procurement Procedures Manual of the Central Procurement Office

Mr. Krivacka noted that the Comptroller of the Treasury (“COT”) had submitted several questions regarding this agenda item in advance of the meeting. Mr. Krivacka stated that he would summarize the following points with regard to Procurement Procedures Manual of the Central Procurement Office and then would address the questions from COT:

- (a) Section 5.4.7. Exceptions from Requisitions for Purchase – Direct Purchase Orders
  - i. This proposal will add new “Direct Purchase Order” definition and “External Approval” definitions (*“External Approval” means an approval that is required to a particular State Agency’s intradepartmental approvals in order to procure or purchase goods or services. External Approval may be required by applicable law, by contract, or by State business processes. For example, External Approval may include approval from Finance and Administration for IT products and services, the Department of Human Resources for training and staffing, and Finance and Administration, Division of Accounts.*) The Direct Purchase Order definition is by reference to Section 5.4.7 of the Manual and there will also be a new concept and new definition for “Special Request” which means the purchase of goods or services within the scope of a contract that is not specified in Edison.
  - ii. Approximately 25% of all POs could bypass the Requisition process and that should result in significant time savings.

- iii. The Direct Purchase Order should be used for Contracts with funds identified by the Agency to pay the Contractor or Grantee, such as with Delegated Authorities or Delegated Grant Authorities.

Mr. Krivacka then addressed the following questions that were submitted by COT regarding agenda item (2):

Q1. Provide background on why a requisition is used.

A 1. A requisition is used to request action or to obtain approvals. For example, any requisition with a certain NIGP code for STS will be routed to STS for approval. It also pre-encumbers funds.

Q2. When can a direct purchase order be used?

A2. A Direct Purchase Order can be used for POs against a Delegation, when paying for services when an invoice is received, where there is no contract pricing, and when TN SmartShop is not being used. There are several conditions that must be met before a Direct Purchase Order may be used. The first condition is that the purchase does not require any external approvals; meaning that all the approvals required for the transaction are within the agency. The second condition is that the item being procured is not a Special Request item (as defined above means the purchase of goods or services within the scope of a contract that is not specified in Edison). The third condition is that the purchase does not utilize TN SmartShop. The fourth condition is that the purchase does not utilize the Edison inventory model or assignment of an inventory number for the item is not required. The last condition is that the purchase is not a request to establish a new contract. If all those conditions are met the Direct Purchase Order can be used.

Q3. What impact is anticipated?

A 3. Time savings would be the most significant impact. Approximately 25% of POs could bypass the Requisition process.

Q4. What is a defined price?

A4. Defined price means contract pricing.

Q5. Why does a defined price procurement require a requisition?

A5. If you have an item that is on contract, it is much easier to use the requisition because by entering the item ID, it will populate all of the contract information on the requisition. This auto populate will not work if you go straight to a PO. Also, the requisition is searchable and the PO is not. It allows for better tracking of data on spend.

Mr. Krivacka stated that this concluded the questions submitted by COT on Section 5.4.7. Exceptions from Requisitions for Purchase – Direct Purchase Orders of the *Procurement Procedures Manual of the Central Procurement Office*. Mr. Perry added that this item was a result of the End-to-End process review project undertaken by the CPO. The End-to-End process revealed that on approximately 25 percent of POs there was redundancy on transactions and approvals that did not add any value by going through the requisition process. Adopting this change will be a time saver and will eliminate some of that redundancy. Mr. Perry stated that the CPO had developed a “Decision Tree” that is an intuitive tool to assist agencies in determining which procurement process should be used

based on answers to a series of questions. Mr. Perry stated that the CPO will add the Direct Purchase Order guidelines to the Decision Tree so that it is clearly delineated for agencies when it is appropriate to create a requisition. Mr. Perry continued that training and a job aid will be developed for using the Direct Purchase Order process and Mr. Krivacka added that the process would be included in the Advisory Circular that will be sent out to agencies after Procurement Commission approval. Mr. Perry stated that a recent customer survey revealed that communications was the number one priority for agencies so the CPO will make every effort to ensure that changes are communicated to agencies in a thorough and timely manner.

Mr. Krivacka summarized the following points with regard to Section 6.4.2.1. Description of Informal Purchase:

(b) Section 6.4.2.1. Description of Informal Purchase

- i. In response to an agency request, this proposed change modifies the language in the Manual to count a current website, catalogue, price list, or price available at retail to the general public as one of the three (3) required quotes for purposes of exercising informal purchase authority.
- ii. As an example, an agency needs to buy equipment (assume there is no SWC) that is generally sold at Home Depot, Lowes, etc. With the volume of equipment needed it will fall between \$10,000 - \$50,000. The agency could use the catalog or advertisements as a quote, rather than having these stores provide a written quote.

Mr. Krivacka indicated this change is requested as a practical matter so that the State can go to sources where pricing is generally available.

(c) Website Reference Updates

Mr. Krivacka stated that there are several website addresses in the *Procurement Procedures Manual of the Central Procurement Office* that are invalid and simply need to be updated.

To clarify item (b) above, Mr. Perry asked if this change would enable an agency to get a price quote from a vendor website and document such in Edison to count as one of the three required quotes for purposes of exercising informal purchase authority. Mr. Krivacka stated that Mr. Perry was correct and that an agency could locate a price for an item on a vendor website, print the page, and upload it into Edison as one of the three required quotes. Mr. Perry added that the scanned quote would be included as an attachment to the Purchase Order in Edison for auditing purposes.

Mr. Mumpower thanked Mr. Krivacka and Mr. Perry for addressing some of the issues previously raised by the COT and stated that he had two more questions.

Q1. The proposed change sounds great but is there anything the State could be losing without having the agencies continuing to use the requisition form?

A1. Mr. Krivacka responded that he did not believe there is any increased risk to the State by implementing the change and there appears to be duplication of efforts. Mr. Krivacka stated that Sondra Howe, Department of Military, might be able to address this question as Military

regularly makes such purchases and Ms. Howe serves on the Policy Review Subcommittee and was in agreement with the proposed change. Mr. Mumpower thanked Mr. Krivacka and stated that the possibility of increased risk was of concern to COT and he wanted to get that on the record.

Q2. Mr. Mumpower stated that on page 18 of the agenda packet, Item 2. Subsection a. states that:

“Direct Purchase Order” means a purchase of goods or services in accordance with section 5.4.6 of the Procedures Manual.

A2. Mr. Krivacka thanked Mr. Mumpower for noting this item and indicated that the correct reference should be to section 5.4.7 of the Procedures Manual.

Mr. Mumpower made a motion to approve agenda item (2) Procurement Procedures Manual of the Central Procurement Office contingent upon the reference on page 18, Item 2. Subsection a. being changed to section 5.4.7 of the Procedures Manual.

Mr. Perry asked if there were any additional comments or questions regarding this agenda item. Mr. Perry added that it is important to note that in addition to no increased risk to the State, no relevant data would be lost by making this process change. Mr. Perry stated that the Purchase Order would record the purchase for historical purposes or retrieving data.

Michelle Lane asked if the discussion was limited to the Direct Purchase Order section and Mr. Krivacka indicated that the floor was open for discussion on all of agenda item (2). Ms. Lane asked what method agencies use to notify the Central Procurement Office when informal purchases are made. Ms. Lane added that the reason she was asking is there is a section of the Procedures Manual regarding using small businesses, etc. and Ms. Lane inquired how it is reported that agencies have done that to the satisfaction of the Central Procurement Office. Mr. Perry stated that the agency threshold is \$50,000 and only applies if there is no statewide contract in place. If the purchase is under \$10,000, a bid is not required and an agency can use any of the 200,000 or so vendors that are registered in Edison. If the purchase is over \$10,000 and quotes are required, the bids will be documented in Edison and historically these have been written quotes from the vendor. If the proposed change is adopted, a price from a vendor's web site will be considered as a valid quote and can be scanned and uploaded into Edison. The CPO highlights certified small and diversity businesses on its web site and in Edison. Mr. Perry continued that the CPO compliance team performs agency reviews and would look to verify that the agency is taking competitive bidding and if they are actively soliciting bids from the approximately 1,300 certified diversity businesses. Mr. Perry added that it is a statutory requirement that agencies actively solicit bids from certified diversity businesses. Mr. Perry stated the CPO communicates the list of certified diversity companies, and what products and services they offer, and strives to grow the number of certified suppliers and broaden the categories of services offerings. Mr. Perry added that that the State is developing a map to indicate the location of state agencies and will work to identify more certified diversity businesses in those areas.

Ms. Lane asked if an agency issues a solicitation and certified diversity businesses fail to respond, is there a tracking method to note that and a process to reach out to them. Mr. Perry stated that

such data is tracked and Shelia Simpson, Program Administrator for the Governor's Office of Diversity Business Enterprise ("GoDBE") prepares an annual report showing the number of solicitations issued and number of diversity business responses received by category. Ms. Lane added that informal purchases offer a great opportunity to small businesses and Mr. Perry agreed.

Mr. Rick Peppers, NOI, asked a question regarding an agency getting three bids online for items. Mr. Peppers asked if it was acceptable for an agency to procure an item that was in the middle of the class range of the three bids. Mr. Perry responded that he believed the statute specifies to buy from the lowest responsible and responsive bidder, meaning the lowest cost item that meets all the requirements stipulated when obtaining the quotes.

Mr. Lea circled back to the Direct Purchase Order item and stated that the CPO did a good job of listening to its customers, identifying redundancies in the process, and working with COT to avoid adding risk to the State. Mr. Lea continued that this is a great example of continuous process improvement and providing great customer service to State agencies. Mr. Lea stated that the CPO's efforts to engage agencies, get their feedback, and respond to it, has been a great success. Mr. Perry thanked Mr. Lea for his comments and agreed that this was a great example of collaboration.

Ms. Howe commented on the risk factor of the Direct Purchase Order item. Ms. Howe indicated that it is actually the purchase order that does budget check and allots the money, so the risk is taken care of at the purchase order level and the extra step of the requisition served no value.

Seeing no other questions or comments, Mr. Mumpower restated his motion to recommend all three sections of agenda item (2) *Procurement Procedures Manual of the Central Procurement Office* to the Procurement Commission for approval contingent upon the reference on page 18, Item 2., Subsection a. being changed to section 5.4.7 of the *Procurement Procedures Manual of the Central Procurement Office*. The motion was seconded by Mr. Lea. All members voted in favor – none opposed.

(3) Rule Exception Request ("RER") for the Delegated Authority ("DA") or Delegated Grant Authority ("DG") Templates

Mr. Krivacka summarized the following points with regard to the Rule Exception Request for the Delegated Authority ("DA") or Delegated Grant Authority ("DG") Templates:

- The RER was revised to include a line item for the maximum liability for a single procurement/grant
- This request came from the Comptroller's office and will aid in the review process of the RER to know what the maximum liability of each single procurement/grant will be.

Seeing no questions or comments, Mr. Lea made a motion to recommend the Rule Exception Request for the Delegated Authority ("DA") or Delegated Grant Authority ("DG") Templates as presented to the Procurement Commission for approval. Mr. Ted Hayden, Executive Director of Compliance, State of Tennessee Real Estate Asset Management, seconded the motion. All members voted in favor – none opposed.



(4) Term of Contract for the FA Template, Governmental Grant ("GG") Template, and GR Template

Mr. Krivacka summarized the following points with regard to the Term of Contract for the FA Template, Governmental Grant ("GG") Template, and GR Template:

- Optional language was added to section B., "Term of Contract" to include a specific end date style option to the FA, GR, and GG templates.
- The current template language includes a number of months

("shall be effective on DATE ("Effective Date") and extend for a period of number (#) months after the Effective Date ("Term"))

Some agencies would prefer to have a specific end date, especially when the end date does not line up cleanly with a full month. For example, if they want the contract to end at the end of a fiscal year or if it must end by a specific program deadline that does not coordinate cleanly with a whole month. The agencies are required to provide a specific end date on the Contract Cover Sheet and in Edison, but some agencies would prefer to use this term.

Seeing no questions or comments, a motion was made by Mr. Mumpower to recommend the Term of Contract for the FA Template, Governmental Grant ("GG") Template, and GR Template as presented to the Procurement Commission for approval. The motion was seconded by Mr. Lea. All members voted in favor – none opposed.

(5) Attestation re: Personnel used in Contract Performance

Mr. Krivacka summarized the following points with regard to the Attestation re: Personnel used in Contract Performance:

- The attestation was revised to replace Federal Employer Identification Number ("FEIN") or social security number with the Edison Vendor ID Number.
- Our rules do not require that the State have the FEIN or social security number and the Edison Vendor ID is not sensitive or private information.

Mr. Perry added that in some cases the FEIN could be a personal social security number depending on how the company was organized. Mr. Perry asked if there were any additional questions or comments regarding the Attestation re: Personnel used in Contract Performance. Seeing none, Mr. Hayden made a motion to recommend the Attestation re: Personnel used in Contract Performance as presented to the Procurement Commission for approval. Mr. Mumpower seconded the motion. All members voted in favor – none opposed.

(6) Central Procurement Office Policy Number 2015-010, *Statewide Purchasing Card Policy and Procedures*

Mr. Krivacka presented the following points with regard to Central Procurement Office Policy Number 2015-010, *Statewide Purchasing Card Policy and Procedures*:

- This proposed change is a follow up to the P-Card policy change adopted on 1-21-16. This change would allow each State Agency Fiscal Director to establish up to two (2) alternate designated State Agency Central Fiscal Office P-Cards with a Single Transaction Limit of up to the fifty thousand dollar (\$50,000) maximum. Currently the *Statewide Purchasing Card Policy and Procedures* allows for one (1) Central Fiscal Office P-Card.

Mr. Krivacka stated that the Comptroller's Office had submitted two questions in advance of the meeting in regard to agenda item (6) as follows:

Q1. When will the alternate card be used?

A1. The alternate cards will be used under the same circumstances as regular Central Fiscal Office P-Cards. There are some purchases that are reserved for the designated State Agency Central Fiscal Office Cardholder, which includes:

- Tuition, fees, and supplies for training individuals;
- Internet, newspaper, radio, or television advertisements;
- Subscriptions to newspapers, periodicals, newsletters, or pamphlets;
- Organization membership dues;
- Charges for meeting rooms and attendant expenses in excess of two hundred dollars (\$200) per day or for more than five (5) days;
- Convention or registration fees; and
- Association entry fees.

Q2. Why propose two (2) alternatives rather than one (1)?

A2. The alternate will be used as a back-up (e.g., if someone is out of the office) Having two alternates rather than one serves to accommodate a variety of different agency scenarios. Some agencies may choose not to establish a designated State Agency Central Fiscal Office P-Card, while other agencies, depending on their spending needs and size, may choose to establish two (2) alternates.

Mr. Mumpower thanked Mr. Krivacka for addressing the questions submitted by COT prior to the meeting regarding this item. Mr. Mumpower asked that if the State Agency Fiscal Director is the primary cardholder, how frequently is the State encountering a situation where the State Agency Fiscal Director is unavailable and is that an issue that requires an alternate. Mr. Mumpower further asked what constitutes an "absence" and if it varies from agency to agency. When does the alternate 1 come into play, when does alternate 2 come into play? At what point in time is an "absence" significant enough for an alternate to come into play? Is an "absence" considered being at lunch, out sick for one day, out sick for one week?

Mr. Krivacka responded that it was not the original intent for insignificant, temporary absences to trigger the use of alternate cards. It was intended for them to be used for longer absences such as FMLA, maternity leave, extended illness, out of the country on vacation, and in circumstances where the procurement need was such that it could not wait until that person returned.

Mr. Mumpower then asked if the alternates would serve in order, for instance if the Fiscal Director was absent would alternate 1 need to be used first and then alternate 2 only if

alternate 1 was absent, or could alternate 2 be used first if desired? Mr. Krivacka responded that each agency would decide the process for using the alternates and in which order they would be used. Mr. Mumpower added that there could be a circumstance where one alternate is more generous than another but hopefully the Fiscal Director and Agency Head would ensure that both alternates are equally responsible with the cards. Mr. Mumpower continued that if there is a protocol in place, COT prefers that the alternates be used in order – alternate 1 to be used first and alternate 2 to be used only if alternate 1 is absent. Mr. Mumpower stated that without those parameters, COT believes there is a potential of increased risk to the State.

Mr. Krivacka responded that in order to accommodate COT concerns, the CPO could require each agency to specify in its internal P-Card procedures how alternates will be used. Mr. Mumpower responded that he felt that action would be responsible and made a motion to recommend Central Procurement Office Policy Number 2015-010, *Statewide Purchasing Card Policy and Procedures* to the Procurement Commission for approval contingent upon a structure being created for appointing alternate 1 and alternate 2 and that they be used in that order if it is ever necessary.

Mr. Perry stated that it is his understanding that state agencies are currently creating their internal P-Card procedures and submitting them to the CPO for review. With Mr. Mumpower's recommendation, if an agency will be using an alternate, then part of that process would be to include in those internal P-Card procedures how they will designate alternates and under what circumstances. After discussion by Advisory Council members, it was decided that the new language would be added in the "Internal Controls" section of Central Procurement Office Policy Number 2015-010, *Statewide Purchasing Card Policy and Procedures*. Mr. Perry asked Mr. Mumpower to please restate his motion. Mr. Mumpower restated his motion to recommend Central Procurement Office Policy Number 2015-010, *Statewide Purchasing Card Policy and Procedures* to the Procurement Commission for approval contingent upon language being inserted in the proposal to the effect that agencies would indicate a protocol for alternate 1 and perhaps alternate 2 and how the alternates will be used, preferably to be used in the order designated, 1 and 2, and under what circumstances they would move from one to the other. Mr. Perry asked to add for the record that the language would be inserted prior to submission to the Procurement Commission for approval. Mr. Mumpower asked if any Advisory Council member had an objection to the proposed action. Mr. Perry asked if all members were clear on Mr. Mumpower's motion and stated that the added language would be circulated to Advisory Council members prior to the agenda being sent out for the next Procurement Commission meeting. Mr. Lea asked for clarification that State agencies would need to include the protocol regarding alternates in their internal P-Card procedures that are submitted to the CPO for review. Mr. Perry and Mr. Krivacka confirmed that Mr. Lea was correct.

Mr. Perry asked if there were any additional questions or comments regarding Central Procurement Office Policy Number 2015-010, *Statewide Purchasing Card Policy and Procedures*. Seeing none, Mr. Lea seconded the motion made by Mr. Mumpower. All members voted in favor – none opposed.

(7) Workers Compensation - Insurance Options Language

- The previous workers' compensation language was confusing for potential respondents. This proposed revision removes the "or" and instead has two separate

options (either \$1 million or statutory required limits). There are two optional provisions that can be added to a contract. One is for those vendors for which the statutory required limit is sufficient to protect against workers compensation claims and the other provision is for those vendors where \$1 million is desired by the State due to the risk of contractor employee injuries. The current statutory required limit for workers compensation is \$500,000.

Mr. Mumpower asked whether the new CPO Risk Manager had been hired. Mr. Krivacka announced that Mr. Christopher Ivey is the new CPO Risk Manager and introduced Mr. Ivey to Advisory Council members.

Seeing no other comments or questions, Mr. Mumpower made a motion to recommend Workers Compensation - Insurance Options Language as presented to the Procurement Commission for approval. Mr. Lea seconded the motion. All members voted in favor - none opposed.

**IV. Other Business:** Mr. Perry asked if there was any other business to be brought before the Council and saw none.

**V. Adjournment:** Seeing no other business, a motion for adjournment was made by Mr. Perry and seconded by Mr. Lea. All members voted in favor - none opposed.

**REQUEST FOR QUALIFICATIONS (RFQ)  
AND REQUEST FOR PROPOSALS (RFP)  
TEMPLATES –  
STATEMENT OF CERTIFICATIONS AND  
ASSURANCES**

**REDLINE VERSION**

**REQUEST: Revise the Statement of Certifications and Assurances, included in substantially similar formats in the RFP and RFQ Templates, to remove the line item requesting the Respondent's FEIN or SSN.**

**RFP Template language:**

---

**RFP ATTACHMENT 6.1.**

---

**RFP # NUMBER STATEMENT OF CERTIFICATIONS AND ASSURANCES**

The Respondent must sign and complete the Statement of Certifications and Assurances below as required, and it must be included in the Technical Response (as required by RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A, Item A.1.).

---

**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 RFP.
2. The Respondent will provide all services as defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma Contract* for the total contract period.
3. The Respondent, except as otherwise provided in this RFP, accepts and agrees to all terms and conditions set out in the RFP Attachment 6.6., *Pro Forma Contract*.
4. The Respondent acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the contract.
5. The Respondent will comply 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 knowledge of the undersigned, the information detailed within the response submitted to this RFP is accurate.
7. The response submitted to this RFP was independently prepared, without collusion, 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 this RFP or any resulting contract.
9. Both the Technical Response and the Cost Proposal submitted in response to this RFP 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 RFP.

**By signing this Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Respondent (if an individual) or the Respondent's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the Respondent.**

**DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE RESPONDENT**

**SIGNATURE:**

---

PRINTED NAME & TITLE:

---

---

DATE:

---

RESPONDENT LEGAL ENTITY  
NAME:

---

RESPONDENT FEDERAL EMPLOYER IDENTIFICATION NUMBER  
(or SSN):

---

**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:**

\_\_\_\_\_



**REQUEST FOR QUALIFICATIONS (RFQ)  
AND REQUEST FOR PROPOSALS (RFP)  
TEMPLATES –  
STATEMENT OF CERTIFICATIONS AND  
ASSURANCES**

**CLEAN VERSION**

**REQUEST: Revise the Statement of Certifications and Assurances, included in substantially similar formats in the RFP and RFQ Templates, to remove the line item requesting the Respondent's FEIN or SSN.**

**RFP Template language:**

---

**RFP ATTACHMENT 6.1.**

---

**RFP # NUMBER STATEMENT OF CERTIFICATIONS AND ASSURANCES**

The Respondent must sign and complete the Statement of Certifications and Assurances below as required, and it must be included in the Technical Response (as required by RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A, Item A.1.).

---

**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 RFP.
2. The Respondent will provide all services as defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma Contract* for the total contract period.
3. The Respondent, except as otherwise provided in this RFP, accepts and agrees to all terms and conditions set out in the RFP Attachment 6.6., *Pro Forma Contract*.
4. The Respondent acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the contract.
5. The Respondent will comply 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 knowledge of the undersigned, the information detailed within the response submitted to this RFP is accurate.
7. The response submitted to this RFP was independently prepared, without collusion, 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 this RFP or any resulting contract.
9. Both the Technical Response and the Cost Proposal submitted in response to this RFP 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 RFP.

**By signing this Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Respondent (if an individual) or the Respondent's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the Respondent.**

**DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE RESPONDENT**

**SIGNATURE:**

---

**PRINTED NAME & TITLE:**

---

---

**DATE:**

---

**RESPONDENT LEGAL ENTITY  
NAME:**

---

---

**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:**

---

# **EDISON DOCUMENT NAMING CONVENTION MODEL**

**NEW**

## Edison Document Naming Convention Model Instructions

The purpose of creating and implementing this naming convention is to standardize the method of naming and locating all contract documents in Edison. Doing this will benefit everyone that touches Edison contracts by making all documents easily accessible and grouped by category when sorting contract documents. **THE USE OF THIS NAMING CONVENTION IS NOT MANDATORY AND WILL NOT RESULT IN THE DENIAL OF ANY APPROVAL IF THE AGENCY CHOOSES NOT TO USE IT.** However, this is one of many efforts currently being taken to improve the review and approval time of contracts in both the Central Procurement Office and the Comptroller's Office. Following this naming convention will allow for the grouping of all documents related to any given phase of the procurement or contracting process, making it easier to identify the documents needed in the review and approval process. Please see the instructions below.

- 1) Please use the column titled "Copy as start of document title in Edison" as the example for what document titles should look like when uploading documents to Edison contracts.
- 2) When Approving Documents in Edison, enter the title of the document being approved in the approval comments section. This will allow for all approval documents to be clearly identified.

<u>Phase number</u>	<u>Phase name</u>	<u>Document name and abbreviation</u>	<u>Abbreviation</u>	<u>Copy as start of document title in Edison</u>
0	Request forms	Special Contract Request -SCR	SCR -	0 SCR -
0	Request forms	eHealth Support Request - eHealthReq	HEALTH - # -	0 HEALTH - # -
0	Request forms	HR Support Request - HR.Reg	HR - # -	0 HR - # -
0	Request forms	Limitation of Liability Request - LimReq	LOL - # -	0 LOL - # -
0	Request forms	OIR Pre-Approval Endorsement Request - OIR.Reg	OIR - # -	0 OIR - # -
0	Request forms	Rule Exception Request - RER	RER -# -	0 RER -# -
1	Solicitation Phase	RFP Release Notice - RFP.Release	Release -	1 Release -
1	Solicitation Phase	Solicitation Development Conflict of Interest Disclosure - SolicitDev	COID -	1 COID -
1	Solicitation Phase	Informal Purchases Model - IPM	IPM -	1 IPM -
1	Solicitation Phase	Request for Information - RFI	RFI -	1 RFI -
1	Solicitation Phase	Request for Proposal - RFP	RFP -	1 RFP -
1	Solicitation Phase	Request for Qualification - RFQ	RFQ -	1 RFQ -
1	Solicitation Phase	RFP Amendment - Amend #	RFP-# -	1 RFP-# -
1	Solicitation Phase	RFQ Amendment - Amend #	RFQ-# -	1 RFQ-# -
1	Solicitation Phase	Small Purchases Model - SPM	SPM -	1 SPM -
1	Solicitation Phase	Solicitation Cancellation Request - CancelSolicitationReq	Cancel -	1 Cancel -
2	Evaluation Phase	Notice of Intent to Award Model - NOIA	NOIA -	2 NOIA -
2	Evaluation Phase	Solicitation Evaluation Confidentiality & Conflict of Interest Disclosure - SolicitEval	Eval -	2 Eval -
2	Evaluation Phase	Solicitation evaluation documents - Eval.doc_ <b>description</b>	Eval - <b>Description -</b>	2 Eval - Description -
3	Negotiations	Best and Final Offer - BAFO (every respondent should be part of this doc)	BAFO -	3 BAFO -
3	Negotiations	Negotiations of terms and conditions	T&C -	3 T&C -
3	Negotiations	Target Pricing - TgtPrice (every respondent should be part of this doc)	TRGT -	3 TRGT -
4	Contract Phase	Agency Legal Certification Model - ALC	ALC -	4 ALC -
4	Contract Phase	Change Order - <b>CD_date</b>	CO-DATE -	4 CO-DATE -
4	Contract Phase	Contract - Fee For Service	FA -	4 FA -
4	Contract Phase	Contract - Invitation to Bid	ITB -	4 ITB -
4	Contract Phase	Contract Amendment Request - AmendReq	AMD - # -	4 AMD - # -
4	Contract Phase	Memorandum of Understanding	MOU -	4 MOU -
4	Contract Phase	Agency Legal Certification Model - ALC	TERM -	4 TERM -

4	Contract Phase	Contract w TN local or federal gov entity - GU	GU -	4 GU -
4	Contract Phase	Contract w U.S. Geological Service - GU-USGS	USGS -	4 USGS -
4	Contract Phase	Interagency Contract - IA	IA -	4 IA -
4	Contract Phase	No Cost Contract - NC	NC -	4 NC -
4	Contract Phase	No Cost Contract w TN local or federal gov entity - GU-NC	GU-NC -	4 GU-NC -
4	Contract Phase	One Time Purchase Orders - PO_date	1TPO -	4 1TPO -
4	Contract Phase	Payment Bond - PayBond_date	PAY Bond-DATE -	4 PAY Bond-DATE -
4	Contract Phase	Performance Bond - PerfBond_date	PERF Bond -DATE -	4 PERF Bond -DATE -
4	Contract Phase	Renewal or Extension Request	EXT-# -	4 EXT-# -
4	Contract Phase	Revenue Contract - RV	RV -	4 RV -
4	Contract Phase	Small Agency Certification - SAC	SAC -	4 SAC -
4	Contract Phase	Statement of Work - SOW_date	SOW-DATE -	4 SOW-DATE -
4	Contract Phase	TN Local or Federal Gov Revenue Contract - GU-RV	GU-RV -	4 GU-RV -
5	Grant	Agency Legal Certification Model - ALC	ALC -	5 ALC -
5	Grant	Endowment Grant - GE	GE -	5 GE -
5	Grant	Grant Amendment - Amend #	AMD-# -	5 AMD-# -
5	Grant	Grant contract w governmental entity - GG	GG -	5 GG -
5	Grant	Grant contract w non governmental entity - GR	GR -	5 GR -
6	Delegation	Interagency grant agreement - IG	IG -	5 IG -
6	Delegation	Agency Legal Certification Model - ALC	ALC -	6 ALC -
6	Delegation	Delegated Authority - DA	DA -	6 DA -
6	Delegation	Delegated Authority Amendment - Amend #	AMD-# -	6 AMD-# -
6	Delegation	Delegated Grant Authority - DG	DG -	6 DG -
6	Delegation	Delegated Loan Authority - DL	DL -	6 DL -
6	Delegation	Special Delegated Authority for a Declared Disaster - TEMA DA	TEMA -	6 TEMA -
6	Delegation	T&C's for POs Issued Under a Delegated Authority -	T&C -	6 T&C -
7	Security	Business Associate Agreement - BAA_contractor or subcontractor name	BAA -	7 BAA -
7	Security	Edison Approval History	Approval -	7 Approval -
8	Protest	Protest - Appeal document - Protestor Name -#	Protest - Appeal doc - Protestor Name -# -	8 Protest - Appeal doc - Protestor Name -# -
8	Protest	Protest - Chancery Court document - Protestor Name -#	Protest - Court - Protestor Name -# -	8 Protest - Court - Protestor Name -# -
8	Protest	Protest - Chief Procurement Officer Decision - Protestor Name	Protest - CPO Decision - Protestor Name -	8 Protest - CPO Decision - Protestor Name -
8	Protest	Protest Bond - Protestor Name	Protest Bond - Protestor Name -	8 Protest Bond - Protestor Name -
8	Protest	Protest Bond Exception request - Protestor Name	Protest Bond Excpt - Protestor Name -	8 Protest Bond Excpt - Protestor Name -
8	Protest	Protest Notice - Protestor Name	Protest Notice - Protestor Name -	8 Protest Notice - Protestor Name -
8	Protest	Protest support document - Protestor Name - #	Protest support - Protestor Name - # -	8 Protest support - Protestor Name - # -
9	Edison Management	Edison Record Reset Request	Reset -# -	9 Reset -# -

## **FA TEMPLATE**

# **REVISED INSTRUCTIONS TO INCLUDE LIQUIDATED DAMAGES REQUEST**

## **REDLINE VERSION**



**REQUEST:** Add a new "Liquidated Damages Request" document and document reference to the *Procurement Procedures Manual of the Central Procurement Office* at section 11.2. Revise the FA Template instructions to the liquidated damages optional contract clause as follows:

**Option: Liquidated Damages**

The incorporation of the *pro forma* Liquidated Damages language below will require an approved Liquidated Damages Request. Deviations from this language shall be on a case-by-case basis and shall require an approved Rule Exception Request. In order to be enforceable, any liquidated damages amount must be a reasonable estimate of potential damages. If unsure whether the Section is appropriate, consult the CPO legal team.

**E.#.** Liquidated Damages. If <insert description of event giving rise to liquidated damages> occurs, ("Liquidated Damages Event"), the State may assess damages on Contractor ("Liquidated Damages"). The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The Parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for Contractor's failure to fulfill its obligations regarding the Liquidated Damages Event as these amounts are likely to be uncertain and not easily proven. Contractor has carefully reviewed the Liquidated Damages contained in Attachment **Reference** and agrees that these amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of a Liquidated Damages Event, and are a reasonable estimate of the damages that would occur from a Liquidated Damages Event. The Parties agree that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the Liquidated Damages are in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or any other sections of this Contract.

The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other remedy available under this Contract or at law or equity.

## **FA TEMPLATE**

# **REVISED INSTRUCTIONS TO INCLUDE LIQUIDATED DAMAGES REQUEST**

## **CLEAN VERSION**

**REQUEST: Add a new "Liquidated Damages Request" document and document reference to the Procurement Procedures Manual of the Central Procurement Office at section 11.2. Revise the FA Template instructions to the liquidated damages optional contract clause as follows:**

**Option: Liquidated Damages**

The incorporation of the *pro forma* Liquidated Damages language below will require an approved Liquidated Damages Request. Deviations from this language shall be on a case-by-case basis and shall require an approved Rule Exception Request. In order to be enforceable, any liquidated damages amount must be a reasonable estimate of potential damages. If unsure whether the Section is appropriate, consult the CPO legal team.

**E.#.** Liquidated Damages. If <insert description of event giving rise to liquidated damages> occurs, ("Liquidated Damages Event"), the State may assess damages on Contractor ("Liquidated Damages"). The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The Parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for Contractor's failure to fulfill its obligations regarding the Liquidated Damages Event as these amounts are likely to be uncertain and not easily proven. Contractor has carefully reviewed the Liquidated Damages contained in Attachment Reference and agrees that these amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of a Liquidated Damages Event, and are a reasonable estimate of the damages that would occur from a Liquidated Damages Event. The Parties agree that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the Liquidated Damages are in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or any other sections of this Contract.

The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other remedy available under this Contract or at law or equity.

**LIQUIDATED DAMAGES REQUEST  
DOCUMENT**

**NEW**

# Liquidated Damages Request

An approved Liquidated Damages Request is required if a Liquidated Damages provision is included in a contract. Route a completed request, as one file in PDF format, via e-mail attachment sent to: [Agsprs.Agsprs@tn.gov](mailto:Agsprs.Agsprs@tn.gov)

APPROVED

CHIEF PROCUREMENT OFFICER

DATE

<b>Request Tracking #</b>	
<b>1. Contracting Agency</b>	
<b>2. Solicitation or Contract #</b>	
<b>3. Requestor Contact Information</b> – name, e-mail address & telephone #	
<b>4. Goods or Services Description</b> <i>brief summary only– do NOT restate the proposed scope of service</i>	
<b>5. Complete the table below, deleting or adding additional Liquidated Damages Events as necessary. In lieu of completing the fields below, the requestor may also include the details requested below on a separate document attached to this completed request.</b>	
<b>Liquidated Damages Event # 1</b> <i>Enter event giving rise to the liquidated damages (attach contract and include contract section references to describe Contractor's required activity or deliverable as applicable)</i>	
<b>Liquidated Damages Amount</b> <i>Enter assessed monetary amount if requirement above (the Liquidated Damages Event) is not met (e.g., one thousand dollars (\$1,000.00) for each day beyond the deadline that any service deliverable is not completed).</i>	
<b>Method used to estimate the Liquidated Damages Amount</b> <i>Explain how the liquidated damages amount was selected. Reminder: assessment amounts should be a reasonable estimate of the damages that would occur from the Liquidated Damages Event above.</i>	
<b>Liquidated Damages Event # 2</b>	
<b>Liquidated Damages Amount</b>	

<b>Request Tracking #</b>	
<b>Method used to estimate the Liquidated Damages Amount</b>	
<b>Signature of Agency head, authorized designee, or Agency Legal Counsel, title of signatory, and date (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)</b>	

***PROCUREMENT PROCEDURES MANUAL  
OF THE CENTRAL PROCUREMENT  
OFFICE***

**SECTION 11.2 – GENERAL  
INFORMATION**

**REDLINE VERSION**

**REQUEST: Revise section 11.2. of the *Procurement Procedures Manual of the Central Procurement Office* as follows:**

11.2. *General Information.*

Procurement professionals should utilize applicable templates and models when drafting procurement documents generated outside of the *Edison* system. When applicable, the templates must be utilized and deviations from the templates shall require an approved Rule Exception Request by oversight examiners. When a Rule Exception Request is not applicable, a written explanation for the deviation shall be provided by the agency head. The models are intended to be used as helpful guides or minimum standards that may be modified as needed. All documents are available on the State Intranet website <http://intranet.state.tn.us/generalserv/cpo/model.html>. Procurement professionals should refer to the intranet site frequently to ensure that the most up-to-date template is being utilized and submitted for requisite approvals.

The Intranet website, models, and templates cited herein are incorporated by reference into this Procurement Procedures Manual as though set forth verbatim herein, and the below listing of available templates and models are for informational purposes only. Links to these templates and models are set forth below. Each of these templates and models is self-explanatory. All questions regarding use of these templates and models should be directed to Central Procurement Office staff. Any and all changes or modifications thereto are subject to review and recommendation by the Advisory Council and approval by the Procurement Commission.

• **APPROVAL REQUESTS**

○ Click-wrap Approval Request

- Amendment Request
- Contract Termination Request
- eHealth Pre-Approval Endorsement Request (for service involving Medical/Mental Health-Related Professional, Pharmaceutical, Laboratory or Imaging)
- HR Pre-Approval Endorsement Request (for service involving State Employee Training, except that pursuant to an IT system contract, service relating to the employment of current or prospective State employees)
- Limitation of Liability Request
- STS Pre-Approval Endorsement Request (for service involving Information Technology)



- Rule Exception Request (Deviations from ~~model~~template language that are not specifically permitted by relevant regulations or instructions ~~may~~ require an approved written exception. The properly completed request must be signed and dated by the contracting agency head (or authorized signatory) and submitted to the CPO. If approved, the CPO will return the documentation that contracting staff must later submit along with procurement documents for approval)
- Rule Exception Request for the DA or DG Templates
- Solicitation Cancellation Request
- Special Contract Request
- Liquidated Damages Request

- **SOLICITATION TEMPLATES, MODELS & RELATED DOCUMENTS**

- Small Purchases Model
- Informal Purchases Model
- Request for Information (RFI) Model
- Request for Qualifications (RFQ) Template
- RFP & Related Documents:
  - Request for Proposals (RFP) Standard Template
  - RFP Amendment Template
  - RFP Evaluation Notice Model
  - RFP Process Protest Bond Model
  - RFP Release Notice Model
- Solicitation Development Conflict of Interest Disclosure Model
- Solicitation Evaluation Confidentiality and Conflict of Interest Disclosure Model

- **CONTRACT TEMPLATES**

- Contract Amendment Template (requiring State expenditures, no-cost, or revenue)
- Contract Templates Requiring State Expenditures (by contractor type):
  - All Contractors (except a TN or federal government) (FA)
  - Tennessee Local or Federal Government (GU)
  - U.S. Geological Survey (GU-USGS)
- No Cost Contract Templates (by contractor type):
  - All Contractors (except a TN or federal government) (NC)
  - Tennessee Local or Federal Government (GU-NC)
- Revenue Contract Templates (by contractor type):
  - All Contractors (except a TN or federal government) (RV)
  - Tennessee Local or Federal Government (GU-RV)

- **GRANT TEMPLATES**

- Grant Amendment Template (Cost-Reimbursement or Endowment Grant)
- Cost-Reimbursement Grant Templates (by grantee type):
  - All Grantees (except a TN or federal government) (GR)
  - Tennessee Local or Federal Government (GG)
- Endowment Grant (GE) Template

- **INTERAGENCY MODELS**

- Interagency Agreement (IA) Model
- Interagency Grant Agreement (IG) Model

- **DELEGATED AUTHORITY TEMPLATES**

- Delegated Authority Amendment Template
- Authorization to Vendor Delegated Purchase Authority (DPAV) Template
- Delegated Grant Authority (DG) Template
- Delegated Loan Authority (DL) Template
- Delegated No Cost Contract Authority (DN) Template
- Delegated Purchase Authority (DP) Template
- Delegated Purchase Authority for Court Reporting Service (DPCR) Template
- Delegated Revenue Contract Authority (DR) Template
- Special Delegated Authority for Funding Award (DA) Template
- Special Delegated Authority for Declared Disaster (TEMA use only) Template

- **OTHER GENERAL MODELS & ADMINISTRATIVE DOCUMENTS**

- Conflict of Interest – Annual Attestations
- Contract Approval – Agency Legal Certification Model
- Contract Approval – Small Agency Certification
- Edison Record Status Reset Request
- Edison Document Naming Convention Model
- Employer/Employee Analysis Guidelines
- HIPAA Business Associate Agreement Example
- “Notwithstanding” Language
- Signature Certification & Authorization

***PROCUREMENT PROCEDURES MANUAL  
OF THE CENTRAL PROCUREMENT  
OFFICE***

**SECTION 11.2 – GENERAL  
INFORMATION**

**CLEAN VERSION**

**REQUEST:       Revise section 11.2. of the *Procurement Procedures Manual of the Central Procurement Office* as follows:**

11.2. *General Information.*

Procurement professionals should utilize applicable templates and models when drafting procurement documents generated outside of the *Edison* system. When applicable, the templates must be utilized and deviations from the templates shall require an approved Rule Exception Request by oversight examiners. When a Rule Exception Request is not applicable, a written explanation for the deviation shall be provided by the agency head. The models are intended to be used as helpful guides or minimum standards that may be modified as needed. All documents are available on the State Intranet website <http://intranet.state.tn.us/generalserv/cpo/model.html>. Procurement professionals should refer to the intranet site frequently to ensure that the most up-to-date template is being utilized and submitted for requisite approvals.

The Intranet website, models, and templates cited herein are incorporated by reference into this Procurement Procedures Manual as though set forth verbatim herein, and the below listing of available templates and models are for informational purposes only. Links to these templates and models are set forth below. Each of these templates and models is self-explanatory. All questions regarding use of these templates and models should be directed to Central Procurement Office staff. Any and all changes or modifications thereto are subject to review and recommendation by the Advisory Council and approval by the Procurement Commission.

• **APPROVAL REQUESTS**

- Click-wrap Approval Request
- Amendment Request
- Contract Termination Request
- eHealth Pre-Approval Endorsement Request (for service involving Medical/Mental Health-Related Professional, Pharmaceutical, Laboratory or Imaging)
- HR Pre-Approval Endorsement Request (for service involving State Employee Training, except that pursuant to an IT system contract, service relating to the employment of current or prospective State employees)
- Limitation of Liability Request
- STS Pre-Approval Endorsement Request (for service involving Information Technology)

- Rule Exception Request (Deviations from template language that are not specifically permitted by relevant regulations or instructions require an approved written exception. The properly completed request must be signed and dated by the contracting agency head (or authorized signatory) and submitted to the CPO. If approved, the CPO will return the documentation that contracting staff must later submit along with procurement documents for approval)
  - Rule Exception Request for the DA or DG Templates
  - Solicitation Cancellation Request
  - Special Contract Request
  - Liquidated Damages Request
- **SOLICITATION TEMPLATES, MODELS & RELATED DOCUMENTS**
    - Small Purchases Model
    - Informal Purchases Model
    - Request for Information (RFI) Model
    - Request for Qualifications (RFQ) Template
    - RFP & Related Documents:
      - Request for Proposals (RFP) Standard Template
      - RFP Amendment Template
      - RFP Evaluation Notice Model
      - RFP Process Protest Bond Model
      - RFP Release Notice Model
    - Solicitation Development Conflict of Interest Disclosure Model
    - Solicitation Evaluation Confidentiality and Conflict of Interest Disclosure Model
- **CONTRACT TEMPLATES**
    - Contract Amendment Template (requiring State expenditures, no-cost, or revenue)
    - Contract Templates Requiring State Expenditures (by contractor type):
      - All Contractors (except a TN or federal government) (FA)
      - Tennessee Local or Federal Government (GU)
      - U.S. Geological Survey (GU-USGS)
    - No Cost Contract Templates (by contractor type):
      - All Contractors (except a TN or federal government) (NC)
      - Tennessee Local or Federal Government (GU-NC)
    - Revenue Contract Templates (by contractor type):
      - All Contractors (except a TN or federal government) (RV)
      - Tennessee Local or Federal Government (GU-RV)

- **GRANT TEMPLATES**
  - Grant Amendment Template (Cost-Reimbursement or Endowment Grant)
  - Cost-Reimbursement Grant Templates (by grantee type):
    - All Grantees (except a TN or federal government) (GR)
    - Tennessee Local or Federal Government (GG)
  - Endowment Grant (GE) Template
  
- **INTERAGENCY MODELS**
  - Interagency Agreement (IA) Model
  - Interagency Grant Agreement (IG) Model
  
- **DELEGATED AUTHORITY TEMPLATES**
  - Delegated Authority Amendment Template
  - Authorization to Vendor Delegated Purchase Authority (DPAV) Template
  - Delegated Grant Authority (DG) Template
  - Delegated Loan Authority (DL) Template
  - Delegated No Cost Contract Authority (DN) Template
  - Delegated Purchase Authority (DP) Template
  - Delegated Purchase Authority for Court Reporting Service (DPCR) Template
  - Delegated Revenue Contract Authority (DR) Template
  - Special Delegated Authority for Funding Award (DA) Template
  - Special Delegated Authority for Declared Disaster (TEMA use only) Template
  
- **OTHER GENERAL MODELS & ADMINISTRATIVE DOCUMENTS**
  - Conflict of Interest – Annual Attestations
  - Contract Approval – Agency Legal Certification Model
  - Contract Approval – Small Agency Certification
  - Edison Record Status Reset Request
  - Edison Document Naming Convention Model
  - Employer/Employee Analysis Guidelines
  - HIPAA Business Associate Agreement Example
  - “Notwithstanding” Language
  - Signature Certification & Authorization

**GOVERNMENTAL GRANT (GG) AND  
GR TEMPLATES –  
B#. OPTIONAL FEDERAL PRE-AWARD  
AUTHORITY LANGUAGE**

**NEW**

**REQUEST: Add additional optional language to the GR and GG Templates for agencies whose Federal Grant Program operates under the federal preaward authority system**

---

**Option: Federal Preaward Authority System**

If the Grantor State Agency operates under the federal preaward authority system, change the designation of the paragraph under B. to B.1., and add the B.#. term below. Consult the relevant federal regulations to determine the correct date on which the Grantor's federal preaward authority commences. Insert that date in at section B.#(f). If the Grantor State Agency elects to use this term, the Grantor State Agency must attach to the Contract a document signed by the Grantor State Agency legal counsel certifying that the Grantor State Agency is lawfully exercising legitimate federal preaward authority.

**B.#.** Federal Preaward Authority. The Parties acknowledge that the State has the power to expend funds under this Grant Contract in accordance with applicable federal preaward authority. Federal preaward authority is a system under which recipients of federal grant money may incur certain project costs before the final approval of a federal grant and may retain eligibility for subsequent reimbursement after grant approval. The payment obligations of this Grant Contract may be predicated wholly or in part on the State's exercise of federal preaward authority. By accepting the terms of this Grant Contract, the Grantee acknowledges the following:

- a. With regard to the Grantee's activities prior to the Effective Date of this Grant Contract, only those activities which meet all of the following requirements shall be considered for reimbursement:
  - (1) Activities that are reasonably related to the Scope of Services;
  - (2) Activities in whose absence the Scope of Services could not be completed or performed; and
  - (3) Activities that meet the relevant federal agency's requirements for reimbursement under federal preaward authority.
- b. The Grantee understands the federal preaward authority system and its relation to this Grant Contract.
- c. Preaward authority is not a legal or implied commitment that the work contemplated in this Grant Contract will be approved for federal assistance or that a federal agency will obligate funds. Furthermore, it is not a legal or implied commitment that all items undertaken by the Grantee will be eligible for inclusion in a federally funded project.
- d. It is the Grantee's responsibility to ensure its own compliance with the policies and requirements of the relevant federal agency with regard to the goods or services contemplated in this Grant Contract. The Grantee assumes all risk and is responsible for ensuring that all conditions are met to retain eligibility for federal reimbursement via grant.
- e. To the extent that this Grant Contract is funded through federal preaward authority, the State's obligations under Section C of this Grant Contract shall be void in the event that any of the following occur:
  - (1) the Grantee fails to comply with the grantor federal agency's policies and regulations;
  - (2) the relevant federal agency fails or refuses to finalize a grant; or
  - (3) the relevant federal agency refuses to reimburse specific expenses incurred under preaward authority.
- f. The start date of the State's federal preaward authority is [insert date here].



**DEBARMENT AND SUSPENSION  
LANGUAGE - REVISED IN VARIOUS  
TEMPLATES AND MODELS**

**REDLINE VERSION**

**REQUEST: Revise the Debarment and Suspension contract language, which is included in substantially similar formats in the FA Template, GU Model, NC Model, Endowment Grant, RV Model, GR Template, GG Template, and document configurator as follows:**

- #.#. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, ~~or~~ disqualified, or presently fall under any of the above sections a-d.

**DEBARMENT AND SUSPENSION  
LANGUAGE - REVISED IN VARIOUS  
TEMPLATES AND MODELS**

**CLEAN VERSION**

**REQUEST: Revise the Debarment and Suspension contract language, which is included in substantially similar formats in the FA Template, GU Model, NC Model, Endowment Grant, RV Model, GR Template, GG Template, and document configurator as follows:**

**##.** Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the above sections a-d.

***PROCUREMENT PROCEDURES  
MANUAL OF THE CENTRAL  
PROCUREMENT OFFICE –  
SECTION 8.4.4., CONTINUING DUTY TO  
DISCLOSE***

**REDLINE VERSION**

**REQUEST:** Revise section 8.4.4. of the *Procurement Procedures Manual of the Central Procurement Office* as follows:

**Proposed Language:**

*8.4.4. Continuing Duty to Disclose.*

Respondents, or Vendors to whom a contract has been awarded must provide immediate written notice to the State if at any time the Respondent or Vendor learns that it has failed to disclose information that its principals, affiliates or subcontractors are any of the following:

- excluded or disqualified from contracting with the State, local governments within the State, states other than Tennessee, local governments in a state other than Tennessee, or the federal government;
- debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property.
- indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above;
- have had one or more public transactions (federal, state, or local) terminated for cause or default.

***PROCUREMENT PROCEDURES  
MANUAL OF THE CENTRAL  
PROCUREMENT OFFICE –  
SECTION 8.4.4., CONTINUING DUTY TO  
DISCLOSE***

**CLEAN VERSION**

**REQUEST:**        **Revise section 8.4.4. of the *Procurement Procedures Manual of the Central Procurement Office* as follows:**

**Proposed Language:**

*8.4.4. Continuing Duty to Disclose.*

Respondents, or Vendors to whom a contract has been awarded must provide immediate written notice to the State if at any time the Respondent or Vendor learns that it has failed to disclose information that its principals, affiliates or subcontractors are any of the following:

- excluded or disqualified from contracting with the State, local governments within the State, states other than Tennessee, local governments in a state other than Tennessee, or the federal government;
- debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property.
- indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above;
- have had one or more public transactions (federal, state, or local) terminated for cause or default.



**FA TEMPLATE – INSURANCE  
PROVISION**

**REDLINE VERSION**

**REQUEST: Insert language into the FA Template allowing for the consideration of umbrella insurance policies to supplement underlying insurance policies that do not meet the established minimum insurance requirements.**

**Insurance Options**

Select up to four (4) insurance options below. In the event that one of the insurance options is appropriate, insert the six (6) paragraphs immediately below before inserting the desired insurance option or options.

The insurance coverage amounts below represent only a default level of coverage. These requirements work for a wide variety of procurements; however, certain situations call for adjusting the coverage requirements to provide adequate protection to the State. If the procurement involves activities that present either a higher risk (Examples: heavy machinery, frequent use of automobiles, medical industry, etc.) or a unique risk (Examples: internet-based services, employee-committed crime, etc.), please consult with the CPO Risk Manager to determine if a deviation from the default coverage requirements is appropriate. Enter any revised coverage amounts as "written amount Dollars (\$NUMBER AMOUNT)."

D.#. **Insurance.** Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified below. The COI shall be provided ten (10) business days prior to the Effective Date and again upon renewal or replacement of coverages required by this Contract. If insurance expires during the Term, the State must receive a new COI at least thirty (30) calendar days prior to the insurance's expiration date. If the Contractor loses insurance coverage, does not renew coverage, or for any reason becomes uninsured during the Term, the Contractor shall notify the State immediately.

The COI shall be on a form approved by the Tennessee Department of Commerce and Insurance ("TDCI") and signed by an authorized representative of the insurer. The COI shall list each insurer's national association of insurance commissioners (also known as NAIC) number ~~or federal employer identification number~~ and list the State of Tennessee, Risk Manager, 312 Rosa L. Parks Ave., 3<sup>rd</sup> floor Central Procurement Office, Nashville, TN 37243 in the certificate holder section. At any time, the State may require the Contractor to provide a valid COI detailing coverage description; insurance company; policy number; exceptions; exclusions; policy effective date; policy expiration date; limits of liability; and the name and address of insured. The Contractor's failure to maintain or submit evidence of insurance coverage is considered a material breach of this Contract.

If the Contractor desires to self-insure, then a COI will not be required to prove coverage. In place of the COI, the Contractor must provide a certificate of self-insurance or a letter on the Contractor's letterhead detailing its coverage, liability policy amounts, and proof of funds to reasonably cover such expenses. Compliance with Tenn. Code Ann. § 50-6-405 and the rules of the TDCI is required for the Contractor to self-insure workers' compensation.

All insurance companies must be: (a) acceptable to the State; (b) authorized by the TDCI to transact business in the State of Tennessee; and (c) rated A- VII or better by A. M. Best. The Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that the subcontractors are included under the Contractor's policy.

The Contractor agrees to name the State as an additional insured on any insurance policies with the exception of workers' compensation (employer liability) and professional liability (errors and

omissions) ("Professional Liability") insurance. Also, all policies shall contain an endorsement for a waiver of subrogation in favor of the State.

The deductible and any premiums are the Contractor's sole responsibility. Any deductible over fifty thousand dollars (\$50,000) must be approved by the State. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

All coverage required shall be on a primary basis and noncontributory with any other insurance coverage or self-insurance carried by the State. The State reserves the right to amend or require additional endorsements, types of coverage, and higher or lower limits of coverage depending on the nature of the work. Purchases or contracts involving any hazardous activity or equipment, tenant, concessionaire and lease agreements, alcohol sales, cyber-liability risks, environmental risks, special motorized equipment, or property may require customized insurance requirements (e.g. umbrella liability insurance) in addition to the general requirements listed below.

To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate. If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.

**The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.**

**Option 1: Commercial General Liability Insurance**

Add the following if the Contractor will: (1) provide services to the State; or (2) deliver goods on State property.

**a. Commercial General Liability Insurance**

- 1) The Contractor shall maintain commercial general liability insurance, which shall be written on an Insurance Services Office, Inc. (also known as ISO) occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises/operations, independent contractors,

**Formatted:** Numbered + Level: 1 +  
Numbering Style: a, b, c, ... + Start at: 1 +  
Alignment: Left + Aligned at: 0.75" + Indent  
at: 1"

**Formatted:** Numbered + Level: 2 +  
Numbering Style: 1, 2, 3, ... + Start at: 1 +  
Alignment: Left + Aligned at: 1.25" + Indent  
at: 1.5"

contractual liability, completed operations/products, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

- 2) The Contractor shall maintain bodily injury/property damage with a combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate for bodily injury and property damage, including products and completed operations coverage with an aggregate limit of at least two million dollars (\$2,000,000).

**Option 2a: Workers' Compensation and Employer Liability Insurance – Primary Option**

Add the following if the Contractor will provide services to the State. All contractors who provide services to the State must have a workers' compensation and employer liability insurance policy *unless* the contractor is statutorily exempt or self-insured. Consider the risk of each contract (value, type of services or work provided). Option 2b should only be used where the risk of the Contractor Employee injury is low. If an agency has any questions concerning the risks involved please contact the CPO Risk Manager.

**b. Workers' Compensation and Employer Liability Insurance**

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation in an amount not less than one million dollars (\$1,000,000) including employer liability of one million dollars (\$1,000,000) per accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit by disease, and one million dollars (\$1,000,000) per employee for bodily injury by disease.
- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government; or
  - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

**Formatted:** Numbered + Level: 1 +  
Numbering Style: a, b, c, ... + Start at: 1 +  
Alignment: Left + Aligned at: 0.75" + Indent  
at: 1"

**Formatted:** Numbered + Level: 2 +  
Numbering Style: 1, 2, 3, ... + Start at: 1 +  
Alignment: Left + Aligned at: 1.25" + Indent  
at: 1.5"

**Option 2b: Workers' Compensation and Employer Liability Insurance – Low Risk Option**

**b. Workers' Compensation and Employer Liability Insurance**

- 3) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation and employer liability insurance in the amounts required by appropriate state statutes.
  
- 4) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government; or
  - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

**Option 3: Automobile Liability Insurance**

Add the following if the Contractor will use a vehicle when providing goods or services under the Contract.

D.#.

**c. Automobile Liability Insurance**

- i. The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- ii. The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

**Option 4: Professional Liability Insurance**

Add the following if the Contract involves professional service providers, e.g., architects, engineers, consultants, counselors, medical professionals, attorneys, accountants.

D.#.

**d. Professional Liability Insurance**

- i. Professional liability insurance shall be written on an occurrence basis. This coverage

may be written on a claims-made basis but must include an extended reporting period or "tail coverage" of at least two (2) years after the Term;

- ii. Any professional liability insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) in the aggregate; and
- iii. If the Contract involves the provision of services by medical professionals, a policy limit not less than two million (\$2,000,000) per claim and three million dollars (\$3,000,000) in the aggregate for medical malpractice insurance.

**FA TEMPLATE – INSURANCE  
PROVISION**

**CLEAN VERSION**

**REQUEST: Insert language into the FA Template allowing for the consideration of umbrella insurance policies to supplement underlying insurance policies that do not meet the established minimum insurance requirements.**

**Insurance Options**

Select up to four (4) insurance options below. In the event that one of the insurance options is appropriate, insert the six (6) paragraphs immediately below before inserting the desired insurance option or options.

The insurance coverage amounts below represent only a default level of coverage. These requirements work for a wide variety of procurements; however, certain situations call for adjusting the coverage requirements to provide adequate protection to the State. If the procurement involves activities that present either a higher risk (Examples: heavy machinery, frequent use of automobiles, medical industry, etc.) or a unique risk (Examples: internet-based services, employee-committed crime, etc.), please consult with the CPO Risk Manager to determine if a deviation from the default coverage requirements is appropriate. Enter any revised coverage amounts as “written amount Dollars (\$NUMBER AMOUNT).”

**D.#.** Insurance. Contractor shall provide the State a certificate of insurance (“COI”) evidencing the coverages and amounts specified below. The COI shall be provided ten (10) business days prior to the Effective Date and again upon renewal or replacement of coverages required by this Contract. If insurance expires during the Term, the State must receive a new COI at least thirty (30) calendar days prior to the insurance’s expiration date. If the Contractor loses insurance coverage, does not renew coverage, or for any reason becomes uninsured during the Term, the Contractor shall notify the State immediately.

The COI shall be on a form approved by the Tennessee Department of Commerce and Insurance (“TDCI”) and signed by an authorized representative of the insurer. The COI shall list each insurer’s national association of insurance commissioners (also known as NAIC) number and list the State of Tennessee, Risk Manager, 312 Rosa L. Parks Ave., 3<sup>rd</sup> floor Central Procurement Office, Nashville, TN 37243 in the certificate holder section. At any time, the State may require the Contractor to provide a valid COI detailing coverage description; insurance company; policy number; exceptions; exclusions; policy effective date; policy expiration date; limits of liability; and the name and address of insured. The Contractor’s failure to maintain or submit evidence of insurance coverage is considered a material breach of this Contract.

If the Contractor desires to self-insure, then a COI will not be required to prove coverage. In place of the COI, the Contractor must provide a certificate of self-insurance or a letter on the Contractor’s letterhead detailing its coverage, liability policy amounts, and proof of funds to reasonably cover such expenses. Compliance with Tenn. Code Ann. § 50-6-405 and the rules of the TDCI is required for the Contractor to self-insure workers’ compensation.

All insurance companies must be: (a) acceptable to the State; (b) authorized by the TDCI to transact business in the State of Tennessee; and (c) rated A- VII or better by A. M. Best. The Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that the subcontractors are included under the Contractor’s policy.

The Contractor agrees to name the State as an additional insured on any insurance policies with the exception of workers’ compensation (employer liability) and professional liability (errors and



omissions) ("Professional Liability") insurance. Also, all policies shall contain an endorsement for a waiver of subrogation in favor of the State.

The deductible and any premiums are the Contractor's sole responsibility. Any deductible over fifty thousand dollars (\$50,000) must be approved by the State. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

All coverage required shall be on a primary basis and noncontributory with any other insurance coverage or self-insurance carried by the State. The State reserves the right to amend or require additional endorsements, types of coverage, and higher or lower limits of coverage depending on the nature of the work. Purchases or contracts involving any hazardous activity or equipment, tenant, concessionaire and lease agreements, alcohol sales, cyber-liability risks, environmental risks, special motorized equipment, or property may require customized insurance requirements (e.g. umbrella liability insurance) in addition to the general requirements listed below.

To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate. If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.

**The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.**

**Option 1: Commercial General Liability Insurance**

Add the following if the Contractor will: (1) provide services to the State; or (2) deliver goods on State property.

**a. Commercial General Liability Insurance**

- 1) The Contractor shall maintain commercial general liability insurance, which shall be written on an Insurance Services Office, Inc. (also known as ISO) occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises/operations, independent contractors,

contractual liability, completed operations/products, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

- 2) The Contractor shall maintain bodily injury/property damage with a combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate for bodily injury and property damage, including products and completed operations coverage with an aggregate limit of at least two million dollars (\$2,000,000).

**Option 2a: Workers' Compensation and Employer Liability Insurance – Primary Option**

Add the following if the Contractor will provide services to the State. All contractors who provide services to the State must have a workers' compensation and employer liability insurance policy *unless* the contractor is statutorily exempt or self-insured. Consider the risk of each contract (value, type of services or work provided). Option 2b should only be used where the risk of the Contractor Employee injury is low. If an agency has any questions concerning the risks involved please contact the CPO Risk Manager.

**b. Workers' Compensation and Employer Liability Insurance**

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation in an amount not less than one million dollars (\$1,000,000) including employer liability of one million dollars (\$1,000,000) per accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit by disease, and one million dollars (\$1,000,000) per employee for bodily injury by disease.
- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government; or
  - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

**Option 2b: Workers' Compensation and Employer Liability Insurance – Low Risk Option**

**b. Workers' Compensation and Employer Liability Insurance**

- 3) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation and employer liability insurance in the amounts required by appropriate state statutes.
  
- 4) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government; or
  - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

**Option 3: Automobile Liability Insurance**

Add the following if the Contractor will use a vehicle when providing goods or services under the Contract.

**D.#.**

**c. Automobile Liability Insurance**

- i. The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- ii. The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

**Option 4: Professional Liability Insurance**

Add the following if the Contract involves professional service providers, e.g., architects, engineers, consultants, counselors, medical professionals, attorneys, accountants.

**D.#.**

**d. Professional Liability Insurance**

- i. Professional liability insurance shall be written on an occurrence basis. This coverage

may be written on a claims-made basis but must include an extended reporting period or "tail coverage" of at least two (2) years after the Term;

- ii. Any professional liability insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) in the aggregate; and
- iii. If the Contract involves the provision of services by medical professionals, a policy limit not less than two million (\$2,000,000) per claim and three million dollars (\$3,000,000) in the aggregate for medical malpractice insurance.

**GR TEMPLATE –  
INSURANCE PROVISION**

**REDLINE VERSION**

**REQUEST: Insert language in the GR Template allowing for the consideration of umbrella insurance policies to supplement underlying insurance policies that do not meet the established minimum insurance requirements and remove language requiring “all states coverage” for Workers’ Compensation/Employer’s Liability policies. Substantially similar language can also be found in the GE Model.**

**Insurance**

Add the following Section as appropriate. Revise minimum coverage amounts and deleting any unneeded subsections. If unsure whether the Section is applicable, consult the CPO legal team.

**E.#. Insurance.** The Grantee shall carry adequate liability and other appropriate forms of insurance.

a. The Grantee shall maintain, at minimum, the following insurance coverage:

- (1) Workers' Compensation/ Employers' Liability (~~including all states coverage~~) with a limit not less than the relevant statutory amount or one million dollars (\$1,000,000) per occurrence for employers' liability whichever is greater;
- (2) 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 one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate;
- (3) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence; and
- (4) Professional Malpractice Liability with a limit of not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate.

a. The Grantee shall provide a valid Certificate of Insurance naming the State as an additional insured and detailing Coverage Description; Insurance Company and Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Grantee shall obtain from Grantee's insurance carrier(s) and will deliver to the State waivers of the subrogation rights under the respective policies. Failure to provide required evidence of insurance coverage shall be a material breach of this Grant Contract.

a-b. ~~To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate). If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Grantee shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.~~

**Formatted:** List Paragraph, Indent: Left: 0.5", Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1", Allow hanging punctuation, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers, Font Alignment: Auto

**Formatted:** Font: (Default) Arial, 10 pt

**Formatted:** Font: (Default) Arial, 10 pt

**Formatted:** List Paragraph, Indent: Left: 1", First line: 0", Allow hanging punctuation, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers, Font Alignment: Auto

**GR TEMPLATE –  
INSURANCE PROVISION**

**CLEAN VERSION**

**REQUEST: Insert language in the GR Template allowing for the consideration of umbrella insurance policies to supplement underlying insurance policies that do not meet the established minimum insurance requirements and remove language requiring “all states coverage” for Workers’ Compensation/Employer’s Liability policies. Substantially similar language can also be found in the GE Model.**

**Insurance**

Add the following Section as appropriate. Revise minimum coverage amounts and deleting any unneeded subsections. If unsure whether the Section is applicable, consult the CPO legal team.

**E.#. Insurance.** The Grantee shall carry adequate liability and other appropriate forms of insurance.

a. The Grantee shall maintain, at minimum, the following insurance coverage:

- (1) Workers' Compensation/ Employers' Liability with a limit not less than the relevant statutory amount or one million dollars (\$1,000,000) per occurrence for employers' liability whichever is greater;
- (2) 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 one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate;
- (3) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence; and
- (4) Professional Malpractice Liability with a limit of not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate.

a. The Grantee shall provide a valid Certificate of Insurance naming the State as an additional insured and detailing Coverage Description; Insurance Company and Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Grantee shall obtain from Grantee's insurance carrier(s) and will deliver to the State waivers of the subrogation rights under the respective policies. Failure to provide required evidence of insurance coverage shall be a material breach of this Grant Contract.

b. To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate). If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Grantee shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.



**REQUEST FOR QUALIFICATIONS (RFQ)  
AND REQUEST FOR PROPOSALS (RFP)  
TEMPLATES**

**SECTION A., MANDATORY  
REQUIREMENT ITEMS**

**REDLINE VERSION**

**REQUEST: Revise the template and optional sections regarding Section A – Mandatory Requirement Items of the RFQ and RFP Templates, which are used to determine Respondents’ financial responsibility.**

**RFQ Template:**

**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
		<b>The Technical Response must be delivered to the State no later than the Technical Response Deadline specified in the RFQ § 2, Schedule of Events.</b>	
		<b>The Technical Response must not contain cost or pricing information of any type.</b>	
		<b>The Technical Response must not contain any restrictions of the rights of the State or other qualification of the response.</b>	
		<b>A Respondent must not submit alternate responses.</b>	
		<b>A Respondent must not submit multiple responses in different forms (as a prime and a subcontractor).</b>	
	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.	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
	A.3.	<p><u>Provide any additional information that may assist the State in determining that Respondent possesses the financial ability to carry out this contract for the entire term. Examples include, but are not limited to, current audited financial statements, current bank reference letters indicating account in good standing, current credit references from vendors in which you have done business with, official credit bureau reports, current letters indicating bonding capacity, etc.</u></p> <p><u>If the State lacks the information necessary to make such a determination, the Respondent may be deemed to lack the financial responsibility to perform. The State reserves the right to require any additional information that it may reasonably need to make a sound decision regarding financial ability to perform or to condition contract award on a respondent obtaining other evidence of financial ability to perform. a- 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.</u></p>	
	A.4.	<p><u>Provide two current positive credit references from vendors with which the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.</u></p>	
	A.5.	<p><u>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.)</u></p>	
	A. #.	<p>REPEAT MANDATORY REQUIREMENT ITEMS &amp; ASSOCIATED ITEM REFERENCES AS NECESSARY</p>	
<p><i>State Use – RFQ Coordinator Signature, Printed Name &amp; Date:</i></p>			

Formatted: Space Before: 0 pt, After: 10 pt

Optional Language:

Formatted: Indent: Left: 0", Hanging: 1", Space After: 10 pt

**ATTACHMENT A: TECHNICAL RESPONSE & EVALUATION GUIDE**

Option: A.3. Delete and replace with other options to determine financial responsibility or revise this requirement as appropriate.

**Option: Bank Reference**

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to specifically ask for bank references as evidence of Respondents' financial responsibility.

	<b>A.#</b>	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.	
--	------------	---	--

Formatted: Font: Calibri, 10 pt, Bold  
 Formatted: Indent: Hanging: 0.5"  
 Formatted: Font: +Body (Calibri)

Formatted: Font: Bold

**Option: Credit References**

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to specifically ask for credit references as evidence of respondents' financial responsibility.

	<b>A.#</b>	Provide two current positive credit references from vendors with which the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
--	------------	---	--

Formatted: Indent: Left: 0"  
 Formatted: Font: Bold

Formatted: Font: Not Bold

Formatted: Space After: 3 pt

Formatted: Font: 9 pt, Font color: Auto

**Option: Letter from an Accredited Credit Bureau**

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to specifically ask for a letter from an accredited credit bureau as evidence of Respondents' financial responsibility.

	<b>A.#</b>	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.)	
--	------------	--	--

Formatted: Font: Bold

Formatted: Font: 9 pt, Font color: Auto

Formatted: Indent: Left: 0"

**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.

	<b>A.#</b>	Provide documentation disclosing the amount of cash flows from operating activities for the Respondent's most current operating	
--	------------	---	--

	<p>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.</p> <p>NOTICE: All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status <u>must</u> 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.</p>	
--	---	--

**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.)

<b>A.#</b>	<p>Provide <del>a valid, Certificate of evidence of</del> insurance coverage that is verified and dated within the last six (6) months and which details <u>all</u> of the following:</p> <ul style="list-style-type: none"> <li>(a) Insurance Company</li> <li>(b) Respondent's Name and Address as the Insured</li> <li>(c) Policy Number</li> <li>(d) The following minimum insurance coverage: <ul style="list-style-type: none"> <li>(i) Workers' Compensation/ Employers' Liability (<del>including all-states coverage</del>) with a limit not less than the relevant statutory amount or WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence for employers' liability; (<del>REVISE AS APPROPRIATE TO MATCH PRO FORMA</del>).</li> <li>(ii) Comprehensive Commercial General Liability (including personal injury &amp; 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;</li> <li>(iii) Automobile Coverage (including owned, leased, hired,</li> </ul> </li> </ul>	
------------	--	--

Formatted: Font color: Red

Formatted: Font color: Red

	<p>and non-owned vehicles) with a bodily injury/property damage combined single limit not less than <b>WRITTEN AMOUNT</b> Dollars (<b>\$NUMBER AMOUNT</b>) per occurrence; and</p> <p>(iv) Professional Malpractice Liability with a limit of not less than <b>WRITTEN AMOUNT</b> Dollars (<b>\$NUMBER AMOUNT</b>) per claim.</p> <p>(e) The following information applicable to each type of insurance coverage:</p> <p>(i) Coverage Description,</p> <p>(ii) Exceptions and Exclusions,</p> <p>(iii) Policy Effective Date,</p> <p>(iv) Policy Expiration Date, and</p> <p>(v) Limit(s) of Liability.</p> <p><u>(f) To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate). If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.</u></p>	
--	--	--

**Formatted:** Font: 10 pt, No underline, Font color: Auto

**Formatted:** Indent: Left: 0", First line: 0"

**Formatted:** Indent: Left: 0", First line: 0"

**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.

<b>A.#</b>	<p>Provide the Respondent's most recent independent audited financial statements. Said independent audited financial statements <u>must</u>:</p> <p>(1) reflect an audit period for a fiscal year ended within the last 36 months</p> <p>(2) be prepared with all monetary amounts detailed in United States currency;</p>	
------------	--	--

	<p>(3) be prepared under United States Generally Accepted Accounting Principles (US GAAP);</p> <p>(4) include: the auditor's opinion letter; financial statements; and the notes to the financial statements; and</p> <p>(5) be deemed, in the sole discretion of the State to reflect sufficient financial stability to undertake the subject agreement with the State.</p> <p>NOTES:</p> <ul style="list-style-type: none"> <li>▪ Reviewed or Compiled Financial Statements will not be deemed responsive to this requirement and will <u>not</u> be accepted.</li> <li>▪ All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status <u>must</u> 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.</li> </ul>	
--	--	--

**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.

	<b>A.#</b>	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.

	<b>A.#</b>	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.



**RFP Template Language:**

**RFP ATTACHMENT 6.2. — Section A**

**TECHNICAL RESPONSE & EVALUATION GUIDE**

**SECTION A: MANDATORY REQUIREMENTS.** 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.

The Solicitation Coordinator will review the response 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 Proposal Evaluation Team must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFP requirements.

<b>RESPONDENT LEGAL ENTITY NAME:</b>			
<b>Response Page # (Respondent completes)</b>	<b>Item Ref.</b>	<b>Section A— Mandatory Requirement Items</b>	<b>Pass/Fail</b>
		The Response must be delivered to the State no later than the Response Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Response and the Cost Proposal documentation must be packaged separately as required (refer to RFP Section 3.2., <i>et seq.</i> ).	
		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 (refer to RFP Section 3.3.).	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a sub-contractor) (refer to RFP Section 3.3.).	
	<b>A.1.</b>	Provide the Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
	A.2.	<p>Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services 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.</p> <p>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.</p>	
	A.3.	<p><u>Provide any additional information that may assist the State in determining that you possess the financial ability to carry out this contract for the entire term. Examples include, but are not limited to, current audited financial statements, current bank reference letters indicating account in good standing, current credit references from vendors in which you have done business with, official credit bureau reports, current letters indicating bonding capacity, etc.</u></p> <p><u>If the State lacks the information necessary to make such a determination, the Respondent may be deemed to lack the financial responsibility to perform. The State reserves the right to require any additional information that it may reasonably need to make a sound decision regarding financial ability to perform or to condition contract award on a respondent obtaining other evidence of financial ability to perform.</u></p>	
	A.3.	<p><del>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.</del></p>	
	A.4.	<p><del>Provide two current positive credit references from vendors with which the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.</del></p>	
	A.5.	<p><del>Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months and indicating a satisfactory credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will not be considered responsive.)</del></p>	
	A.#.	<p>REPEAT MANDATORY REQUIREMENT ITEMS &amp; ASSOCIATED ITEM REFERENCES AS NECESSARY</p>	

Formatted: Space Before: 0 pt, After: 10 pt

<b>RESPONDENT LEGAL ENTITY NAME:</b>			
<b>Response Page # (Respondent complete)</b>	<b>Item Ref.</b>	<b>Section A— Mandatory Requirement items</b>	<b>Pass/Fail</b>
	<b>A.#.</b>	<b>REPEAT MANDATORY REQUIREMENT ITEMS &amp; ASSOCIATED ITEM REFERENCES AS NECESSARY</b>	
<i>State Use – Solicitation Coordinator Signature, Printed Name &amp; Date:</i>			

Optional Text:

**6.2. TECHNICAL RESPONSE & EVALUATION GUIDE ATTACHMENT – SECTION A**

**Option: A.43.** Delete and replace with other options to determine financial responsibility or revise this requirement as appropriate.

**Option: A.5.** Delete or revise this requirement as appropriate.

**Option: Bank Reference**

Add the following row to the RFPP Attachment 6.2., Section A table (after the template items) if the procuring agency chooses to specifically ask for bank references as evidence of respondents' financial responsibility.

**Formatted:** Indent: Left: 0.5", Hanging: 0.5", Space After: 3 pt

**Formatted:** Indent: Left: 0.5", Hanging: 0.5", Space After: 3 pt

	<b>A.#</b>	<u>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.</u>	
--	------------	--	--

**Option: Credit References**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) if the procuring agency chooses to specifically ask for credit references as evidence of respondents' financial responsibility.

**Formatted:** Font: 10 pt, Bold

	<b>A.#</b>	Provide two current positive credit references from vendors with which the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
--	------------	---	--

Formatted: Font color: Auto

**Option: Letter from an Accredited Credit Bureau**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) if the procuring agency chooses to specifically ask for a letter from an accredited credit bureau as evidence of respondents' financial responsibility.

Formatted: Font: 10 pt, Bold

Formatted: Font: 10 pt, Bold

Formatted: Font: Arial

Formatted: Indent: Left: 0.5"

	<b>A.#</b>	Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months and indicating a satisfactory credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will not be considered responsive.)	
--	------------	--	--

Formatted: Indent: Left: 0"

**Option: Certificate of Insurance.**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) ONLY IF a Certificate of Insurance is considered necessary evidence of contractor financial 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 RFP, the appropriate Insurance provision must be detailed in the *pro forma* contract. The insurance coverage requirements specified in both the RFP and the *pro forma* contract must be the same.)

	<b>A.#</b>	<p>Provide a valid evidence Certificate of insurance coverage that is verified and dated within the last six (6) months and which details all of the following:</p> <ul style="list-style-type: none"> <li>(a) Name of the Insurance Company</li> <li>(b) Respondent's Name and Address as the Insured</li> <li>(c) Policy Number</li> <li>(d) The following minimum insurance coverages: <ul style="list-style-type: none"> <li>(i) Workers' Compensation/ Employers' Liability (<del>including all-states coverage</del>) with a limit not less than the relevant statutory amount or WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence for employers' liability; (REVISE AS APPROPRIATE TO MATCH PRO FORMA)</li> <li>(ii) Comprehensive Commercial General Liability (including personal injury and property damage, premises/operations, independent contractor, contractual</li> </ul> </li> </ul>	
--	------------	---	--

Formatted Table

Formatted: Font color: Red

		<p>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;</p> <p>(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</p> <p>(iv) Professional Malpractice Liability with a limit of not less than WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per claim.</p> <p>(e) The following information applicable to each type of insurance coverage:</p> <p>(i) Coverage Description,</p> <p>(ii) Exceptions and Exclusions,</p> <p>(iii) Policy Effective Date,</p> <p>(iv) Policy Expiration Date, and</p> <p>(v) Limit(s) of Liability.</p> <p><u>(f) To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate). If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.</u></p>	
--	--	--	--

**Formatted:** Font: 10 pt, No underline, Font color: Auto

**Option: Audited Financial Statements.**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) ONLY IF the anticipated contract amount is  $\geq$  \$1,000,000.00 AND extraordinary effort to assure contractor financial responsibility is appropriate. Note: Audited Financial Statements may also be included as appropriate.

	<b>A.#</b>	<p>Provide the Respondent's most recent independent audited financial statements. Said independent audited financial statements <u>must</u>:</p> <p>(6) reflect an audit period for the most recent available fiscal year;</p> <p>(7) be prepared with all monetary amounts detailed in United States currency;</p> <p>(8) be prepared under United States Generally Accepted Accounting Principles (US GAAP);</p> <p>(9) include the auditor's opinion letter; financial statements; and the notes to the financial statements; and</p> <p>(10) be deemed, in the sole discretion of a C.P.A. employed by the State and charged with the financial document review of the Respondent, to reflect sufficient financial stability to undertake the subject contract with the State if awarded pursuant to this RFP.</p> <p>NOTES:</p> <ul style="list-style-type: none"> <li>▪ Reviewed or Compiled Financial Statements will not be deemed responsive to this requirement and will <u>not</u> be accepted.</li> <li>▪ All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status <u>must</u> be properly licensed to render such opinions. The State may require the Respondent to submit proof that the person or entity who renders an opinion regarding the Respondent's financial status is licensed, including the license number and state in which the person or entity is licensed.</li> </ul>	
--	------------	---	--

Formatted: Indent: Left: 0"

**Option: Audited Financial Statements – Line of Credit Option.**

Privately held entities may not respond to a RFP if there is a risk that their audited financial statements will be available for public review. Therefore, requiring audited financial statements (as detailed above) without an alternative to this requirement could limit competition or involvement by privately held entities.

The procuring agency should weigh the impact of the financial statement requirement on competition versus the state's need to reasonably determine the financial stability/responsibility of Respondents and whether a suitable alternative to a financial statement is available.

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**.

**Contingent Requirement: Performance Bond Confirmation.**

Add the following row to the RFP Attachment 6.2., Section A table ONLY IF a Performance Bond is proposed.

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

**Option: Additional Mandatory Requirements.**

Typically, each mandatory requirement item must be drafted such that it is capable of being objectively determined on a "yes/no" basis. Do not include a mandatory requirement that entails a response that should or must be more subjectively evaluated. Qualitative evaluation should not be required to determine whether the response was reasonable and adequate to satisfy each mandatory requirement.

Procuring agency staff may be asked to provide evidence that a proposed mandatory requirement is rationally related to the procurement goals.

To prevent unnecessary delays, submit evidence that supports the inclusion of a proposed mandatory requirement.

Add mandatory requirement items to the RFP Attachment 6.2., Section A table (after the template items) as appropriate.

**REQUEST FOR QUALIFICATIONS (RFQ)  
AND REQUEST FOR PROPOSALS (RFP)  
TEMPLATES**

**SECTION A., MANDATORY  
REQUIREMENT ITEMS**

**CLEAN VERSION**



**REQUEST: Revise the template and optional sections regarding Section A – Mandatory Requirement Items of the RFQ and RFP Templates, which are used to determine Respondents’ financial responsibility.**

**RFQ Template:**

**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.

<b>RESPONDENT LEGAL ENTITY NAME:</b>			
<b>Response Page # (Respondent completes)</b>	<b>Item Ref.</b>	<b>Section A— Mandatory Requirement Items</b>	<b>Pass/Fail</b>
		<b>The Technical Response must be delivered to the State no later than the Technical Response Deadline specified in the RFQ § 2, Schedule of Events.</b>	
		<b>The Technical Response must not contain cost or pricing information of any type.</b>	
		<b>The Technical Response must not contain any restrictions of the rights of the State or other qualification of the response.</b>	
		<b>A Respondent must not submit alternate responses.</b>	
		<b>A Respondent must not submit multiple responses in different forms (as a prime and a subcontractor).</b>	
	<b>A.1.</b>	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.	
	<b>A.2.</b>	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 ( <i>e.g.</i> , 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.	

<b>RESPONDENT LEGAL ENTITY NAME:</b>			
<b>Response Page #</b> (Respondent completes)	<b>Item Ref.</b>	<b>Section A— Mandatory Requirement Items</b>	<b>Pass/Fail</b>
	<b>A.3.</b>	<p>Provide any additional information that may assist the State in determining that Respondent possesses the financial ability to carry out this contract for the entire term. Examples include, but are not limited to, current audited financial statements, current bank reference letters indicating account in good standing, current credit references from vendors in which you have done business with, official credit bureau reports, current letters indicating bonding capacity, etc.</p> <p>If the State lacks the information necessary to make such a determination, the Respondent may be deemed to lack the financial responsibility to perform. The State reserves the right to require any additional information that it may reasonably need to make a sound decision regarding financial ability to perform or to condition contract award on a respondent obtaining other evidence of financial ability to perform.</p>	
	<b>A. #.</b>	<b>REPEAT MANDATORY REQUIREMENT ITEMS &amp; ASSOCIATED ITEM REFERENCES AS NECESSARY</b>	
<b>State Use – RFQ Coordinator Signature, Printed Name &amp; Date:</b>			

**Optional Language:**

**ATTACHMENT A: TECHNICAL RESPONSE & EVALUATION GUIDE**

**Option: A.3.** Delete and replace with other options to determine financial responsibility or revise this requirement as appropriate.

**Option: Bank Reference**

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to specifically ask for bank references as evidence of Respondents’ financial responsibility.

	<b>A.#</b>	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.	
--	------------	---	--

**Option: Credit References**

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to specifically ask for credit references as evidence of respondents' financial responsibility.

	<b>A.#</b>	Provide two current positive credit references from vendors with which the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
--	------------	---	--

**Option: Letter from an Accredited Credit Bureau**

Add the following row to the RFQ Attachment A table (after the model items) if the contracting agency chooses to specifically ask for a letter from an accredited credit bureau as evidence of Respondents' financial responsibility.

	<b>A.#</b>	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 <u>not</u> be considered responsive.)	
--	------------	---	--

**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.

	<b>A.#</b>	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 <u>must</u> 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.)

	<p><b>A.#</b> Provide evidence of insurance coverage that is verified and dated within the last six (6) months and which details <u>all</u> of the following:</p> <ul style="list-style-type: none"> <li>(a) Insurance Company</li> <li>(b) Respondent's Name and Address as the Insured</li> <li>(c) Policy Number</li> <li>(d) The following minimum insurance coverage: <ul style="list-style-type: none"> <li>(i) Workers' Compensation/ Employers' Liability <b>with a limit not less than the relevant statutory amount or WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence for employers' liability; (REVISE AS APPROPRIATE TO MATCH PRO FORMA)</b></li> <li>(ii) Comprehensive Commercial General Liability (including personal injury &amp; property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than <b>WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence and WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) aggregate;</b></li> <li>(iii) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than <b>WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence;</b> and</li> <li>(iv) Professional Malpractice Liability with a limit of not less than <b>WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per claim.</b></li> </ul> </li> <li>(e) The following information applicable to each type of insurance coverage: <ul style="list-style-type: none"> <li>(i) Coverage Description,</li> <li>(ii) Exceptions and Exclusions,</li> <li>(iii) Policy Effective Date,</li> <li>(iv) Policy Expiration Date, and</li> <li>(v) Limit(s) of Liability.</li> </ul> </li> <li>(f) To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate,</li> </ul>	
--	--	--

		<p>acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate). If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.</p>	
--	--	--	--

**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  $\geq$  \$1,000,000.00 AND extraordinary effort to assure Respondent financial stability/responsibility is appropriate.

	<b>A.#</b>	<p>Provide the Respondent's most recent independent audited financial statements. Said independent audited financial statements <u>must</u>:</p> <ol style="list-style-type: none"> <li>(1) reflect an audit period for a fiscal year ended within the last 36 months</li> <li>(2) be prepared with all monetary amounts detailed in United States currency;</li> <li>(3) be prepared under United States Generally Accepted Accounting Principles (US GAAP);</li> <li>(4) include: the auditor's opinion letter; financial statements; and the notes to the financial statements; and</li> <li>(5) be deemed, in the sole discretion of the State to reflect sufficient financial stability to undertake the subject agreement with the State.</li> </ol> <p>NOTES:</p> <ul style="list-style-type: none"> <li>▪ Reviewed or Compiled Financial Statements will not be deemed responsive to this requirement and will <u>not</u> be accepted.</li> <li>▪ All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status <u>must</u> 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.</li> </ul>	
--	------------	--	--

**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.

	<b>A.#</b>	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.

	<b>A.#</b>	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.

**TECHNICAL RESPONSE & EVALUATION GUIDE**

**SECTION A: MANDATORY REQUIREMENTS.** 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.

The Solicitation Coordinator will review the response 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 Proposal Evaluation Team must review the response and attach a written determination. In addition to the Mandatory Requirement Items, the Solicitation Coordinator will review each response for compliance with all RFP requirements.

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Response must be delivered to the State no later than the Response Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Response and the Cost Proposal documentation must be packaged separately as required (refer to RFP Section 3.2., <i>et seq.</i> ).	
		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 (refer to RFP Section 3.3.).	
		A Respondent must NOT submit multiple responses in different forms (as a prime and a sub-contractor) (refer to RFP Section 3.3.).	
	A.1.	Provide the Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Respondent to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	



<b>RESPONDENT LEGAL ENTITY NAME:</b>			
<b>Response Page # (Respondent completes)</b>	<b>Item Ref.</b>	<b>Section A— Mandatory Requirement Items</b>	<b>Pass/Fail</b>
	<b>A.2.</b>	<p>Provide a statement, based upon reasonable inquiry, of whether the Respondent or any individual who shall cause to deliver goods or perform services 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.</p> <p>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.</p>	
	<b>A.3.</b>	<p>Provide any additional information that may assist the State in determining that you possess the financial ability to carry out this contract for the entire term. Examples include, but are not limited to, current audited financial statements, current bank reference letters indicating account in good standing, current credit references from vendors in which you have done business with, official credit bureau reports, current letters indicating bonding capacity, etc.</p> <p>If the State lacks the information necessary to make such a determination, the Respondent may be deemed to lack the financial responsibility to perform. The State reserves the right to require any additional information that it may reasonably need to make a sound decision regarding financial ability to perform or to condition contract award on a respondent obtaining other evidence of financial ability to perform.</p>	
	<b>A.#.</b>	<b>REPEAT MANDATORY REQUIREMENT ITEMS &amp; ASSOCIATED ITEM REFERENCES AS NECESSARY</b>	
	<b>A.#.</b>	<b>REPEAT MANDATORY REQUIREMENT ITEMS &amp; ASSOCIATED ITEM REFERENCES AS NECESSARY</b>	
<i>State Use – Solicitation Coordinator Signature, Printed Name &amp; Date:</i>			

**Optional Text:**

**6.2. TECHNICAL RESPONSE & EVALUATION GUIDE ATTACHMENT – SECTION A**

**Option: A.3.** Delete and replace with other options to determine financial responsibility or revise this requirement as appropriate.

**Option: Bank Reference**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) if the procuring agency chooses to specifically ask for bank references as evidence of respondents' financial responsibility.

	<b>A.#</b>	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.	
--	------------	---	--

**Option: Credit References**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) if the procuring agency chooses to specifically ask for credit references as evidence of respondents' financial responsibility.

	<b>A.#</b>	Provide two current positive credit references from vendors with which the Respondent has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
--	------------	---	--

**Option: Letter from an Accredited Credit Bureau**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) if the procuring agency chooses to specifically ask for a letter from an accredited credit bureau as evidence of respondents' financial responsibility.

	<b>A.#</b>	Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months and indicating a satisfactory credit rating for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will <u>not</u> be considered responsive.)	
--	------------	---	--

**Option: Certificate of Insurance.**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) ONLY IF a Certificate of Insurance is considered necessary evidence of contractor financial 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 RFP, the appropriate Insurance provision must be detailed in the *pro forma* contract. The insurance coverage requirements specified in both the RFP and the *pro forma* contract must be the same.)

	<p><b>A.#.</b> Provide evidence of insurance coverage that is verified and dated within the last six (6) months and which details <u>all</u> of the following:</p> <ul style="list-style-type: none"> <li>(a) Name of the Insurance Company</li> <li>(b) Respondent's Name and Address as the Insured</li> <li>(c) Policy Number</li> <li>(d) The following minimum insurance coverages: <ul style="list-style-type: none"> <li>(i) Workers' Compensation/ Employers' Liability with a <b>limit not less than the relevant statutory amount or WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence for employers' liability; (REVISE AS APPROPRIATE TO MATCH PRO FORMA)</b></li> <li>(ii) Comprehensive Commercial General Liability (including personal injury and property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than <b>WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence and WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) aggregate;</b></li> <li>(iii) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than <b>WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per occurrence;</b> and</li> <li>(iv) Professional Malpractice Liability with a limit of not less than <b>WRITTEN AMOUNT Dollars (\$NUMBER AMOUNT) per claim.</b></li> </ul> </li> <li>(e) The following information applicable to each type of insurance coverage: <ul style="list-style-type: none"> <li>(i) Coverage Description,</li> <li>(ii) Exceptions and Exclusions,</li> <li>(iii) Policy Effective Date,</li> <li>(iv) Policy Expiration Date, and</li> <li>(v) Limit(s) of Liability.</li> </ul> </li> <li>(f) To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an</li> </ul>	
--	--	--

		umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate). If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.	
--	--	---	--

**Option: Audited Financial Statements.**

Add the following row to the RFP Attachment 6.2., Section A table (after the template items) ONLY IF the anticipated contract amount is  $\geq$  \$1,000,000.00 AND extraordinary effort to assure contractor financial responsibility is appropriate. Note: Audited Financial Statements may also be included as appropriate.

	<b>A.#</b>	<p>Provide the Respondent's most recent independent audited financial statements. Said independent audited financial statements <u>must</u>:</p> <ul style="list-style-type: none"> <li>(6) reflect an audit period for the most recent available fiscal year;</li> <li>(7) be prepared with all monetary amounts detailed in United States currency;</li> <li>(8) be prepared under United States Generally Accepted Accounting Principles (US GAAP);</li> <li>(9) include the auditor's opinion letter; financial statements; and the notes to the financial statements; and</li> <li>(10) be deemed, in the sole discretion of a C.P.A. employed by the State and charged with the financial document review of the Respondent, to reflect sufficient financial stability to undertake the subject contract with the State if awarded pursuant to this RFP.</li> </ul> <p>NOTES:</p> <ul style="list-style-type: none"> <li>▪ Reviewed or Compiled Financial Statements will not be deemed responsive to this requirement and will <u>not</u> be accepted.</li> <li>▪ All persons, agencies, firms, or other entities that provide opinions regarding the Respondent's financial status <u>must</u> be properly licensed to render such opinions. The State may require the Respondent to submit proof that the person or entity who renders an opinion regarding the Respondent's financial status is licensed, including the license number and state in which the person or entity is licensed.</li> </ul>	
--	------------	--	--

**Option: Audited Financial Statements – Line of Credit Option.**

Privately held entities may not respond to a RFP if there is a risk that their audited financial statements will be available for public review. Therefore, requiring audited financial statements (as detailed above) without an alternative to this requirement could limit competition or involvement by privately held entities.

The procuring agency should weigh the impact of the financial statement requirement on competition versus the state's need to reasonably determine the financial stability/responsibility of Respondents and whether a suitable alternative to a financial statement is available.

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**.

**Contingent Requirement: Performance Bond Confirmation.**

Add the following row to the RFP Attachment 6.2., Section A table ONLY IF a Performance Bond is proposed.

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

**Option: Additional Mandatory Requirements.**

Typically, each mandatory requirement item must be drafted such that it is capable of being objectively determined on a "yes/no" basis. Do not include a mandatory requirement that entails a response that should or must be more subjectively evaluated. Qualitative evaluation should not be required to determine whether the response was reasonable and adequate to satisfy each mandatory requirement.

Procuring agency staff may be asked to provide evidence that a proposed mandatory requirement is rationally related to the procurement goals.

To prevent unnecessary delays, submit evidence that supports the inclusion of a proposed mandatory requirement.

Add mandatory requirement items to the RFP Attachment 6.2., Section A table (after the template items) as appropriate.