



**STATE OF TENNESSEE
TREASURY DEPARTMENT**

**REQUEST FOR PROPOSALS
FOR
TENNESSEE CONSOLIDATED RETIREMENT SYSTEM NEW
PENSION ADMINISTRATION SYSTEM**

RFP # 30901—58424

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1. INTRODUCTION

The State of Tennessee, Treasury Department, hereinafter referred to as “the State,” issues this Request for Proposals (RFP) to define minimum contract requirements; solicit responses; detail response requirements; and, outline the State’s process for evaluating responses and selecting a contractor to provide the needed goods or services.

Through this RFP, the State seeks to procure necessary goods or services at the most favorable, competitive prices and to give ALL qualified respondents, including those that are owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises, an opportunity to do business with the state as contractors, subcontractors or suppliers.

1.1. Statement of Procurement Purpose

The Tennessee Consolidated Retirement System (TCRS) has initiated Project ARIS (Advanced Retirement Information System) where the project aims to implement a new and enhanced pension administration software system and strategically plan by continuously improving processes and adopting best practices in the pension industry.

The State seeks to acquire and implement a software solution for TCRS that is developed as a cloud native application that is fully elastic and encompasses a core line of business Pension Administration System (PAS), Customer Relationship Management (CRM) solution, Business Intelligence and Data Analytics (BI), and an Enterprise Content Management (ECM) solution necessary to support current and future departmental business processes. The CRM, BI, and ECM functionality may be delivered as part of an integrated system or a third-party solution.

Without compromising on quality or efficiency, the solution must be a fully automated solution whereby no human intervention would be necessary for the day-to-day management and tracking of member, beneficiary, retiree and participating employer requests and transactions. Such requests and transactions would include, but not be limited to, the initiation and calculation of member retirement benefit estimates; contribution refunds; purchases of service credit; processing of retirement benefits (e.g., researching/reviewing the member’s service credits and wage and contribution history, calculating benefits, setting forth retirement options, and adding the retiree to payroll). The solution must automate processes for TCRS members and employers, thereby creating a user-friendly experience that reduces/eliminates reliance on paper forms and streamlines employer reporting to TCRS (e.g., enrollment of new members, contribution reporting, and correction of previously submitted and recorded data).

The State intends to secure a contract with a firm having recent experience in the implementation of integrated pension and benefits administration solutions in the public sector.

1.1.1 BACKGROUND:

TCRS is a public employee retirement system that is a division of the Tennessee Department of Treasury. TCRS provides defined benefit pension plans for four large groups of public employees: kindergarten through 12th grade public school teachers (K-12 teachers), higher education employees, state government employees, and local government (also called political subdivision) employees. Each local government (such as a city, county, utility district, and the like) voluntarily decides whether to be a participating employer in TCRS and thereby cover its local government employees in TCRS.

There are three defined benefit pension plans with TCRS as described as follows:

- (1) The Public Employee Retirement Plan, which is an agent, multiple-employer defined benefit pension plan for state and higher education government employees and for political subdivisions.
- (2) The Teacher Legacy Pension Plan, which is a cost-sharing, multiple-employer defined benefit plan for teachers of local education agencies (LEAs) that is closed to new membership effective June 30, 2014.

- (3) The Teacher Retirement Plan is a cost-sharing, multiple-employer defined benefit plan for teachers of LEAs hired after June 30, 2014.

The following are each a separate coverage group in TCRS for accounting and funding purposes:

- (1) State and Higher Education employees hired prior to July 1, 2014
- (2) State and Higher Education employees hired after June 30, 2014
- (3) K-12 public school teachers hired before July 1, 2014
- (4) K-12 public schools teachers hired after June 30, 2014
- (5) State judges and other officials hired before July 1, 2014
- (6) State judges and other officials hired after June 30, 2014
- (7) As of June 30, 2023, there were over 625 separate political subdivisions actively participating in TCRS. Each political subdivision may elect to participate in one of the following four plan structures within TCRS and may under the terms of the respective plan, change from such plan to one of the following plans on a prospective basis:
 - (i) TCRS Legacy Plan as defined and established in Tennessee Code Annotated, Title 8, Chapters 34 – 37,
 - (ii) Local Government Alternate Defined Benefit Plan as defined and established in Tennessee Code Annotated, Section 8-35-25,
 - (iii) Local Government Hybrid Plan as defined and established in Tennessee Code Annotated, Section 8-35-256, and
 - (iv) Hybrid Retirement Plan for State Employees and Teachers as defined and established in Tennessee Code Annotated, Title 8, Chapter 36, Part 9.

The respective multipliers and eligibility conditions for unreduced service retirements for each plan listed above are as follows for political subdivisions:

- Legacy Plan
 - 90.9% of political subdivisions participate in the Legacy Plan (1.5% multiplier with unreduced benefits available at age 60 with five years of service or at any age with 30 years of service);
- Hybrid Retirement Plan for State Employees and Teachers (also known as the Hybrid Plan with Cost Controls) and Local Government Hybrid Plan (also known as the Hybrid Plan Without Cost Controls),
 - 8.12% participate in either of the two Hybrid Plans, which have a defined benefit component and a defined contribution component (defined benefit component is 1% multiplier with unreduced benefits available at age 65 with five years of service or upon attainment of a combination of age and years of service as to equal 90 ["Rule of 90"]);
- Local Government Alternate Defined Benefit Plan.
 - The remaining 0.96% in the Alternate Defined Benefit Plan (1.4% multiplier with unreduced benefits available at age 65 with five years of service or Rule of 90).

Each political subdivision may select certain additional plan provisions including but not limited to cost of living adjustments, prior service, mandatory retirement for public safety or whether employees are required to contribute, as well as coverage for part-time employees.

Listed below are estimated member counts for each of the defined benefit plans administered by TCRS.

- Legacy Plan – 571 employers; 224,975 members (77,156 active, 57,922 retired, and 89,897 term vested or due return of contributions)

- The Hybrid Plans combined – 51 employers; 12,713 members (7,452 active, 45 retired, and 5,216 term vested or due return of contributions)
- Alternate Defined Benefit Plan – 6 employers; 131 members (102 active, 1 retired, and 28 term vested or due return of contributions).

TCRS administers a cost-sharing defined benefit plan and an agent multiple-employer defined benefit plan. Each employer that participates in TCRS has a separately maintained asset account that reflects the inflows and outflows of that employer’s pension assets (i.e., contributions, benefit payments, investment income, etc.). The State including public institutions of higher education are considered one employer.

TCRS also serves as a third-party administrator for local government external pensions plans. Each of these plans has a separate asset account to reflect the activity of their individual plan.

Further, the Stabilization Reserve Trust for the Hybrid Plan with Cost Controls is managed by TCRS. There is a separate reserve for each political subdivision participating in the Hybrid Plan with Cost Controls, a separate reserve for the State (which includes public institutions of higher education), and a separate reserve for all the local education agencies combined. For accounting purposes, the State and the local education agencies’ reserves have separate asset accounts for that activity as follows:

- State – one subaccount (excludes public institutions of higher education);
- Public institutions of higher education – 49 subaccounts; and
- Local education agencies – 236 subaccounts.

The TCRS-defined benefit pension plans provide lifetime retirement, survivor, and disability benefits for its members and their beneficiaries. After meeting the applicable vesting requirements, a member becomes eligible to receive a monthly retirement benefit upon reaching the age and/or service requirement for the respective plan. Benefits are calculated based on the member’s years of creditable service, average final compensation (AFC), age, and the applicable benefit accrual factor. AFC is the average of the highest five consecutive years of compensation.

In 2014, TCRS adopted a hybrid plan for new employees. The Hybrid Plan is funded by contributions from both the employer and the member. The employer contributes an amount equal to 4% of earnable compensation to TCRS and 5% of the respective member’s salary into the member’s 401(k) account. The member is required to contribute 5% of earnable compensation to TCRS and is automatically enrolled in the State of Tennessee 401(k) plan with a contribution amount of 2%.

With over \$64 billion in assets, TCRS serves over 225,000 active members and 156,000 retirees. The annual retiree payroll exceeds \$3 billion. As of June 30, 2023, below is the valuation breakdown of the active, retired and inactive population for the three defined benefit plans.

	Active	Retired	Inactive
Public Employee Retirement Plan	148,050	103,409	167,140
Teacher Legacy Plan	45,431	53,140	30,202
Teacher Hybrid Retirement Plan	36,339	189	18,079

TCRS was created in 1972 by combining the administration of seven separate retirement systems. This merging of administration resulted in the TCRS consisting of three major groups with respect to how defined benefit plan liabilities are covered, represented by: (1) local government; (2) Local Education Agencies (LEAs) for K-12 teachers; and (3) the State and higher education. As previously described on page 2 above, for plan liability purposes, each local government stands on its own; the State is legally responsible for all of its agencies and higher education institutions; and the K-12 Teachers Plan is a cost sharing plan, whereby all assets accumulated in the plan are available to cover the liabilities for all

teachers in the plan. The TCRS system is governed by statute, which sets out the rights and benefits provided.

For additional details regarding TCRS, its respective retirement plans and provisions, and employer participation, please refer to the following materials:

- [Tennessee Department of Treasury – 2023 Annual Report](#)
- [Tennessee Consolidated Retirement System – Annual Comprehensive Financial Report](#)
- [TCRS Employer Manual](#)
- Active Member Guides by Retirement Plan Types:
 - [Hybrid Retirement Plan for State Employees and Teachers](#)
 - [Hybrid Retirement Plan Supplement for General Assembly Members](#)
 - [Hybrid Retirement Plan Supplement for Judges](#)
 - [Hybrid Retirement Plan Supplement for State Public Safety Officers](#)
 - [Legacy Retirement Plan for State and Higher Education Employees](#)
 - [Legacy Retirement Plan for Teachers](#)
 - [Legacy Retirement Plan for General Assembly Members](#)
 - [Legacy Retirement Plan Supplement for Judges](#)
 - [Legacy Retirement Plan Supplement for State Public Safety Officers](#)

Political subdivisions in Tennessee sponsoring a defined benefit plan outside of TCRS, i.e., an external pension plan (EPP), may request TCRS to administer their closed EPP on the sponsor's behalf. For EPPs being administered by TCRS, a separate account is established to track asset activity and is separate and apart from TCRS plan assets. These separate accounts are charged administrative costs for the services provided by TCRS and if TCRS also invests their assets, investment income and expense are allocated to the accounts. TCRS administration includes retirement benefit payments to EPP retirees, maintenance of EPP retirees including address changes, tax withholding changes, bank accounting changes, processing of death notifications, addition of new payees, issuance of 1099Rs, and cost of living adjustments. A separate monthly payroll is generated for each EPP. Monthly, TCRS remits a report and tax withholdings to the EPP who files and remits to the IRS. At calendar year end, TCRS generates a 1099R for EPP retirees and remits a report to the EPP for filing of the EPPs IRS Form 945. Currently, TCRS administers three (3) EPPs paying benefits to a total of 555 annuitants with another targeted in calendar year 2024. The EPPs administered by TCRS are included in the scope of this RFP. Actuarial services are the responsibility of the EPP.

TCRS purchased the Concord Pension Administration System from Deloitte Consulting, LLP. The system went live in July 2014, but the architecture and technologies largely originated in 2001 or prior. Since 2014, the State has transitioned to primarily State support including on-premises infrastructure, development, business analysis, and quality assurance. Deloitte Consulting, LLP is contracted to provide supplemental support for the Concord System (contract #71567). The Concord system has adequately met TCRS administration requirements through this duration. However, new legislation, advancements in technology, increased end-user volume (average growth rate 1% per year for active members and 2.6% per year for retirees), digitized and automated feature demand, and periodic production reliability issues have resulted in increased organizational risk, increased implementation duration and constraints, and probable alternative product opportunity costs.

Organizational Principles guiding the PAS system and services sought under this RFP are as follows:

- Enable TCRS to better provide integrated member services
- Develop an intuitive system that improves usability for internal users, members/retirees, and employers
- Review existing processes and identify which to maintain, which to modify, and which to eliminate
- Modernize software/platform
 - Provide capabilities for transparency and accountability, enabling TCRS to continuously monitor key system and security metrics and events
 - Use Application Programming Interfaces (APIs) to modernize the TCRS's file-based interfaces with manual exception processing and to extend the product's capabilities without impacting the ability to perform product upgrades

- Automate IT capabilities and implement self-healing capabilities to streamline IT processes and reduce the time to deliver business capabilities
- Provide self-service data query, reporting and analysis that also considers role-based access control to protect sensitive data (e.g., Personally Identifiable Information (“PII”) and banking information). Self-service capabilities will rely on continuous data quality
- Provide user self-service for user administration functions such as user registration, role assignments (aka delegated administration), and periodic user access reviews
- Allow for adaptation should changes to plan administration be necessary (different requirement of current plan or addition of a completely new plan).

TCRS will rely on the successful Respondent to determine the most time and cost-efficient method of implementing the System into TCRS’s environment; however, the implementation timeline must be 42 to 60 months from project initiation (“kick-off”) to project completion (system “go-live”), unless the successful Respondent provides the State with adequate documentation showing that the timeline cannot be met due to one of the causes specified in Section A.5.b(12) of the *Pro Forma* Contract (RFP Attachment 6.6) and otherwise complies with the provisions of Section A.5.b(12) of the *Pro Forma* Contract . The successful Respondent will be required to prepare and present for the State’s approval an Implementation Plan based upon this timeline. Any updated Implementation Plan must include any and all appropriate detail, including contingency or roll-back plans, for the scope phase to go live next. **Note:** The State is in the process of procuring a contract for data cleansing, which, depending on the level of effort needed for the cleansing, might necessitate a revision of the implementation start date by mutual agreement of the State and the successful Respondent. The State expects the successful Respondent to work with the data cleansing and transformation vendor selected by the State as provided in Section A.5.b.(13) of the *Pro Forma* Contract (RFP Attachment 6.6).

1.2. Scope of Service, Contract Period, & Required Terms and Conditions

The RFP Attachment 6.6., *Pro Forma* Contract details the State’s requirements:

- Scope of Services and Deliverables (Section A);
- Contract Period (Section B);
- Payment Terms (Section C);
- Standard Terms and Conditions (Section D); and,
- Special Terms and Conditions (Section E).

The *pro forma* contract substantially represents the contract document that the successful Respondent must sign.

1.3. Nondiscrimination

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Contractor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

1.4. RFP Communications

1.4.1. The State has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

RFP # 30901-58424

1.4.2. **Unauthorized contact about this RFP with employees or officials of the State of Tennessee except as detailed below may result in disqualification from consideration under this procurement process.**

- 1.4.2.1. Prospective Respondents must direct communications concerning this RFP to the following person designated as the Solicitation Coordinator:

Dawn Rochelle, Solicitation Coordinator
Tennessee Treasury Department
Telephone: (615) 253-8770
Email: dawn.rochelle@tn.gov

- 1.4.2.2. Notwithstanding the foregoing, Prospective Respondents may alternatively contact:

- a. staff of the Governor's Office of Diversity Business Enterprise for assistance available to minority-owned, woman-owned, service-disabled veteran-owned, businesses owned by persons with disabilities, and small businesses as well as general, public information relating to this RFP (visit <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/governor-s-office-of-diversity-business-enterprise--godbe--/godbe-general-contacts.html> for contact information); and
- b. the following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

Jamie Formont
State of Tennessee, Treasury Department
502 Deaderick Street
Nashville, TN 37243-0225
Telephone: (615) 734-2245
Email: jamie.formont@tn.gov

- 1.4.3. Only the State's official, written responses and communications with Respondents are binding with regard to this RFP. Oral communications between a State official and one or more Respondents are unofficial and non-binding.
- 1.4.4. Potential Respondents must ensure that the State receives all written questions and comments, including questions and requests for clarification, no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events. Any written questions or comments must be e-mailed to the Solicitation Coordinator at dawn.rochelle@tn.gov. The State intends to hold a second round of Written Questions & Comments as detailed in the RFP Section 2, Schedule of Events. During this second round, the State only commits to responding to follow-up Written Questions & Comments from potential Respondents, which ask for further information based on a first round State response. For this reason, the State encourages potential Respondents to ask all of their questions and make all their comments during the first round.
- 1.4.5. Respondents must assume the risk of dispatching any communication or response to the State. The State assumes no responsibility for delays in the State's receipt of any communication or response from Respondents due to technical or other filing delays.
- 1.4.6. The State will convey all official responses and communications related to this RFP to the prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to RFP Section 1.8).
- 1.4.7. The State will convey official, written responses and communications related to this RFP through electronic mail to the prospective Respondents from whom the State has received a Notice of Intent to Respond. The State may also convey such communications by Internet posting. For internet posting, please refer to the following website:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>.

- 1.4.8. The State reserves the right to determine, at its sole discretion, the appropriateness and adequacy of responses to written comments, questions, and requests related to this RFP. The State's official, written responses will constitute an amendment of this RFP.
- 1.4.9. Any data or factual information provided by the State (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. The State will make reasonable efforts to ensure the accuracy of such data or information, however it is the Respondent's obligation to independently verify any data or information provided by the State. The State expressly disclaims the accuracy or adequacy of any information or data that it provides to prospective Respondents.

1.5. **Assistance to Respondents With a Handicap or Disability**

Prospective Respondents with a handicap or disability may receive accommodation relating to the communication of this RFP and participating in the RFP process. Prospective Respondents may contact the Solicitation Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

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

- 1.6.1. Each prospective Respondent must carefully review this RFP, including but not limited to, attachments, the RFP Attachment 6.6., *Pro Forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").
- 1.6.2. Any prospective Respondent having questions and comments concerning this RFP must provide them in writing to the State no later than the Written Questions & Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.6.3. Protests based on any objection to the RFP shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the Written Questions & Comments Deadline.

1.7. **Pre-Response Teleconference**

A Pre-response Teleconference will be held at the time and date detailed in the RFP Section 2, Schedule of Events. Pre-response Teleconference attendance is not mandatory.

To participate in the teleconference, contact the Solicitation Coordinator, Dawn Rochelle, at (615) 253-8770 or via e-mail at Dawn.Rochelle@tn.gov for further instructions.

The purpose of the Teleconference is to discuss the RFP scope of goods or services. The State will entertain questions, however prospective Respondents must understand that the State's oral response to any question at the Pre-response Teleconference shall be unofficial and non-binding. Prospective Respondents must submit all questions, comments, or other concerns regarding the RFP in writing prior to the Written Questions & Comments Deadline date detailed in the RFP Section 2, Schedule of Events. The State will send the official response to these questions and comments to prospective Respondents from whom the State has received a Notice of Intent to respond as indicated in RFP Section 1.8 and on the date detailed in the RFP Section 2, Schedule of Events.

1.8. **Notice of Intent to Respond**

Before the Notice of Intent to Respond Deadline detailed in the RFP Section 2, Schedule of Events,

prospective Respondents should submit to the Solicitation Coordinator a Notice of Intent to Respond (in the form of a simple e-mail). Such notice should include the following information:

- the business or individual's name (as appropriate);
- a contact person's name and title; and
- the contact person's mailing address, telephone number, facsimile number, and e-mail address.

A Notice of Intent to Respond creates no obligation and is not a prerequisite for submitting a response, however, it is necessary to ensure receipt of any RFP amendments or other notices and communications relating to this RFP.

1.9. **Response Deadline**

A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events. The State will not accept late responses, and a Respondent's failure to submit a response before the deadline will result in disqualification of the response. Respondents should be mindful of any potential delays due to technical or other filing delays whether foreseeable or unforeseeable.

2. RFP SCHEDULE OF EVENTS

2.1. The following RFP Schedule of Events represents the State's best estimate for this RFP.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		March 5, 2024
2. Disability Accommodation Request Deadline	2:00 p.m.	March 8, 2024
3. Pre-response Teleconference	11:30 a.m.	March 11, 2024
4. Notice of Intent to Respond Deadline	2:00 p.m.	March 12, 2024
5. Written "Questions & Comments" Deadline	2:00 p.m.	March 15, 2024
6. State Response to Written "Questions & Comments"		April 4, 2024
7. Second & Final Round of Written "Questions & Comments" (Follow-Up Questions & Comments) Deadline (See RFP Section 1.4.4.)	2:00 p.m.	April 18, 2024
8. State Response to Second & Final Round of Written "Questions & Comments"		May 2, 2024
9. Technical Response and Cost Proposal Deadline	2:00 p.m.	May 9, 2024
10. State Completion of Technical Response Evaluations		May 31, 2024
11. State Schedules Respondent Oral Presentations (Respondent Finalists Only)		June 3, 2024 – June 14, 2024
12. Respondent Oral Presentations (Respondent Finalists Only)	8:00a.m. – 4:30 p.m.	June 17, 2024 – June 21, 2024
13. State Opening & Scoring of Cost Proposals (Finalists Only)	2:00 p.m.	June 24, 2024
14. Negotiations (Optional to the State)		June 25, 2024 – July 1, 2024
15. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	July 8, 2024
16. End of Open File Period		July 15, 2024
17. State sends contract to Contractor for signature		July 16, 2024
18. Contractor Signature Deadline	2:00 p.m.	July 22, 2024

2.2. **The State reserves the right, at its sole discretion, to adjust the RFP Schedule of Events as it deems necessary.** Any adjustment of the Schedule of Events shall constitute an RFP amendment, and

the State will communicate such to prospective Respondents from whom the State has received a Notice of Intent to Respond (refer to section 1.8).

3. RESPONSE REQUIREMENTS

3.1. Response Form

A response to this RFP must consist of two parts, a Technical Response and a Cost Proposal.

- 3.1.1. **Technical Response.** RFP Attachment 6.2., Technical Response & Evaluation Guide provides the specific requirements for submitting a response. This guide includes mandatory requirement items, general qualifications and experience items, and technical qualifications, experience, and approach items all of which must be addressed with a written response and, in some instances, additional documentation.

NOTICE: A technical response must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical response, the state may deem the response to be non-responsive and reject it.

- 3.1.1.1. A Respondent should duplicate and use the RFP Attachment 6.2., Technical Response & Evaluation Guide to organize, reference, and draft the Technical Response by duplicating the attachment, adding appropriate page numbers as required, and using the guide as a table of contents covering the Technical Response.
- 3.1.1.2. A response should be economically prepared, with emphasis on completeness and clarity. A response, as well as any reference material presented, must be written in English and must be written on standard 8 ½" x 11" pages (although oversize exhibits are permissible) and use a 12 point font for text. All response pages must be numbered.
- 3.1.1.3. All information and documentation included in a Technical Response should correspond to or address a specific requirement detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will not contribute to evaluations.
- 3.1.1.4. The State may determine a response to be non-responsive and reject it if:
- a. the Respondent fails to organize and properly reference the Technical Response as required by this RFP and the RFP Attachment 6.2., Technical Response & Evaluation Guide; or
 - b. the Technical Response document does not appropriately respond to, address, or meet all of the requirements and response items detailed in the RFP Attachment 6.2., Technical Response & Evaluation Guide.
- 3.1.2. **Cost Proposal.** A Cost Proposal must be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

NOTICE: If a Respondent fails to submit a cost proposal exactly as required, the State may deem the response to be non-responsive and reject it.

- 3.1.2.1. A Respondent must only record the proposed cost exactly as required by the RFP Attachment 6.3., Cost Proposal & Scoring Guide and must NOT record any other rates, amounts, or information.

- 3.1.2.2. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period, including any renewals or extensions.
- 3.1.2.3. A Respondent must sign and date the Cost Proposal. An electronic or facsimile signature, as applicable, is acceptable.
- 3.1.2.4. A Respondent must submit the Cost Proposal to the State in a separate email from the Technical Response (as detailed in RFP Sections 3.2.3., *et seq.*).

3.2. Response Delivery

- 3.2.1. A Respondent must ensure that both the original Technical Response and Cost Proposal documents meet all form and content requirements, including all required signatures, as detailed within this RFP, as may be amended.
- 3.2.2. A Respondent must submit its Technical Response and Cost Proposal documents as specified below.

- 3.2.2.1. Technical Response:

The Technical Response document should be in the form of one (1) digital document in "PDF" format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should both be clearly identified as follows:

"RFP # 30901-58424 TECHNICAL RESPONSE"

The customer references should be delivered by each reference in accordance with RFP Attachment 6.4. Reference Questionnaire.

- 3.2.2.2. Cost Proposal

The Cost Proposal should be in the form of one (1) digital document in "PDF" or "XLS" format or other easily accessible digital format attached to an e-mail to the Solicitation Coordinator. Both the subject and file name should be clearly identified as follows:

"RFP # 30901-58424 COST PROPOSAL"

An electronic or facsimile signature, as applicable, on the Cost Proposal is acceptable.

- 3.2.3. The Technical Response and Cost Proposal documents must be dispatched to the Solicitation Coordinator in separate e-mail messages.
- 3.2.4. A Respondent must ensure that the State receives a response no later than the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events. The Response must be delivered to the Solicitation Coordinator via e-mail at dawn.rochelle@tn.gov. In the event a Respondent's Response with all attachments and supporting documentation will exceed 15 megabytes in total, the Respondent must place the documents in a zip file or make two or more submissions such that the documents per e-mail submission do not exceed 15 megabytes.

3.3. Response & Respondent Prohibitions

- 3.3.1. A response must not include alternate contract terms and conditions. If a response contains such terms and conditions, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.

- 3.3.2. A Respondent shall not include in its response, or after contract award, any end-user license agreement, manufacturer's terms and conditions, service guide, clickwrap agreement, shrinkwrap agreement, online terms and conditions, or other terms and conditions that supplement, modify, or contradict the terms set forth in the *pro forma* contract.
- 3.3.3. A response must not restrict the rights of the State or otherwise qualify either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal. If a response restricts the rights of the State or otherwise qualifies either the offer to deliver goods or provide services as required by this RFP or the Cost Proposal, the State, at its sole discretion, may determine the response to be a non-responsive counteroffer and reject it.
- 3.3.4. A response must not propose alternative goods or services (*i.e.*, offer services different from those requested and required by this RFP) unless expressly requested in this RFP. The State may consider a response of alternative goods or services to be non-responsive and reject it.
- 3.3.5. A Cost Proposal must be prepared and arrived at independently and must not involve any collusion between Respondents. The State will reject any Cost Proposal that involves collusion, consultation, communication, or agreement between Respondents. Regardless of the time of detection, the State will consider any such actions to be grounds for response rejection or contract termination.
- 3.3.6. A Respondent must not provide, for consideration in this RFP process or subsequent contract negotiations, any information that the Respondent knew or should have known was materially incorrect. If the State determines that a Respondent has provided such incorrect information, the State will deem the Response non-responsive and reject it.
- 3.3.7. A Respondent must not submit more than one Technical Response and one Cost Proposal in response to this RFP, except as expressly requested by the State in this RFP. If a Respondent submits more than one Technical Response or more than one Cost Proposal, the State will deem all of the responses non-responsive and reject them.
- 3.3.8. A Respondent must not submit a response as a prime contractor while also permitting one or more other Respondents to offer the Respondent as a subcontractor in their own responses. Such may result in the disqualification of all Respondents knowingly involved. This restriction does not, however, prohibit different Respondents from offering the same subcontractor as a part of their responses (provided that the subcontractor does not also submit a response as a prime contractor).
- 3.3.9. The State shall not consider a response from an individual who is, or within the past six (6) months has been, a State employee. For purposes of this RFP:
- 3.3.8.1. An individual shall be deemed a State employee until such time as all compensation for salary, termination pay, and annual leave has been paid;
- 3.3.8.2. A contract with or a response from a company, corporation, or any other contracting entity in which a controlling interest is held by any State employee shall be considered to be a contract with or proposal from the employee; and
- 3.3.8.3. A contract with or a response from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six (6) months has been, a State employee shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.
- 3.3.10. This RFP is also subject to Tenn. Code Ann. § 12-4-101—105.

3.4. **Response Errors & Revisions**

A Respondent is responsible for any and all response errors or omissions. A Respondent will not be

allowed to alter or revise response documents after the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

3.5. **Response Withdrawal**

A Respondent may withdraw a submitted response at any time before the Response Deadline time and date detailed in the RFP Section 2, Schedule of Events by submitting a written request signed by an authorized Respondent representative to the Solicitation Coordinator via e-mail at dawn.rochelle@tn.gov. After withdrawing a response, a Respondent may submit another response at any time before the Response Deadline. After the Response Deadline, a Respondent may only withdraw all or a portion of a response where the enforcement of the response would impose an unconscionable hardship on the Respondent.

3.6. **Additional Services**

If a response offers goods or services in addition to those required by and described in this RFP, the State, at its sole discretion, may add such services to the contract awarded as a result of this RFP. Notwithstanding the foregoing, a Respondent must not propose any additional cost amounts or rates for additional goods or services. Regardless of any additional services offered in a response, the Respondent's Cost Proposal must only record the proposed cost as required in this RFP and must not record any other rates, amounts, or information.

NOTICE: If a Respondent fails to submit a Cost Proposal exactly as required, the State may deem the response non-responsive and reject it.

3.7. **Response Preparation Costs**

The State will not pay any costs associated with the preparation, submittal, or presentation of any response.

4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS

4.1. RFP Amendment

The State at its sole discretion may amend this RFP, in writing, at any time prior to contract award. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential Respondents to meet the response deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, the State will convey it to potential Respondents who submitted a Notice of Intent to Respond (refer to RFP Section 1.8). A response must address the final RFP (including its attachments) as amended.

4.2. RFP Cancellation

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

4.3. State Right of Rejection

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

4.3.2. The State may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, the State reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If the State waives variances in a response, such waiver shall not modify the RFP requirements or excuse the Respondent from full compliance, and the State may hold any resulting Contractor to strict compliance with this RFP.

4.4. Assignment & Subcontracting

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

4.4.2. If a Respondent intends to use subcontractors, the response to this RFP must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFP Attachment 6.2., Section B, General Qualifications & Experience Item B.31.).

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

4.4.4. After contract award, a Contractor may only substitute an approved subcontractor at the discretion of the State and with the State's prior, written approval.

4.4.5. Notwithstanding any State approval relating to subcontracts, the Respondent who is awarded a contract pursuant to this RFP will be the prime contractor and will be responsible for all work under the Contract.

4.5. Right to Refuse Personnel or Subcontractors

The State reserves the right to refuse, at its sole discretion and notwithstanding any prior approval, any personnel of the prime contractor or a subcontractor providing goods or services in the performance of a contract resulting from this RFP. The State will document in writing the reason(s) for any rejection of personnel.

4.6. **Insurance**

The State will require the awarded Contractor to provide a Certificate of Insurance issued by an insurance company licensed or authorized to provide insurance in the State of Tennessee. Each Certificate of Insurance shall indicate current insurance coverages meeting minimum requirements as may be specified by this RFP. A failure to provide a current, Certificate of Insurance will be considered a material breach and grounds for contract termination.

4.7. **Professional Licensure and Department of Revenue Registration**

- 4.7.1. All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Respondent provides for consideration and evaluation by the State as a part of a response to this RFP, shall be properly licensed to render such opinions.
- 4.7.2. Before the Contract resulting from this RFP is signed, the apparent successful Respondent (and Respondent employees and subcontractors, as applicable) must hold all necessary or appropriate business or professional licenses to provide the goods or services as required by the contract. The State may require any Respondent to submit evidence of proper licensure.
- 4.7.3. Before the Contract resulting from this RFP is signed, the apparent successful Respondent must be registered with the Tennessee Department of Revenue for the collection of Tennessee sales and use tax. The State shall not award a contract unless the Respondent provides proof of such registration or provides documentation from the Department of Revenue that the Contractor is exempt from this registration requirement. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. To register, please visit the Department of Revenue's Tennessee Taxpayer Access Point (TNTAP) website for Online Registration and the Vendor Contract Questionnaire. These resources are available at the following:
<https://tntap.tn.gov/eservices/#1>

4.8. **Disclosure of Response Contents**

- 4.8.1. All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Respondents are cautioned not to provide any materials in response to this RFP that are trade secrets, as defined under Tenn. Code Ann. § 47-25-1702 and any other applicable law. By submitting a response to this RFP, the respondent acknowledges and agrees that the State shall have no liability whatsoever for disclosure of a trade secret under the Uniform Trade Secrets Act, as provided at Tenn. Code Ann. § 47-25-1701-1709, or under any other applicable law. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.
- 4.8.2. The State will hold all response information, including both technical and cost information, in confidence during the evaluation process.
- 4.8.3. Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review by the public in accordance with Tenn. Code Ann. § 10-7-504(a)(7).

4.9. **Contract Approval and Contract Payments**

- 4.9.1. After contract award, the Contractor who is awarded the contract must submit appropriate documentation with the Department of Finance and Administration, Division of Accounts.
- 4.9.2. This RFP and its contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Respondent with the apparent best-evaluated response or any other Respondent. State obligations pursuant to a contract award

shall commence only after the Contract is signed by the State agency head and the Contractor and after the Contract is approved by all other state officials as required by applicable laws and regulations.

4.9.3. No payment will be obligated or made until the relevant Contract is approved as required by applicable statutes and rules of the State of Tennessee.

4.9.3.1. The State shall not be liable for payment of any type associated with the Contract resulting from this RFP (or any amendment thereof) or responsible for any goods delivered or services rendered by the Contractor, even goods delivered or services rendered in good faith and even if the Contractor is orally directed to proceed with the delivery of goods or the rendering of services, if it occurs before the Contract Effective Date or after the Contract Term.

4.9.3.2. All payments relating to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP (refer to RFP Attachment 6.6., *Pro Forma* Contract, Section C).

4.9.3.3. If any provision of the Contract provides direct funding or reimbursement for the competitive purchase of goods or services as a component of contract performance or otherwise provides for the reimbursement of specified, actual costs, the State will employ all reasonable means and will require all such documentation that it deems necessary to ensure that such purchases were competitive and costs were reasonable, necessary, and actual. The Contractor shall provide reasonable assistance and access related to such review. Further, the State shall not remit, as funding or reimbursement pursuant to such provisions, any amounts that it determines do not represent reasonable, necessary, and actual costs.

4.10. **Contractor Performance**

The Contractor who is awarded a contract will be responsible for the delivery of all acceptable goods or the satisfactory completion of all services set out in this RFP (including attachments) as may be amended. All goods or services are subject to inspection and evaluation by the State. The State will employ all reasonable means to ensure that goods delivered or services rendered are in compliance with the Contract, and the Contractor must cooperate with such efforts.

4.11. **Contract Amendment**

After Contract award, the State may request the Contractor to deliver additional goods or perform additional services within the general scope of the Contract and this RFP, but beyond the specified Scope, and for which the Contractor may be compensated. In such instances, the State will provide the Contractor a written description of the additional goods or services. The Contractor must respond to the State with a time schedule for delivering the additional goods or accomplishing the additional services based on the compensable units included in the Contractor's response to this RFP. If the State and the Contractor reach an agreement regarding the goods or services and associated compensation, such agreement must be effected by means of a contract amendment. Further, any such amendment requiring additional goods or services must be signed by both the State agency head and the Contractor and must be approved by other state officials as required by applicable statutes, rules, policies and procedures of the State of Tennessee. The Contractor must not provide additional goods or render additional services until the State has issued a written contract amendment with all required approvals. Notwithstanding the above, *pro forma* Contract Section A.7 provides for limited service "change orders" without a formal Contract Amendment upon the documented mutual agreement by the Parties.

4.12. **Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the

State and Respondents will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

4.13. **Next Ranked Respondent**

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

5. EVALUATION & CONTRACT AWARD

5.1. Evaluation Categories & Maximum Points

The State will consider qualifications, experience, technical approach, and cost in the evaluation of responses and award points in each of the categories detailed below (up to the maximum evaluation points indicated) to each response deemed by the State to be responsive.

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
General Qualifications & Experience (refer to RFP Attachment 6.2., Section B)	10
Technical Qualifications, Experience & Approach (refer to RFP Attachment 6.2., Section C)	60
Oral Presentation – RESPONDENT FINALISTS ONLY (refer to RFP Attachment 6.2., Section D)	10
Cost Proposal – RESPONDENT FINALISTS ONLY (refer to RFP Attachment 6.3.)	20

5.2. Evaluation Process

The evaluation process is designed to award the contract resulting from this RFP not necessarily to the Respondent offering the lowest cost, but rather to the Respondent deemed by the State to be responsive and responsible who offers the best combination of attributes based upon the evaluation criteria. (“Responsive Respondent” is defined as a Respondent that has submitted a response that conforms in all material respects to the RFP. “Responsible Respondent” is defined as a Respondent that has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

5.2.1. **Technical Response Evaluation.** The Solicitation Coordinator and the Proposal Evaluation Team (consisting of three (3) or more State employees) will use the RFP Attachment 6.2., Technical Response & Evaluation Guide to manage the Technical Response Evaluation and maintain evaluation records.

5.2.1.1. The State reserves the right, at its sole discretion, to request Respondent clarification of a Technical Response or to conduct clarification discussions with any or all Respondents. Any such clarification or discussion will be limited to specific sections of the response identified by the State. The subject Respondent must put any resulting clarification in writing as may be required and in accordance with any deadline imposed by the State.

5.2.1.2. The Solicitation Coordinator will review each Technical Response to determine compliance with RFP Attachment 6.2., Technical Response & Evaluation Guide, Section A— Mandatory Requirements. If the Solicitation Coordinator determines that a response failed to meet one or more of the mandatory requirements, the Proposal Evaluation Team will review the response and document the team’s determination of whether:

- a. the response adequately meets RFP requirements for further evaluation;
- b. the State will request clarifications or corrections for consideration prior to further evaluation; or,

- c. the State will determine the response to be non-responsive to the RFP and reject it.
- 5.2.1.3. Proposal Evaluation Team members will independently evaluate each Technical Response (that is responsive to the RFP) against the evaluation criteria in this RFP, and will score each in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide.
- 5.2.1.4. For each response evaluated, the Solicitation Coordinator will calculate the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, and record each average as the response score for the respective Technical Response Section D of RFP Attachment 6.2., Technical Response & Evaluation Guide. Respondent pricing shall not be discussed or provided during Oral Presentations.
- 5.2.1.5. The Solicitation Coordinator will invite the top three (3) ranked Respondents to make an Oral Presentation. The ranking will be determined after the Technical Response score is totaled and ranked (e.g., 1 – the best evaluated ranking, etc.). In the event of a tie score in the top three rankings, the Solicitation Coordinator will identify all responsive and responsible Respondents that received those scores. The Solicitation Coordinator will then invite each Respondent Finalist to make an oral presentation. The presentation will be held in the Andrew Jackson State Office Building, which is located at 502 Deaderick Street; Nashville, Tennessee 37243. The Respondent must provide a hard copy of its presentation materials to the Solicitation Coordinator the day before the Respondent's presentation. **NOTE: The employees of the Respondent who will be directly responsible for the System implementation must attend.**
- 5.2.1.5.1. The Oral Presentations are mandatory. The Solicitation Coordinator will schedule Respondent Presentations during the period indicated by the RFP Section 2, Schedule of Events. The Solicitation Coordinator will make every effort to accommodate each Respondent's schedules. When the Respondent Presentation has been determined, the Solicitation Coordinator will contact Respondents with the relevant information as indicated by RFP Section 2, Schedule of Events.
- 5.2.1.5.2. Respondent Presentations are only open to the invited Respondent, Proposal Evaluation Team members, the Solicitation Coordinator, and any technical consultants who are selected by the State to provide assistance to the Proposal Evaluation Team.
- 5.2.1.5.3. Oral Presentations provide an opportunity for Respondents to explain and clarify their responses. Respondents must not materially alter their responses and Presentations will be limited to addressing the items detailed in Section D of RFP Attachment 6.2., Technical Response & Evaluation Guide. Respondent pricing shall not be discussed or provided during Oral Presentations.
- 5.2.1.5.4. The State will maintain an accurate record of each Respondent's Oral Presentation. The record of the Respondent's Oral Presentation shall be available for review when the State opens the procurement files for public inspection.
- 5.2.1.5.5. Proposal Evaluation Team members will independently evaluate each Oral Presentation in accordance with the RFP Attachment 6.2., Technical Response & Evaluation Guide, Section D.

5.2.1.5.6. The Solicitation Coordinator will calculate and document the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Response & Evaluation Guide, Section D, and record that number as the score for Respondent's Technical Response section.

5.2.1.6. Before Cost Proposals are opened, the Proposal Evaluation Team will review the Technical Response Evaluation record and any other available information pertinent to whether or not each Respondent is responsive and responsible. If the Proposal Evaluation Team identifies any Respondent that does not meet the responsive and responsible thresholds such that the team would not recommend the Respondent for Cost Proposal Evaluation and potential contract award, the team members will fully document the determination.

5.2.2. **Cost Proposal Evaluation.** The Solicitation Coordinator will open for evaluation the Cost Proposal of each Respondent deemed by the State to be responsive and responsible and calculate and record each Cost Proposal score in accordance with the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

5.2.3. **Clarifications and Negotiations.** The State reserves the right to award a contract on the basis of initial responses received, therefore, each response shall contain the Respondent's best terms and conditions from a technical and cost standpoint. The State reserves the right to conduct clarifications or negotiations with one or more Respondents. All communications, clarifications, and negotiations shall be conducted in a manner that supports fairness in response improvement.

5.2.3.1. Clarifications: The State may identify areas of a response that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications or requirements. The State may seek to clarify those issues identified during one or multiple clarification rounds. Each clarification sought by the State may be unique to an individual Respondent, provided that the process is conducted in a manner that supports fairness in response improvement.

5.2.3.2. Negotiations: The State may elect to negotiate with one or more Respondents by requesting revised responses, negotiating costs, or finalizing contract terms and conditions. The State reserves the right to conduct multiple negotiation rounds or no negotiations at all.

5.2.3.3. Cost Negotiations: All Respondents, selected for negotiation by the State, will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct target pricing and other goods or services level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual Respondent pricing. During target price negotiations, Respondents are not obligated to reduce their pricing to target prices, but no Respondent is allowed to increase prices.

5.2.3.4. If the State determines that it is unable to successfully negotiate terms and conditions of a contract with the apparent best evaluated Respondent, the State reserves the right to bypass the apparent best evaluated Respondent and enter into terms and conditions contract negotiations with the next apparent best evaluated Respondent.

5.2.4. **Total Response Score.** The Solicitation Coordinator will calculate the sum of the Technical Response section scores and the Cost Proposal score and record the resulting number as the total score for the subject Response (refer to RFP Attachment 6.5., Score Summary Matrix).

5.3. **Contract Award Process**

- 5.3.1 The Solicitation Coordinator will submit the Proposal Evaluation Team determinations and scores to the head of the procuring agency for consideration along with any other relevant information that might be available and pertinent to contract award.
- 5.3.2. The procuring agency head will determine the apparent best-evaluated Response. To effect a contract award to a Respondent other than the one receiving the highest evaluation process score, the head of the procuring agency must provide written justification and obtain the written approval of the Chief Procurement Officer and the Comptroller of the Treasury.
- 5.3.3. The State will issue a Notice of Intent to Award identifying the apparent best-evaluated response and make the RFP files available for public inspection at the time and date specified in the RFP Section 2, Schedule of Events.

NOTICE: The Notice of Intent to Award shall not create rights, interests, or claims of entitlement in either the apparent best-evaluated Respondent or any other Respondent.

- 5.3.4. The Respondent identified as offering the apparent best-evaluated response must sign a contract drawn by the State pursuant to this RFP. The Contract shall be substantially the same as the RFP Attachment 6.6., *Pro Forma* Contract. The Respondent must sign the contract by the Contractor Signature Deadline detailed in the RFP Section 2, Schedule of Events. If the Respondent fails to provide the signed Contract by this deadline, the State may determine that the Respondent is non-responsive to this RFP and reject the response.
- 5.3.5. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited terms and conditions or pricing negotiations prior to Contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIDED THAT such revision of terms and conditions or performance requirements shall NOT materially affect the basis of response evaluations or negatively impact the competitive nature of the RFP and contractor selection process.
- 5.3.6. If the State determines that a response is non-responsive and rejects it after opening Cost Proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated response.

RFP #30901-58424 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.). An electronic or facsimile signature, as applicable, is acceptable.

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 the RFP Attachment 6.6., *Pro Forma* Contract for the total Contract Term.
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.
10. The Respondent affirms the following statement, as required by the Iran Divestment Act Tenn. Code Ann. § 12-12-111: "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to §12-12-106." For reference purposes, the list is currently available online at: <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-/public-information-library.html>.

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:**

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 documents were dispatched to the Solicitation Coordinator in separate e-mail messages (refer to RFP Section 3.2.3).	
		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 subcontractor) (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.	
	A.2.	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 (<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.	
	A.3.	Provide a current credit rating from Moody's, Standard & Poor's, A.M. Best or Fitch Ratings, verified and dated within the last three (3) months and indicating a positive credit rating for the Respondent OR , in lieu of the aforementioned credit rating, provide an official document or letter from an accredited credit bureau, dated within the last three (3) months and indicating a satisfactory credit score for the Respondent (NOTE: A credit bureau report number without the full report is insufficient and will <u>not</u> be considered responsive.)	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
	A.4.	Provide a statement that if awarded a contract pursuant to this RFP, the Respondent will maintain operations under the contract in the continental United States and certify that all TCRS data maintained or used in the course of implementation or operations will not leave the continental United States.	
	A.5.	Provide a statement that the Respondent has at least five (5) years of experience with the design, installation, and maintenance of Pension Administration System (PAS) Software that represents an integrated PAS. Note: A PAS does not fail to meet this requirement if the ECM (Imaging) , BI, and CRM (Customer Relationship Management) module are third-party solutions; however, all components must be integrated with the core line-of-business functionality.	
	A.6.	Provide a statement that the Respondent has completed three implementations of integrated pension administration software solutions in the public sector for a government entity or company that administers retirement benefits including a Defined Benefit (DB) plan and Defined Contribution (DC) plans or hybrid plan with all the following specifications: <ul style="list-style-type: none"> 1) \$10,000,000,000 (billion) or more in total managed assets <ul style="list-style-type: none"> a. Directly responsible for funding determination calculations, receivables, reconciliation, and external reporting. 2) \$100,000,000 (million) or more in gross annual benefit payments <ul style="list-style-type: none"> a. Directly responsible for managing payroll functions including withholdings, banking transactions and regulatory reporting such as IRS. 3) Total of at least 100,000 members. 4) The implementations are no older than five years. 5) Two of the implementations were for United States public pension clients. 	
	A.7.	Provide written confirmation that the Respondent's employees, agents, independent contractors and subcontractors that will be involved in the delivery of services under any contract awarded under this RFP (including any replacement personnel) possesses or will possess as of the time of performance under the contract, and for the duration of the contract, the qualifications, education, training, experience, and certifications necessary to perform the services under the contract. Evidence of this should be in the form of specific qualifications utilized, such as CPA, PMP, Six Sigma, and ITIL	
	A.8.	Provide a statement that if awarded a contract under this RFP, the Respondent and its subcontractors (if applicable) will have the ability and technologies to perform all services under the contract remotely such as teleconferencing, shared document repository, email, and instant messaging.	
	A.9.	Provide a statement that if awarded a contract under this RFP, the Respondent and its subcontractors (if applicable) will participate in-person activities, such as meetings and working sessions, at 502 Deaderick Street, Nashville, TN 37243.	
	A.10.	Provide a statement affirming that the Respondent will provide all necessary hardware, virtual appliances, virtual server images and software for executing scoped deliverables. This includes any licensing assignments and expenditures required for State participation.	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		Any necessary interoperable, network connections and/or communication methods may be supplied by the State. Examples include MS Teams, Cisco AnyConnect for VPN, and network shared folders.	
	A.11.	Provide a statement confirming that the Respondent will participate with the State in the State's yearly disaster recovery testing as provided in Section E.4.d of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.12.	Provide a statement confirming that the Respondent will comply with all requirements defined as mandatory (flexibility score of 1 or 2) in Contract Attachment 1, Functional Requirements.	
	A.13.	Provide a statement confirming that the Respondent will comply with all requirements defined as mandatory in Contract Attachment 2, Non-Functional Requirements.	
	A.14.	Provide a statement confirming that the Respondent will comply with all requirements defined as mandatory (flexibility rating of 1 or 2) in Contract Attachment 3, Cybersecurity Requirements.	
	A.15.	Provide a statement confirming that the Respondent will participate in a cyber audit and architecture risk audit, at the State request, at least annually.	
	A.16.	Provide a statement confirming that the solution can be fully hosted both by the Respondent in the public cloud OR by the State in their private government cloud.	
	A.17.	Provide a statement acknowledging and agreeing that if awarded a contract under this RFP, the State has the sole discretion to require that the solution be fully hosted either by the vendor in the public cloud or by the State in the State's private government cloud.	
	A.18.	Provide a statement that if awarded a contract under this RFP, the Respondent will subscribe to a Vulnerability Management service to track vulnerabilities in the solution should the State elect to have the solution hosted by the Respondent.	
	A.19.	Provide a statement that excluding externally facing portals, no more than 10% of the core PAS solution can be developed using third-party software.	
	A.20.	Provide a statement that the System will be developed as a cloud native application that is fully elastic such that batch jobs and jobs such as Annual Member Statements are configured to run in parallel to ensure completion in the required timeframes set forth in Section A.12.a. the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.21.	Provide a statement that real-time telemetry data of all System metrics, including, but not limited to, database transaction (select, insert, update, delete) timeframes, microservices and batch job start, end time and completion status will be logged for real-time monitoring purposes as provided in Section A.5.b. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.22.	Provide a statement confirming the Respondent will maintain a fully redundant infrastructure (size and capability) a minimum of 100 miles apart and within a separate power grid region in the United States.	
	A.23.	Provide a statement that the Respondent will not need manual workarounds to meet the RFP requirements as part of their solution (e.g., workarounds with Excel spreadsheets, etc.).	
	A.24.	Provide a statement that if awarded a contract under this RFP, the Respondent will work with the data cleansing and transformation vendor selected by the State as provided in Section A.5.b.(13) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).	
	A.25.	Provide a statement that if awarded a contract under this RFP, the Respondent will implement the System into TCRS's environment by no later than 60 months from project initiation ("kick-off") to Go-Live, as such term is defined in Section A.2.o. of the <i>Pro Forma</i> Contract (RFP	

RESPONDENT LEGAL ENTITY NAME:			
Response Page # (Respondent completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		Attachment 6.6), unless the successful Respondent provides the State with adequate documentation showing that the timeline cannot be met due to one of the causes specified in Section A.5.b(12) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) and otherwise complies with the provisions of Section A.5.b(12) of the <i>Pro Forma</i> Contract.	
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>			

TECHNICAL RESPONSE & EVALUATION GUIDE

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

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number, if applicable, of the person the State should contact regarding the response.
	B.2.	Describe the Respondent’s form of business (<i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Respondent has been in business.
	B.4.	Briefly describe how long the Respondent has been providing the goods or services required by this RFP.
	B.5.	State the year the Respondent was formed and began providing PAS software and services to public pension organizations.
	B.6.	Indicate all entities that have an ownership stake in the Respondent (name and percentage).
	B.7.	List the Respondent’s affiliated companies and joint ventures.
	B.8.	State the percentage of the Respondent’s revenue is derived from PAS.
	B.9.	Provide the Respondent’s annual gross revenue during the fiscal years 2019, 2020 and 2021. If 2021 is not yet available, provide an estimate for FY 2021 and include FY 2018.
	B.10.	State the percentage of gross revenues the Respondent has invested in research and development.
	B.11.	List the average annual Respondent sales volume for pension administration software for the previous three (3) fiscal years.
	B.12.	Provide the percentage of gross revenues the sales volume for pension administration software represents for the Respondent.
	B.13.	Describe the Respondent’s ability to finance additional costs that would be incurred by the Respondent in the event it is awarded a contract resulting from this RFP. As a part of the description, state the amount the Respondent would need to borrow and provide documentation from the Respondent’s lender stating its willingness to lend such amount to the Respondent.
	B.14.	Provide an organization chart that depicts the structure of your firm’s organization. Provide a System and Organization Controls (SOC) Type II report (or available alternative if there is not an SOC report).
	B.15.	Describe the Respondent’s number of employees, client base, and location of offices.

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		Please provide a statement that includes the percentage of staff whose primary workplace will be a) in the Nashville, TN area, and b) outside the Nashville, TN area but within the United States that could be involved in the implementation or ongoing support as applicable.
	B.16.	How many employees associated with these types of products or systems does the company have in each of the following categories? Please organize these by each industry in which you operate. <ul style="list-style-type: none"> • Customer support • Installation and training • Product development (including but not limited to design, development, and testing) • Sales & Marketing • Other (please specify)
	B.17.	Provide the average annual staff turnover rate for employees in key staff positions
	B.18.	Provide the following information for clients in production: <ul style="list-style-type: none"> (a) Number Using Version of PAS that will be proposed to TCRS (b) Number Using Earlier version (specify version)
	B.19.	Provide the following information for clients in implementation: <ul style="list-style-type: none"> (a) Number Using Version of PAS that will be proposed to TCRS (b) Number Using Earlier version (specify version)
	B.20.	Provide the following information for clients where the contract is signed, but not in implementation: <ul style="list-style-type: none"> (a) Number Using Version of PAS that will be proposed to TCRS (b) Number Using Earlier version (specify version)
	B.21.	Describe the company's PAS product roadmap for the next 5-10 years and a 10-year retrospective product roadmap of the proposed solution. TCRS is interested in understanding how the proposed solution has been enhanced and upgraded.
	B.22.	Provide a statement of whether there have been any mergers, acquisitions, or change of control of the Respondent within the last ten (10) years. If so, include an explanation providing relevant details.
	B.23.	Provide a statement of whether the Respondent or, to the Respondent's knowledge, any of the Respondent's employees, agents, independent contractors, or subcontractors, involved in the delivery of goods or performance of services on a contract pursuant to this RFP, have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	B.24.	Provide a statement of whether, in the last ten (10) years, the Respondent has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.25.	Provide a statement of whether there is any material, pending litigation against the Respondent that the Respondent should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFP or is likely to have a material adverse effect on the Respondent's financial condition. If such exists, list each separately, explain the relevant details,

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		and attach the opinion of counsel addressing whether and to what extent it would impair the Respondent's performance in a contract pursuant to this RFP. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.26.	Has the Respondent, within the last 10 years, been censured or fined by any regulatory body? If so, please indicate the dates and describe the situation.
	B.27.	Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Respondent. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Respondent's performance in a contract pursuant to this RFP. NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Respondent must be properly licensed to render such opinions. The State may require the Respondent to submit proof of license for each person or entity that renders such opinions.
	B.28.	Provide a brief, descriptive statement detailing evidence of the Respondent's ability to deliver the goods or services sought under this RFP (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	B.29.	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to deliver the goods or services required by this RFP.
	B.30.	Provide a personnel roster listing the names of key people who the Respondent will assign to meet the Respondent's requirements under this RFP along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Respondent, and employment history.
	B.31.	Provide a statement of whether the Respondent intends to use subcontractors to meet the Respondent's requirements of any contract awarded pursuant to this RFP, and if so, detail: (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the goods each subcontractor involved in the delivery of goods or performance of the services each subcontractor will perform; <u>and</u> (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Respondent's response to this RFP.
	B.32.	Provide documentation of the Respondent's commitment to diversity as represented by the following: (a) <u>Business Strategy</u> . Provide a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please also include a list of the Respondent's certifications as a diversity business, if applicable. (b) <u>Business Relationships</u> . Provide a listing of the Respondent's current contracts with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please include the following information:

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>(i) contract description;</p> <p>(ii) contractor name and ownership characteristics (<i>i.e.</i>, ethnicity, gender, service-disabled veteran-owned or persons with disabilities);</p> <p>(iii) contractor contact name and telephone number.</p> <p>(c) <u>Estimated Participation</u>. Provide an estimated level of participation by business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP. Please include the following information:</p> <p>(i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and DO NOT INCLUDE DOLLAR AMOUNTS);</p> <p>(ii) anticipated goods or services contract descriptions;</p> <p>(iii) names and ownership characteristics (<i>i.e.</i>, ethnicity, gender, service-disabled veterans, or disability) of anticipated subcontractors and supply contractors.</p> <p>NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor's Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810 for more information.</p> <p>(d) <u>Workforce</u>. Provide the percentage of the Respondent's total current employees by ethnicity and gender.</p> <p>NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises and who offer a diverse workforce.</p>
	B.33.	<p>Provide a statement of whether or not the Respondent has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous five (5) year period. If so, provide the following information for all of the current and completed contracts:</p> <p>(a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract;</p> <p>(b) the procuring State agency name;</p> <p>(c) a brief description of the contract's scope of services;</p> <p>(d) the contract period; and</p> <p>(e) the contract number.</p>
	B.34.	<p>Provide a statement and any relevant details addressing whether the Respondent is any of the following:</p> <p>(a) is presently debarred, suspended, proposed for debarment, or voluntarily excluded from covered transactions by any federal or state department or agency;</p> <p>(b) has within the past three (3) years, been convicted of, or had a civil judgment rendered against the contracting party from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local)</p>

RFP ATTACHMENT 6.2. — SECTION B (continued)

RESPONDENT LEGAL ENTITY NAME:		
Response Page # (Respondent completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>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;</p> <p>(c) is presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed above; and</p> <p>(d) has within a three (3) year period preceding the contract had one or more public transactions (federal, state, or local) terminated for cause or default.</p>
	B.35.	<p>Please provide an overview of your PAS solution. In your overview, please response to the following:</p> <p>(a) In what way does the system's structure ensure that all functionality works seamlessly together and avoids data redundancy and synchronization issues?</p> <p>(b) Describe how the system processes are automated and require no manual workarounds.</p> <p>(c) What do you see as your competitive advantage?</p> <p>(d) Why does your solution provide the best fit for TCRS, based on our requirements?</p> <p>(e) What do you see as your system's differentiators and how does it exceed other PAS solutions?</p> <p>(f) How does your company implement innovative strategies to improve your products?</p> <p>(g) Why would TCRS users like using your system?</p>
		<p>SCORE (for <u>all</u> Section B—Qualifications & Experience Items above): (maximum possible score = 10)</p>
<i>State Use – Evaluator Identification:</i>		

RFP ATTACHMENT 6.2. — SECTION C

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Respondent must address all items (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.

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

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

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

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		Executive Summary		5	
	C.1.	Provide an Executive Summary in sufficient detail to illustrate the Respondent's understanding of the State's service requirements outlined in Section A of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) as supplemented by the additional background information provided in RFP Section 1.1. and of the project requirements and schedule necessary for implementation of the requested services.			
	C.2.	Provide a narrative that illustrates how the Respondent will complete the scope of services, accomplish required objectives, and meet the State's project schedule.			
	C.3.	Provide a narrative that illustrates how the Respondent will manage the project, ensure completion of the scope of services, and accomplish required objectives within the State's project schedule.			
	C.4.	Regarding RFP Attachment 6.6 <i>Pro Forma</i> Contract, Section A.3. Operating Procedures, describe the Respondent's approach to assisting the State in developing and maintaining operating procedures relative to the services requested in this RFP.			
			Item Score	Evaluation Factor	Raw Weighted Score
		Mandatory System Requirements		15	
	C.5.	In simple, non-technical language, provide a narrative description of how the system performs and meets the functional requirements listed in Contract Attachment 1, Functional Requirements . For the requirements defined with a flexibility score of 3, the narrative description must also include clarification details, if applicable. This means that if the proposed PAS solution does not meet a particular functional requirement designated with a flexibility score of 3, details must be provided explaining what aspects of the functionality are not supported, along with any alternate solutions that can be employed to achieve the required results.			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.6.	In simple, non-technical language, provide a narrative description of how the system performs and meets the non-functional requirements listed in Contract Attachment 2, Non-Functional Requirements (including those requirements defined as Desired). For the requirements that are not defined as mandatory, the narrative description must also include clarification details, if applicable. This means that if the proposed PAS solution does not meet a particular non-functional requirement defined as Desired, details must be provided explaining what aspects of the functionality are not supported, along with any alternate solutions that can be employed to achieve the required results.			
	C.7.	In simple, non-technical language, provide a narrative description of how the system performs and meets the cybersecurity requirements listed in Contract Attachment 3 Cybersecurity Requirements (including those requirements defined as optional flexibility rating of 3). The Respondent may indicate in the narrative description if a particular Desired or Optional requirement is not available with the proposed solution or to provide additional information that the Respondent feels would be helpful to aid in TCRS' understanding of the proposed solution.			
			Item Score	Evaluation Factor	Raw Weighted Score
		Project Initiation and Implementation		5	
	C.8.	<ol style="list-style-type: none"> 1) Describe the detailed process for identifying resource requirements, resource acquisition, training and overall project team onboarding. 2) Describe the anticipated communication plans at the project level. This includes periodic meetings, status updates, executive level reporting, steering committee meetings, issue and risk escalations and overall strategic management. 			
	C.9.	<p>Given the constraints and guidelines listed in the RFP and the Functional Requirements (Attachment 1), Non-Functional Requirements (Attachment 2), and Cybersecurity Requirements (Attachment 3), the Respondent should provide a concise narrative discussing the plan for implementing the system, as well as a project schedule in Microsoft Project. Phases, tasks, subtasks, durations, resources, and milestones should be included in the document.</p> <p>Note: In Item 3, System Implementation and Pre-Implementation Training Services, of the Cost Proposal & Scoring Guide RFP ATTACHMENT 6.3, provide the total cost associated with system implementation and pre-implementation training support (total cost is to include the task areas listed in this Item C.9). A RESPONDENT MUST ONLY RECORD THE PROPOSED COST IN ITS COST PROPOSAL, WHICH MUST BE EXACTLY AS REQUIRED BY RFP ATTACHMENT 6.3., COST PROPOSAL & SCORING</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p><u>GUIDE AND MUST NOT RECORD ANY OTHER RATES, AMOUNTS, OR INFORMATION NOT REQUESTED IN THAT ATTACHMENT.</u></p> <p>Consistent with the provisions of Section A.5.b.(12) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6), the Respondent should also discuss the overall scope of responsibility and also provide the details of the tasks that are considered in scope for the implementation. In addition, indicate, how many reports, documents (letters), forms (including e-forms) and workflows included in your fixed price. The Respondent should also include a list of the tasks that TCRS will be responsible for. This document should be a maximum of twenty (20) pages. The Respondent's goal should be to enable TCRS to understand and confirm the scope of the Respondent's responsibilities versus what TCRS needs to do, and to show the major tasks that are included within the scope of the Respondent's responsibilities.</p> <p>TCRS will review the implementation plans for specificity, quality, and perceived risk/efficiency balance. The brevity of the response is intended to encourage the Respondent to present the essentials of their process and to avoid generic project methodology or marketing language.</p>			
	C.10.	<p>The requirements analysis is an iterative and time-intensive process that requires substantial involvement by TCRS staff. Explain in detail the process to be used for gathering and analyzing requirements, plus documenting and validating the requirements, while allowing TCRS staff to conduct their normal business. User testing and data conversion carry a similar level of involvement for TCRS staff. It is important to TCRS that their expected level of involvement for these tasks is explained at this early stage of the project.</p>			
	C.11.	<p>Identify common risks to the implementations and discuss risk mitigation strategies for each one, as well as a description of what TCRS needs to do to help mitigate the risk.</p> <p>Without mentioning names, describe one project that went smoothly and one that did not. Describe in both cases what you think contributed to each circumstance and lessons learned. Be candid and specific.</p>			
	C.12.	<p>Describe in detail the Respondents testing process to meet the requirements in Section A.5.b(12) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).</p>			
	C.13.	<p>Describe in detail the Respondent's training process. Describe how the Respondent will train TCRS staff at four different levels including:</p> <ul style="list-style-type: none"> • Regular users • Power users • Business Administrator • Technical Administrator <p>The regular training materials the Respondent provides must be editable and organized by TCRS's business processes,</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>such that staff can use the manuals for their everyday work. For example, rather than describing each screen of member information, the manual should describe the step-by-step process for setting up a service purchase contract. It is strongly desired for Respondents to provide their training materials in an on-line format, via web-based videos or another similar system. Include within your description how you would provide your training materials. The system must also provide on-line help for all screens and fields.</p> <p>The business administrator's materials must contain at a minimum all the information required for a business or systems analyst to maintain the configuration of the system, including instructions on how to perform common processes. Below are examples of some of the processes to be included:</p> <ul style="list-style-type: none"> • Create and update new benefit levels or tiers as required • Update contribution rates • Update interest rates • Change COLA rate • Update Federal and State tax tables <p>The Respondent will provide guidance to IT staff on the initial setup of the overall system, including the hardware, software, database, and required integrations for all implementation phases of installation and configuration.</p>			
	C.14.	<p>Describe in detail the Respondent's approach to documenting project and processes requirements.</p> <p>Based on the requirements of the RFP:</p> <ul style="list-style-type: none"> • What type of documentation will be provided during the course of the project? • How will the Respondent ensure that TCRS's requirements are properly documented? • How will the Respondent ensure user documentation is continually updated as the product evolves in the future? • Describe how the Respondent will meet the following standard requirements"? <p>The selected Respondent will deliver all project documentation to TCRS in a standard format using professional standards. Documents must be properly formatted, versioned, named, and organized. TCRS will not dictate the format or frequency of project documentation, but the Respondent shall ensure the following standards are met:</p> <ul style="list-style-type: none"> • All business requirements must be documented • The technical design of the system must be completely documented • All software releases must be documented (i.e., release notes) • All increased functionality, enhancements or modifications must be documented 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<ul style="list-style-type: none"> The Respondent must submit written project reports on a regular basis <p>The Respondent must provide draft release notes with confirmed content of the build prior to delivery, with final release notes accompanying the delivery. TCRS will use this information to plan their testing activities prior to receiving delivery of functionality.</p> <p>TCRS must have a minimum of ten (10) full business days to review all documentation that requires a sign-off. TCRS will be granted extensions if the Respondent submits documents that are particularly lengthy.</p>			
	C.15.	Describe in detail the Respondent's approach to data conversion and migration to meet the requirements in Section A.5.b(13) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6). Include within your description how the Respondent's Master Data Management (MDM) solution will ensure these requirements are met.			
	C.16.	<p>Deliverables and Milestones</p> <ol style="list-style-type: none"> 1) What are your preferred Project Management tools and/or software products? 2) What are the project deliverables? 3) What are the milestones in the project? 			
	C.17.	<p>As provided in RFP Section 1.1.1 and Section A.5.b(12) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6), the timeline for implementing the System into TCRS's environment shall be 42 to 60 months from project initiation ("kick-off") to project completion (system "go-live") unless the successful Respondent provides the State with adequate documentation showing that the timeline cannot be met due to one of the causes specified in Section A.5.b(12) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) and the Contractor otherwise complies with the provisions of Section A.5.b(12) of the <i>Pro Forma</i> Contract.</p> <p>Specify in the first column of the chart below each project milestone you identified in Item C.16 of this RFP Attachment 6.2 above. In the second column, specify the length of time it will take to complete that milestone. The length of time could be measured by completing the specific milestone within a certain number of calendar days or calendar months from project kick-off or by completing the specific milestone within a certain number of calendar days or calendar months after completion of the immediately preceding milestone. If needed for more milestones, insert additional rows below.</p> <p>Next, specify in the third column of the chart below the percentage of the total fee due for the System Implementation and Pre-Implementation Training Services that is to be paid for each completed project milestone (this must be expressed as a percentage of the total fee for the System Implementation and Pre-Implementation Training Services described in Section A of the <i>Pro Forma</i> Contract (RFP</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:							
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items			Item Score	Evaluation Factor	Raw Weighted Score
				-----%			
	C.18.	Methodology <ol style="list-style-type: none"> 1) What formal methods and disciplines will be employed to effect high quality releases of functionality? 2) Explain your methodology for requirements gathering, requirements confirmation, solution design, development, all testing phases, training/go-live readiness, cutover planning, and post-implementation hyper-care support that will be used in this Project. Include diagrams or visual representations if possible. 3) Based on the requirements of the RFP what formal methods and disciplines will be employed for testing? 4) What methodology is required to populate the new PAS? This methodology should include identification of required data and data mapping to the current system, the templates, tools, and processes to load the data to the new PAS. 					
	C.19.	Staffing <ol style="list-style-type: none"> 1) What resources are needed for each phase of the project, both Respondent and TCRS? 2) Which activities from the Respondent require on-site resources? 3) Will there be subcontractors utilized, and if so, what will be their role? 4) Who is assigned to the project? <ul style="list-style-type: none"> • How long have they been employed with the Respondent? • What is their experience? • What are their qualifications? • Who is leading the project? 					
	C.20.	Requests to add functionality, modifications, or enhancements. <p>Section A.7 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) allows the State to request Change Orders and sets out the high-level process for requesting and otherwise handling those Change Orders. Please describe how the Respondent will process TCRS requests to increase the functionality pursuant to Section A.7 of the <i>Pro Forma</i> Contract, e.g., are system updates managed via the Respondent's system? Include within your description how future enhancements and modifications will be handled in accordance with Section A.7.</p>					
	C.21.	Risk Management. <p>What are common risks to the implementation? How will risks and issues be managed and mitigated?</p>					
	C.22.	<ol style="list-style-type: none"> 1) What is your preferred knowledgebase product(s)? Does your PAS solution support integration with other third-party knowledgebase products? 					

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>2) Describe how your proposed knowledgebase solution manages a static content knowledge management repository (knowledge base). Provide an overview of the various features & functionality of the product.</p> <p>3) Describe all ways in which your proposed knowledgebase product integrates with the PAS and with all portals.</p> <p>4) Describe how help/support content is added, maintained, and removed from the knowledge management repository. What types of users can update and manage this content? Is the SDLC required?</p> <p>5) How will you ensure that training and user documentation is continually updated as the product evolves in the future? Include considerations for all portal training and user support content.</p> <p>6) Provide a sample Business User Manual, and Business Procedure Manual.</p>			
User Interface & System Workflow				10	
User Interface					
	C.23.	<p>1) Describe how your solution adheres to Nielsen and Molich's 10 User Interface (UI) Design Guidelines:</p> <ul style="list-style-type: none"> • Visibility of system status • Match between system and the real world • User control and freedom • Consistency and standards • Error prevention • Recognition rather than recall • Flexibility and efficiency of use • Aesthetic and minimalist design • Help users recognize, diagnose, and recover from errors • Help and documentation <p>2) Describe and provide an example showing how the proposed solution's UI provides for a user-centric and workflow-driven user interface.</p> <p>3) Describe and provide an example showing how the proposed solution uses automation to streamline processing and increases efficiency.</p> <p>4) If the proposed solution does not currently support Responsive Web Design, provide a product roadmap that indicates when this capability will be implemented.</p> <p>5) Describe the customization the Respondent's system provides to allow for consistency in branding and messaging across all TCRS materials, inside and outside</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		of the system (i.e., correspondence, front-facing websites, publications, etc.)			
	C.24.	<ol style="list-style-type: none"> 1) Describe and provide an example showing how the Respondent's system incorporates Member Self-Service (MSS) portal functionality and capabilities for active and retired participants. Capabilities include external facing portals and compliance with web content accessibility guidelines. 2) Describe how the Respondent's system identifies itself as TCRS to members on member correspondence, on the system home page, and throughout the post-login environment of the system. 3) Describe how the respondent's system incorporates data validation controls to confirm the entry of valid information in the system including the use of third-party verification services and the establishment of certain data submission rules. 4) Describe how the respondent's system incorporates automated prompting to notify a member or end user to take a certain action (e.g., update beneficiary information or retirement eligibility) or to communicate a specific request for information. 5) Describe how the member will initiate a benefit estimate request and the workflow to provide the request to the member. 6) Describe how the respondent's system allows for tracking of communications by TCRS with the member on MSS. 			
	C.25.	<ol style="list-style-type: none"> 1) Describe how the Respondent's system incorporates retirement application processing including initiation, retirement application status notification to the member, quality control and approval, communication, and internal controls, including status to the TCRS team/approver of pending applications by date and issue presented for resolution. 2) Describe how the Respondent's system incorporates Disability retirement benefit administration including initiation by the member, workflow, disability benefit estimate for the member, and status notification to the member. Provide a description of how the disability application process will incorporate or facilitate communications with the external partner of TCRS to completed medical evaluations. 3) Describe how the respondent's system identifies members currently in a retired status that subsequently returns to work at a TCRS employer (see requirements for ESS reporting). How does the system alert staff to take appropriate action to permit, reduce or suspend the benefit? 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.26.	<p>1) Describe how the Respondent's system processes benefit calculations for (i) benefit estimates, (ii) member annual statements, (iii) or retirement benefits and (iv) death survivorship benefits, including initiation, workflow, status notification, quality control and approval, communication, and internal controls.</p> <p>2) Describe the solutions built into the Respondent system to mitigate the risks of:</p> <ul style="list-style-type: none"> • Producing inaccurate benefit calculations, adjustments/recalculations, and payments to retirees and/or deceased members due to manual processing errors, and tasks executed outside of the system • Benefit overpayments due to maximum benefit restricted per state law • Benefit processing delays including delays due to retiree not being notified by TCRS of incomplete, unverified, or inaccurate application information • Benefit processing delays due to complex rules required to calculate average final compensation, years of service, and special considerations (e.g., Judges, Public Safety Officers, and General Assembly members) • Data integrity issues including inaccurate data being entered either via automated processes, manual entry, and/or manual upload • Not identifying accurate benefits paid to retirees who subsequently returned to work • Ineligible and duplicate termination refunds from being submitted or processed. • Payment resumption of a suspended benefit prematurely <p>3) Describe how the respondent's system manages service purchase calculations including initiation, calculation, workflow and service credit adjustment in the member record.</p>			
	C.27.	<p>1) Describe how the respondent's system incorporates payroll processing for retiree payroll including initiation, workflow, status notification, banking data accuracy and security, quality control processes and approval, communication, and internal controls.</p> <p>2) Describe how the respondent's system incorporates, refunding of member contributions including initiation, workflow, status notification, banking data accuracy and security, quality control processes and approval, communication, and internal controls.</p>			
	C.28.	<p>1) Describe your experience integrating hybrid-type plans where a portion of the benefit comes from a traditional defined benefit plan and a portion from a deferred compensation type plan. If possible, provide an example of a PAS that includes functionalities for a deferred</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>compensation plan (e.g., a 401(k) or 457(b) plan) as well as a defined benefit plan.</p> <p>2) What is your experience producing a consolidated benefit estimates for hybrid plan members? Provide functional and technical details that you believe are pertinent to provide a conceptual understanding of the functionality as designed.</p> <p>3) Describe any additional enhanced functionality the respondent's system includes to create efficiencies for employers who have members participating defined benefit and/or deferred compensation plans.</p>			
	C.29.	<p>Describe how the respondent's system receives and processes notifications of death of retirees and beneficiaries including:</p> <ul style="list-style-type: none"> • Receipt of notice of death of retiree. • Receipt of notice of death of one of member's designated beneficiaries. • Adjustment of allocation of member's death benefit to remaining beneficiaries. • Calculation of death benefit (lump sum or monthly annuity) for each beneficiary. • Audit-review of death benefit calculation. 			
	C.30.	<p>Describe the capabilities and solutions built into the Respondent's solution for Qualified Domestic Relations Orders (QDROs) requests including:</p> <p>Verification of member and alternate payee data and documents for eligibility.</p> <ul style="list-style-type: none"> • Correspondence notifications • Calculations of approved orders for new payment amounts. • Updating the status of the QDRO workflow request for tracking purposes. • Updating member and alternate payee payment details when the QDRO is approved. 			
	C.31.	<p>Describe the browsers supported, how you determine the browser versions supported, and the extent to which you test each browser and browser version against your product.</p>			
	C.32.	<p>Describe the features of your product that are mobile friendly. What are the mobile interfaces browser-based or mobile apps? Which mobile operating systems do you support? Are there any functions not available on a mobile device?</p>			
	C.33.	<p>Describe all the user channels supported by your product (e.g., email, SMS, web, file transfer, chat, push notifications). Are these channels available for all user roles? Are all user communications logged no matter the channel?</p>			
	C.34.	<p>Describe how the proposed solution's user interface design facilitates:</p> <ul style="list-style-type: none"> • Learnability (e.g., intuitive navigation) for all users 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<ul style="list-style-type: none"> • Efficiency of use • Memorability, especially for casual users • Subjective satisfaction on the part of the heads-down user 			
System Workflow					
	C.35.	<ol style="list-style-type: none"> 1) Provide a detailed explanation of how new workflows are created or existing workflows are modified. 2) Describe how the proposed solution incorporates non-TCRS user actions/tasks within a workflow, such as a member or employer performing a step within a workflow. <ul style="list-style-type: none"> • Describe how TCRS will be able to measure workflow performance and report upon TCRS's internal service levels. • Provide a sample workflow tracking and flow report and/or Dashboard. • Describe the Manager/supervisor dashboard capabilities. Describe how work and work-in-process is visually represented and how user inputs can modify data displays and visuals in real-time; include a discussion of how frequent the underlying dashboard data is refreshed and how real-time alerts, notifications and messages are handled. 			
			Item Score	Evaluation Factor	Raw Weighted Score
		Employer Reporting & Communication		10	
Employer Reporting					
	C.36.	<ol style="list-style-type: none"> 1) Describe and provide an example showing how the respondent's system incorporates Employer Self-Service (ESS) functionality and capabilities including employer data submission and subsequent correction of errors. 2) Describe how the respondent's system allows for registration by employers to the TCRS ESS portal. 3) Describe how the respondent's system incorporates plan enrollment including initiation, workflow, status notification, quality control processes and approval, communication, and internal controls. 4) Describe how respondent's system will manage the workflow for enrolling members who are currently retired from TCRS to determine if the member may qualify for an exception or if a reduced or suspended benefit will be required. Creating a workflow for the employer for accurate reporting. 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>5) Describe how the respondent's system incorporates data validation controls to confirm the entry of valid information in the system including the use of third-party verification services and the establishment of certain data submission rules.</p> <p>6) Describe the solutions built into the Respondent system to mitigate the risks of:</p> <ul style="list-style-type: none"> • Not identifying and correcting errors in employer contribution files • Not identifying and correcting incomplete or duplicate reporting files submitted by employers • Unauthorized or fraudulent employee data being entered into the system (e.g., service credits) • Generation and distribution of inaccurate benefit estimate information <p>7) Describe how the respondent's system allows for payroll contribution submission including the allowance for reporting on multiple payroll cycles (e.g., weekly, and monthly). Include description of the available methods for collecting payments including the accuracy and security of banking data.</p> <p>8) Describe how the respondent's system allows for the correction of previously reported data when employer's recognize service or salary was incorrectly reported.</p> <p>9) Describe how the respondent's system will alert TCRS employers to included reporting on TCRS retirees under Return to Work.</p> <p>10) Describe how the respondent's system will allow secure data, reports\ information, and secure communications to be sent to the employer by TCRS and the employer to send information to TCRS securely.</p> <p>11) Describe how the respondent's system incorporates automated prompting to notify a employer or end user to take a certain action or to communicate a specific request for information.</p>			
Call Center & Customer Relationship Management					
	C.37.	<p>1) Describe how the respondent's system incorporates customer relationship management capabilities including:</p> <ul style="list-style-type: none"> • Knowledgebase and knowledge search capabilities • Use of Artificial Intelligence (AI) to streamline customer service or other business activities <p>2) Describe the solutions built into the Respondent system to mitigate the risks of:</p> <ul style="list-style-type: none"> • Relevant customer correspondence history (i.e., verbal and messaging) not being captured accurately and/or completely retained • Relevant customer communications not being retained in a centralized location 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<ul style="list-style-type: none"> Failure to track and prioritize (i.e., ticketing system) and respond timely to urgent matters communicated to TCRS by retirees 			
	C.38.	<ol style="list-style-type: none"> Provide examples of how your proposed solution integrates with third-party Telephony systems. Indicate all Automatic Call Distribution System (ACD)/ Computer telephony integration (CTI) products that are supported “out of the box”. Provide examples of how Call Center & Telephony system integration is implemented. Specifically discuss: <ul style="list-style-type: none"> Product name(s) and minimum version(s); Advanced phone controls; Intelligent call routing & interactive voice response; Caller authentication; Automated “Screen pop”; Data recording; Call monitoring; Automated dialing; All read/Write API calls to an Integrated Voice Portal; Agent callbacks; How “configurable” is the integration? Describe how the proposed solution accommodates tracking within Case Management interactions with non-CLIENT participants, employers, or constituents otherwise unknown within the solution. Describe how the proposed solution accommodates a single call that covers multiple topics which require distinct case type/sub-type values. Describe how the proposed solution supports mass mailings or targeted communication campaigns. Describe how the proposed CRM solution integrates with your Portal’s secure messaging functionality. Describe how the proposed CRM solution accommodates customer satisfaction data gathering including surveys. 			
			Item Score	Evaluation Factor	Raw Weighted Score
		Financial and Accounting Capabilities		5	
	C.39.	<p>Describe the capabilities of the Respondent’s accounting and financial reporting system including:</p> <ol style="list-style-type: none"> Ability to support all TCRS systems/plans including EPP and all of their accounting funds, journals, chart of accounts, general ledger transactions, etc. Ability to pass daily general ledger entries to TCRSs accounting system for all financial transactions. Ability for the system to update the employer account with the applicable accounting entries for all financial 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>transactions. Ability to support a reconciliation process for all payroll transactions against TCRS accounting system (to be performed after payroll validation including expected compared to actual payroll amounts distributed).</p> <p>4) Ability to provide a detailed accounting of all insurance based transactions, i.e., payroll, refunds, etc. for any specified time frame that is searchable and sortable.</p> <p>5) If your proposed solution has third-party financial/accounting system integration, provide detailed information on the solution's overall accounting system integration tools/technology/methodology. Include considerations for products that are not supported "off the shelf" by the proposed solution.</p> <p>6) Indicate all third-party financial/accounting system integrations that are supported "off the shelf" by the proposed solution. Provide examples of how integrations are implemented.</p> <p>7) If the proposed solution is capable of integration with TCRS's existing financial/accounting system (MIP), provide a list of all locations where the recommended product version being proposed to TCRS has already been successfully implemented or is being implemented with MIP. For these prior implementations was MIP a legacy accounting system that was integrated with your PAS, or was it a new implementation alongside the PAS?</p> <p>8) Describe the advantages and disadvantages of using TCRS's existing financial/accounting system MIP vs. another solution. Indicate which solution you feel would be in TCRS's best interest to use. Describe why the proposed solution was recommended and provide justifications and anticipated costs in the form of a cost-benefit analysis weighing integration with MIP against your proposed solution.</p> <p>9) Outline the anticipated complexities and level of effort to integrate your PAS solution with the existing legacy finance/accounting MIP.</p> <p>10) Describe your proposed team's knowledge, skills, abilities, and experience integrating your PAS with MIP.</p>			
	C.40.	Provide a statement that describes how the proposed solution will meet NACHA Compliance standards and ensure continued compliance as the proposed TCRS solution evolves, the operating environment evolves, and the standards evolve.			
	C.41.	Describe the capabilities of the Respondent's accounting and financial reporting system including providing TCRS assistance with fiscal year end closing and reporting to include financial reports, actuarial information, GASB 68 data.			
			Item Score	Evaluation Factor	Raw Weighted Score

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		Reporting, Queries, Analytics & Dashboarding		5	
	C.42.	<ol style="list-style-type: none"> 1) Describe how the reporting functionality is implemented in the proposed solution. Also discuss how forms, outgoing letters, annual member statements, and e-communications are created, customized, and incorporated into the proposed solution. 2) Describe how graphics, charts and other data visualizations are incorporated into the proposed solution's reporting capabilities. 3) Describe all tools/functionality built into the proposed solution to support dashboarding, status reporting and query generation. Also, discuss the use of any third-party software applications or other reporting tools integrated into the solution. 4) Describe how the proposed solution uses real time data to track and report metrics and key performance activity indicators. 5) Describe how advanced analytic functionality is built into the proposed solution to support ad-hoc queries, identify material data anomalies and variations, continuous monitoring of key data elements. 6) Describe the level of expertise that is needed by TCRS staff to create or modify a report, query and dashboard. 			
			Item Score	Evaluation Factor	Raw Weighted Score
		Hosting & Annual Licensing		5	
Hosting					
	C.43.	<p>At the State's sole discretion, the State may elect to have the solution hosted by the successful respondent in the public cloud or host the solution in the State's government cloud.</p> <p>Provide detailed information on Respondent's preferred approach to hosting, including a description of both Respondent hosted in the public cloud and State hosted in the government cloud and what is required from TCRS to support these options.</p> <ul style="list-style-type: none"> • Describe the proposed solution's hardware (virtual or physical) requirements (servers, number of CPU cores, GB of RAM, storage and IOPs required). • Describe the proposed solution's software and licensing requirements (third-party or open-source, virtual appliance, application, database, etc.). Include third-party name, product name, the licensing method (organization, per-seat, etc.), and renewal period (perpetual, annual, etc.). <p>In the Cost Proposal & Scoring Guide RFP ATTACHMENT 6.3, provide the cost to host the solution in a Respondent Hosted in Public Cloud (Azure, AWS). <i>If applicable</i>, also, provide the total cost of all third-party software licensing (e.g.,</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		ECM, CRM or BI) in Item 1, Third-Party Software Licensing, of the Cost Proposal & Scoring Guide, RFP ATTACHMENT 6.3. NOTE: The State intends to evaluate the feasibility to host the Respondent's solution in the State's government cloud. Consequently, the purpose of cost line item 6(b) in the Cost Proposal & Scoring Guide RFP ATTACHMENT 6.3 is for the Respondents to provide the cost (if any) for any inconvenience, time spent, or cost incurred to the Respondent in order to connect to the State Private Government Cloud. DO NOT INCLUDE ANY COSTS IN YOUR RESPONSE TO THIS QUESTION.			
	C.44.	<p>1) If the Respondent proposed a cloud hosting solution that utilizes a third-party cloud service provider, as the preferred hosting solution, answer the following questions:</p> <ul style="list-style-type: none"> • Indicate whether the proposed cloud hosting solution is a Public, Private or Hybrid cloud. • Who is the third-party cloud services provider? • How long has the Respondent and the third-party cloud provider had a business relationship? • What is/will be the division of duties/responsibilities between TCRS, the Respondent and the third-party cloud services provider in the delivery of services under this RFP? • How will TCRS interact with the third-party cloud services provider? • What responsibility does the third-party cloud services provider have for assuring proper patching and version control? • How are the responsibilities between the Respondent and third-party cloud services provider coordinated? • How does the proposed cloud hosting solution map to the NIST Cloud Computing Reference Architecture (NIST SP 500-292)? <p>2) All Respondents, please answer the following questions:</p> <ul style="list-style-type: none"> • How many clients are currently in production using the proposed hosting solution? • Can TCRS manage content or data in the Respondent's solution with its own tools, using API access or only through the Respondent's tools and/or resources? • How are asset compatibility, software updates and hardware refreshes addressed? 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<ul style="list-style-type: none"> How are asset confidentiality, integrity and availability addressed? What is the typical outage time for standard hardware and software updates? How will the architecture be managed to scale services during peak load demands? What service monitoring and alerting capabilities are available in the solution? Describe the minimum networking and bandwidth requirements that TCRS will need to be able to access the proposed solution at the Cloud Services Provider. Explain the Respondent's ability to retain the latest code, system build details and virtual server backups in escrow with updates as the system is updated (minimum quarterly review). 			
	C.45.	<ol style="list-style-type: none"> Describe the proposed solution's backup strategy and frequency of backup. Describe the logging level that the application will log at in production, what will be included in those logs and if that logging level can be increased/decreased at the State's request. 			
	C.46.	Provide a statement confirming the Respondent's understanding of the requirement to comply with the standard security language and requirements contained in Section E.4 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).			
	C.47.	<p>Describe the Respondent's capabilities to deploy, configure, maintain, and support the application in the State's government cloud environment.</p> <p>Describe the Respondent's ability to maintain a fully documented and functional application programming interface (API) that allows for in-house customization to include data query, update, insert and modify capabilities.</p> <p>Describe the Respondent's ability to maintain a fully documented Data Dictionary and Data Flow Diagram.</p>			
Annual Licensing					
	C.48.	Describe and explain in detail how the Respondent will provide the software licensing services to the State pursuant to Section A.22 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) and what additional types of support you will provide within those services.			
			Item Score	Evaluation Factor	Raw Weighted Score
		Architecture		10	

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.49.	<p>1) Describe your system's Application Architecture patterns, technologies, tools, and standards related to Industry standards and mechanisms used to maximize the reuse of solution assets, while increasing the probability of industry resources available to TCRS since the approach is respondent independent. Examples include Business Process Modeling Notation (BPMN), extended Markup Language (XML) and Decision Modeling Notation (DMN).</p> <p>2) Describe your system's Application Architecture patterns, technologies, tools, and standards related to enable the architecture to evolve as the industry evolves.</p> <p>3) Describe your system's Application Architecture patterns, technologies, tools, and standards related to automation that include, at a minimum, but not limited to:</p> <ul style="list-style-type: none"> • Workflow and workflow task automation • Use of barcode and optical character recognition technologies to automate data capture from paper and electronic documents • Portal self-service features • Knowledgebase and knowledge search capabilities • Use of Artificial Intelligence (AI) to streamline customer service or other business activities 			
	C.50.	<p>1) Describe your organization's methodology, products, and tools that support TCRS' ability to:</p> <ul style="list-style-type: none"> • Update existing and create new document types and correspondence templates and test these changes in a non-production environment and promote them in a controlled and automated manner. • Update existing and create new business rules and test these changes in a non-production environment and promote them in a controlled and automated manner. • Update existing and create new business processes (i.e., workflows) and test these changes in a non-production environment and promote them in a controlled and automated manner. • Update existing and create new system-wide configurations (i.e., policies and settings) and test these changes in a non-production environment and promote them in a controlled and automated manner. • Update existing and create new system interfaces (external or internal) and test these changes in a non-production environment and promote them in a controlled and automated manner. • Extend the solution's data model and document metadata configurations to support TCRS specific data attributes and test these changes in a non-production environment and promote them in a controlled and automated manner (e.g., DevDataOps). 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<ul style="list-style-type: none"> Update textual information related to the solution's field labels, help text, and other textual information that enables TCRS' to use vocabulary and statements aligned with their policies and practices and test these changes in a non-production environment and promote them in a controlled and automated manner. Identify the impact of proposed changes on the existing configurations and extensions 			
	C.51.	<ol style="list-style-type: none"> Describe how your architecture provides integration with existing systems using integration technologies. Describe how the product architecture enables use of external services (e.g., REST service) (e.g., address validation, SSN validation). Describe how your architecture provides a centralized interface monitoring capability. Describe how your architecture reduces the need for batch processing Describe the data architecture, including the operational data store and the analytic data stores, and any separate data stores (e.g., third-party software data stores). Describe your Data Governance approach to ensure the data architecture and design evolves aligned with any architecture standards and industry regulations. Describe your approach and solution for Data Quality Management. Describe the system's capabilities for extending the data model that includes adding data fields, data entities, data constraints, and data rules. Describe the development and test process you use to comply with the World Wide Web Consortium Web Content Accessibility Guidelines (WCAG 2.1 AA level). Describe how you test for the criteria that can't be tested through automated tools. Describe the process for verifying continued compliance after client-specific configurations and customizations are performed. 			
			Item Score	Evaluation Factor	Raw Weighted Score
		Electronic Content Management (ECM) & Master Data Management (MDM)		5	
Electronic Content Management (ECM)					
	C.52.	Provide, in 400 words or less, a summary of the solution you are proposing for ECM as part of your overall proposal. If it is a FileNet solution, explain how this will be converted and implemented given TCRS currently has FileNet for its ECM. If it is not FileNet, explain how that will be converted and implemented.			
	C.53.	Describe the system's workflow design, development, testing, and deployment process and related tools and artifacts (e.g., XML files, BPMN models). Include a description of the			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		classroom and on-the-job training required to enable an analyst to be capable of maintaining workflow definitions.			
	C.54.	Describe how the workflow can utilize external applications (e.g., LOB, AI or rules engine) and how the external applications (e.g., LOB, CRM) can integrate with the workflow engine.			
	C.55.	Describe how the applications can interact with the document management component to retrieve, store, and view documents. Describe how the metadata is managed across multiple solution components.			
	C.56.	Describe how the Imaging and Text Capture (e.g., language recognition), Document Management (e.g., metadata, storage of versions), Document Generation (e.g., templates, data merge), and Document Distribution (e.g., translation) and other components support multi-languages.			
	C.57.	The successful Respondent will be responsible for converting all images and documents held in FileNet (TCRS' existing document repository) to the new solution if FileNet is not chosen as the successful Respondent's solution. Consequently, describe the proposed process for migrating documents from an existing document repository (FileNet) to the target document repository if document migration is required. How does the migration process ensure the metadata is set correctly to integrate with the pension administration system?			
Master Data Management (MDM)					
	C.58.	Provide a summary of how the solution will support the Master Data Management (MDM) needs of the State.			
			Item Score	Evaluation Factor	Raw Weighted Score
		Maintenance and Support & System Warranty		10	
Maintenance and Support					
	C.59.	Maintenance and Support refers to the Respondent's support of the system, including help desk support, technical support services, troubleshooting, analysis, project management of support resources, etc. The Respondent must maintain and support at least three (3) past implemented versions of the solution. Further, if any additional products are used in an integrated solution (such as a PAS, a database, and a CRM product), the Respondent should describe their methods for ensuring the solution will continue to be stable given the update schedules of the various products.			
	C.60.	1) Explain in detail the maintenance and support services that will be available to the State at Project Completion (as such term is defined in Section A.2.p. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)) that will be in addition to the			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>maintenance and support services described in Section A.23.a of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).</p> <p>2) Describe how support for your solution will be initiated and coordinated to resolution. The location of support staff (US-based) should be included in this description.</p>			
	C.61.	Provide a statement of the timing and frequency of maintenance updates and product upgrades for the past 3-5 years, along with projected updates/upgrades for the next 3 to 4 years.			
	C.62.	<p>Describe in your opinion what would be the best level of support for the application and what that will require (minimum and maximum number of hours per month mapped to skill sets required). TCRS may elect to do some or all support in house. Describe what TCRS in-house support or a mixed support model would look like.</p> <p>NOTE: Please remember that your Technical Response <u>must not</u> include <u>any</u> pricing or cost information. Pricing must only be in the Cost Proposal and <u>must</u> be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide and <u>must NOT</u> record any other rates, amounts, or information.</p>			
	C.63.	<ol style="list-style-type: none"> 1) How would TCRS report a new issue or problem? 2) How are existing issues tracked? 3) What is the expected turnaround time for a simple defect fix (estimated level of effort 1-10 hours) that is easily identified and remediated? 4) Describe how an issue gets escalated if there is not an immediate solution. 			
	C.64.	<ol style="list-style-type: none"> 1) TCRS defines software maintainability to be the ease with which the solution can be modified to correct faults, improve performance, or adapt to changes in the environment (e.g., statutes and regulations). The selected respondent will be responsible for conducting comprehensive research, providing expert analysis, and assisting in the implementation of necessary measures to ensure our organization's full compliance with new or updated regulations. Explain how the proposed solution provides software maintainability or required customization. 2) How often are software updates scheduled? 3) Describe the process by which software updates are released, and how TCRS would go about implementing these software updates. 4) What are the steps TCRS would take to get assistance in defining requirements for a change? 5) Explain the approval procedures for a newly requested change. 6) What is the process and turnaround time for an "emergency" modification, made necessary by a significant and unexpected business rule or regulatory change? 7) What is the procedure for requesting a small change (estimate 1-10 hours coding time)? 			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		8) What is the procedure for requesting a medium change (estimate 10-40 hours coding time)? 9) What is the procedure for requesting a large change (over 40 hours) to the system? 10) What is the expected turnaround time for the below change requests? <ul style="list-style-type: none"> • Small (estimate 1-10 hours coding time) • Medium (estimate 10-40 hours coding time) • Large (estimate over 40 hours coding time) 			
	C.65.	1) In what way is your customer support superior to other PAS solutions? What differentiates your customer support from others in your industry? 2) Can the Respondent guarantee that TCRS will receive primary customer support from a staff member thoroughly trained in TCRS's system? Will this staff member be assigned to the PAS project at least three months prior to go-live? Will the Respondent guarantee that this staff member remains TCRS's primary support for at least 18 months after go-live? 3) What is the Respondent's commitment to customer support to maximize and ensure the return on investment to TCRSs in terms of business efficiencies, accommodations to legislative change, functional enhancements, customer support, and other gains?			
	C.66.	1) Explain how your approach/methodology can support a self-sufficient maintenance and support model after System Acceptance. TCRS has not yet determined their desired level of self-sufficiency but would like more information from Respondents. Specifically discuss: <ul style="list-style-type: none"> • Creation & maintenance of correspondence (all distribution mechanisms) • Creation & maintenance of queries & reports • Creation & maintenance of interfaces • Creation & maintenance of workflows • Creation & maintenance of batch jobs • Addition, modification & deletion of plans and rates • Addition, modification & deletion of business rules 2) Describe how you have managed this type of IT knowledge transfer successfully in the past. Provide sample artifacts if possible. 3) Provide a list of required and recommended certifications and product training that TCRS IT staff should possess to support the PAS implementation project.			
System Warranty					
	C.67.	As provided in Section A.19 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6), the warranty period must begin at Go-Live (as such term is defined in Section A.2.o. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)) and must last one (1) full year from that date. Any defects that stop production or functions that work incorrectly or cause unnecessary workarounds			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>discovered at any time pre-production or during the warranty period must be corrected before final system acceptance. Any defects found after the warranty period ends will be corrected under Section A.23, Maintenance and Support, of the <i>Pro Forma</i> Contract (RFP Attachment 6.6).</p> <p>1) What is your general approach to warranty and how does your model work? Please refer to requirements above.</p> <p>2) What is your approach to correcting the following levels of defects and what is the proposed response time based on the type of correction needed?</p> <ul style="list-style-type: none"> • Production stopping • Mission critical • Requires workaround • Minor fix needed 			
			Item Score	Evaluation Factor	Raw Weighted Score
		Release Management & Testing		5	
Release Management					
	C.68.	<p>Describe each environment (e.g., development, testing, training, staging, etc.) and the approach/methodology for installation/patching/configuration of hardware (virtual or physical)/software.</p> <p>Describe how you manage version control, how you build releases, how often you release, and how releases are documented.</p> <p>Describe and discuss how software version control is implemented and how updates and upgrades will be coordinated with TCRS. Also, describe how the solution will be able to track source code changes between versions for audit and control purposes.</p> <p>Will there be software releases during the implementation and will TCRS be required to include the releases? Provide a description of how these are planned for and included.</p>			
Testing					
	C.69.	<p>1) Describe the formal methods and disciplines that will be employed for testing each release of the proposed solution (e.g., unit, regression, system, QA, performance, stress, etc.).</p> <p>2) Describe the use of automated testing tools in the SDLC and your release management practices. Indicate which automated testing tools you have used on similar projects and which tool you propose to use for this Project.</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		<p>3) How do you typically test converted data? When does this occur? Explain how you align cleansed and converted data in various test cycles, especially User Acceptance Testing.</p> <p>4) Describe your approach to User Acceptance Testing. How are client operations resources onboarded to the process? How are they supported during execution? How are defects reported, triaged, and communicated back to the testers?</p>			
		Application & Data Security, System Access and Cyber Risk Mitigation		10	
	C.70.	<p>1) Describe how the solution's capability will align with the NIST Cybersecurity Framework (CSF) so as to include the implementation of key NIST 800.53 Security Controls.</p> <p>2) Describe the capability to demonstrate effective security controls that have been tested by an independent third-party. This includes evaluation of any proposed third-party tools or applications and data privacy and protection techniques.</p> <p>3) Describe the capability of maintaining an Incident Response process and how it can be integrated into TCRS's Incident Response process. Incident triggers defined in the plan must include breaches directly related to the TCRS's environment and breaches to environments that are distinctly separate from TCRS but could pose a significant threat to the SK WCB environment.</p> <p>4) Describe the capability of continuous security monitoring of the solution or the capability to allow TCRS third-party to govern security monitoring.</p> <p>5) Describe controls incorporated to ensure access is appropriately controlled and restricted including role-based privileges, dual factor authentication, user identification controls and user access/ change logs.</p> <p>6) Describe how data is securely maintained at rest and in transit</p> <p>7) Describe how data can be recovered in the event of a cyber security incident, for instance a ransomware attack.</p> <p>8) Describe controls incorporated to TCRS's PII/PHI will not be accessed from outside of the United States.</p> <p>9) What is your approach to managing and monitoring PII and health-related information covered under HIPAA and HITECH?</p>			
	C.71.	<p>Describe Respondent's security measures including security methods applied at the network and database levels, and data loss prevention measures. Include recent results of vulnerability assessments applied against existing systems.</p> <p>Describe your disaster recovery plan. Include approaches for backup and recovery of system(s) and data. As provided in Section A.12 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6), the System Recovery Time Objective (RTO) must be a maximum system recovery time of 4 hours and the System Recovery Point Objective (RPO) must be a maximum period of</p>			

RFP ATTACHMENT 6.2. — SECTION C (continued)

RESPONDENT LEGAL ENTITY NAME:					
Response Page # (Respondent completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		lost transactions, data changes, or work-in-process of 15 minutes. Provide recovery time objectives and recovery point objectives for all systems and data.			
<i>The Solicitation Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.</i>				Total Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>	
Total Raw Weighted Score <hr/> Maximum Possible Raw Weighted Score <i>(i.e., 5 x the sum of item weights above)</i>			X 60 <i>(maximum possible score)</i>		= SCORE:
<i>State Use – Evaluator Identification:</i>					
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>					

RFP ATTACHMENT 6.2.— SECTION D

TECHNICAL RESPONSE & EVALUATION GUIDE

SECTION D: ORAL PRESENTATION. The Respondent must address ALL Oral Presentation Items (below).

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the oral presentation response to each item. Each evaluator will use the following whole-number, raw point scale for scoring each item:

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

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

NOTE: *TCRS may provide calculation formulas and/or scrubbed data to be utilized for the demonstrations requested below. If so, this information will be provided to the finalists in the Oral Presentation invitation described in Section 5.2.1.5. of this RFP.*

RESPONDENT LEGAL ENTITY NAME:				
Oral Presentation Items		Item Score	Evaluation Factor	Raw Weighted Score
D.1.	Demonstration of System workflow capabilities (i.e., retiree application processing), System integration capabilities, and user-friendliness of the System.		1	
D.2.	Demonstration of System calculation of a retirement application with the System identifying issues requiring a quality assurance analyst review due to pre-defined rule violations (e.g., salaries exceed IRC 401(a)(17) limits or benefit exceeds limit payable by a qualified plan under IRC 415(b)).		1	
D.3.	Demonstration of System processing a batch such as payroll and clear messaging when an error occurs.		1	
D.4.	Demonstration of accounting entries generated for processes such as receipt of payroll contributions from employer to include entries to general ledger and posting to employer account.		1	
D.5.	Demonstration of employer contribution remittance including error messages, corrections, and submission.		1	
D.6.	Demonstration of System data management, error detection and correction (i.e., alerting and solution audit trail), reporting and compliance capabilities.		1	
Total Raw Weighted Score (<i>sum of Raw Weighted Scores above</i>):				
The Solicitation Coordinator will use this sum and the formula below to calculate the score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.				
total raw weighted score		X 10 <i>(maximum section score)</i>	= SCORE:	
maximum possible raw weighted score <i>(i.e., 5 x the sum of item weights above)</i>				
<i>State Use – Evaluator Identification:</i>				
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>				

RFP ATTACHMENT 6.3.**COST PROPOSAL & SCORING GUIDE****NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED**

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for goods or services defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract and for the entire contract period. The Cost Proposal shall remain valid for at least one hundred twenty (120) days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and limited to two (2) places to the right of the decimal point.

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

Notwithstanding the cost items herein, pursuant to the second paragraph of the *Pro Forma* Contract section C.1. (refer to RFP Attachment 6.6.), the State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

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

RESPONDENT SIGNATURE:			
PRINTED NAME & TITLE:			
DATE:			
RESPONDENT LEGAL ENTITY NAME:			
Cost Item Description	Proposed Cost	State Use Only	
		Evaluation Factor	Evaluation Cost (cost x factor)
1. Licensing Services as described in Sections A.5, A.6, and A.22 of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)			
(a) Third-Party Software Licensing (e.g., ECM, CRM or BI), if applicable.	\$ _____ per quarter	40	
(b) PAS Licensing	\$ _____ per quarter	24	
2. Hardware and Related Hardware Services as described in Section A.5.b(1) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6) (Hardware required but not accounted for in the PAS Hosting by Contractor in Public Cloud, Item 6(a) below)	\$ _____ per quarter	40	

RFP ATTACHMENT 6.3. (continued)

RESPONDENT LEGAL ENTITY NAME:			
Cost Item Description	Proposed Cost	State Use Only	
		Evaluation Factor	Evaluation Cost (cost x factor)
3. System Implementation and Pre-Implementation Training Services as described in Section A. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6). Note: Compensation for these services shall be paid in the manner provided in Section A.5.b.(12) of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ (flat fee)	1	
4. Maintenance and Support Services as described in Section A.23. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per hour	25,000 (assumes 5,000 hours/year)	
5. System Warranty Services as described in Section A.19. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)	\$ _____ per quarter	4	
6. PAS Hosting as provided in Sections A and E. of the <i>Pro Forma</i> Contract (RFP Attachment 6.6)			
(a) If selected by the State, PAS Hosting by Contractor in Public Cloud	\$ _____ per quarter	40	
(b) If selected by the State, PAS Hosting in State Private Government Cloud. Note: If imposed, this is an inconvenience fee for the additional time spent or cost incurred by the Contractor to connect into the State's government cloud, which is in addition to the Maintenance and Support cost in Item 4 above. The State would pay for the cloud hosting fees directly.	\$ _____ per hour	1,000 (assumes 100 hours/year)	
EVALUATION COST AMOUNT (sum of evaluation costs above):			
The Solicitation Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.			
lowest evaluation cost amount from <u>all</u> proposals	x 20 (maximum section score)	= SCORE:	
_____	_____		
evaluation cost amount being evaluated			
<i>State Use – Solicitation Coordinator Signature, Printed Name & Date:</i>			

REFERENCE QUESTIONNAIRE

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

The Respondent will be solely responsible for obtaining completed reference questionnaires as detailed below. Provide references from individuals who are not current State employees of the procuring State Agency for projects similar to the goods or services sought under this RFP and which represent:

- two (2) contracts Respondent currently services that are similar in size and scope to the services required by this RFP; and
- three (3) completed contracts that are similar in size and scope to the services required by this RFP.

References from at least three (3) different individuals are required to satisfy the requirements above, e.g., an individual may provide a reference about a completed project and another reference about a currently serviced account. The individual contact reference provided for each contract or project shall not be a current State employee of the procuring State agency. Procuring State agencies that accept references from another State agency shall document, in writing, a plan to ensure that no contact is made between the procuring State agency and a referring State agency. The standard reference questionnaire, should be used and completed, and is provided on the next page of this RFP Attachment 6.4.

In order to obtain and submit the completed reference questionnaires following the instructions below:

- (a) Add the Respondent's name to the standard reference questionnaire at RFP Attachment 6.4. and make a copy for each reference.
- (b) Either (i) send a reference questionnaire to each reference or (ii) e-mail the reference with a copy of the standard reference questionnaire.
- (c) Instruct the reference to:
 - (i) complete the reference questionnaire;
 - (ii) sign and date the completed reference questionnaire;
 - (iii) E-mail the reference directly to the Solicitation Coordinator by the RFP Technical Response Deadline with the Subject line of the e-mail as "[Respondent's Name] Reference for RFP # 30901-58424".

NOTES:

- The State will not accept late references or references submitted by any means other than indicated above.
- The State will not review more than the number of required references indicated above.
- While the State will base its reference check on the contents of the reference e-mails, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references.
- The State is under no obligation to clarify any reference information.

RFP # 30901—58424 REFERENCE QUESTIONNAIRE

REFERENCE SUBJECT: RESPONDENT NAME (completed by Respondent before reference is requested)

The “reference subject” specified above, intends to submit a response to the State of Tennessee in response to the Request for Proposals (RFP) indicated. As a part of such response, the reference subject must include a number of completed reference questionnaires (using this form).

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

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
 - sign and date the completed questionnaire. An electronic signature is acceptable; and e-mail the completed questionnaire to Dawn Rochelle whose email address is dawn.rochelle@tn.gov.
-

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

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

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) What goods or services does/did the reference subject provide to your company or organization?

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

- (5) **If the reference subject is still providing goods or services to your company or organization, are these goods or services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.**
- (6) **How satisfied are you with the reference subject's ability to perform based on your expectations and according to the contractual arrangements?**

REFERENCE SIGNATURE:

(by the individual completing this request for reference information)

DATE:

RFP ATTACHMENT 6.5.

SCORE SUMMARY MATRIX

	<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>		<i>RESPONDENT NAME</i>	
GENERAL QUALIFICATIONS & EXPERIENCE (maximum: 10)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH (maximum: 60)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
ORAL PRESENTATION – RESPONDENT FINALISTS (maximum: 10)						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
<i>EVALUATOR NAME</i>						
	AVERAGE:		AVERAGE:		AVERAGE:	
COST PROPOSAL (maximum: 20)	SCORE:		SCORE:		SCORE:	
TOTAL RESPONSE EVALUATION SCORE: (maximum: 100)						
<i>Solicitation Coordinator Signature, Printed Name & Date:</i>						

RFP # 30901-58424 PRO FORMA CONTRACT

The *Pro Forma* Contract detailed in following pages of this exhibit contains some “blanks” (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFP.

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
TREASURY DEPARTMENT
AND
[CONTRACTOR NAME]**

This Contract, by and between the State of Tennessee, Treasury Department ("State") and [CONTRACTOR LEGAL ENTITY NAME] ("Contractor"), is for the provision of the implementation of a new and enhanced pension administration software system for the Tennessee Consolidated Retirement System so as to improve processes and adopt best practices in the pension industry, as further defined in the "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is [A/AN INDIVIDUAL, FOR-PROFIT CORPORATION, NON-PROFIT CORPORATION, SPECIAL PURPOSE CORPORATION OR ASSOCIATION, PARTNERSHIP, JOINT VENTURE, OR LIMITED LIABILITY COMPANY].

Contractor Place of Incorporation or Organization: [LOCATION]

Contractor Edison Registration ID # [NUMBER]

A. SCOPE:

- A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.
- A.2. Definitions. For purposes of this Contract, definitions shall be as follows and as set forth in the Contract:
- a. TCRS: The Tennessee Consolidated Retirement System.
 - b. PAS: Pension administration system.
 - c. ARIS: A project to replace the current TCRS pension administration system.
 - d. Concord: The current pension administration system used by TCRS.
 - e. CRM: Customer relationship management; tool to manage interactions with existing members, employers and other stakeholders.
 - f. BI: Business Intelligence and Data Analytics.
 - g. ECM: Enterprise content management; tool to capture, manage, store, preserve and deliver content and documents.
 - h. MDM: Master Data Management to support the data migration and future data definition requirements.
 - i. IRC: The Internal Revenue Code.
 - j. LOB: Line of business; module within pension administration system where TCRS staff process member requests, which include, but are not limited to, refund applications, retirement applications, generation of payrolls, etc.
 - k. MSS: Member self-service portal where active members can review their account and process certain transactions.
 - l. ESS: Employer self-service portal where employers can review their account, submit salary and service contribution files, etc.
 - m. RSS: Retiree self-service portal where retired members can review their account and process certain transactions.

- n. QDRO: Qualified Domestic Relations Orders.
- o. Go-Live: The date the new PAS is released and deployed into TCRS' production environment and when the Warranty Period described in Section A.19 commences.
- p. Project Completion: The date on which (x) all phases of the implementation plan have been completed and accepted by the State and (y) the Warranty Period described in Section A.19 has concluded.

A.3. Operating Procedures. The Contractor shall assist the State in developing written Operating Procedures for the Contractor's performance of each of the services set forth herein, in accordance with pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.4 of RFP ATTACHMENT 6.2] of the Contractor's Proposal. Once developed, said Procedures shall be considered a part of this Contract as though fully set forth herein and the Contractor shall perform such services in accordance with the Operating Procedures, this Contract and the documents described in Section A.5 below. Said Procedures may be amended in writing from time to time by mutual agreement of the Parties. The Parties agree to amend the Operating Procedures should any changes be necessary to comply with any applicable State or Federal laws or regulations specifically relating to the services hereunder.

A.4. Times of Day. All times of day referred to throughout this Contract shall be Central Standard or Daylight Savings Time, as applicable.

A.5. Services in General. The Contractor shall provide and implement a software solution for TCRS that is developed as a cloud native application that is fully elastic and encompasses a core line of business PAS, a CRM solution, a BI Solution, and an ECM solution to support current and future TCRS business processes (hereinafter referred to as either the "Solution", the "System" or the "new PAS"). The CRM, BI and ECM functionality shall be delivered as part of an integrated System or a third-party solution as described in the Contractor's Proposal, provided that all components shall be integrated with the core line-of-business functionality. Without compromising on quality or efficiency, the Solution must be a fully automated solution whereby no human intervention would be necessary for the day-to-day management and tracking of member, beneficiary, retiree and participating employer requests and transactions. Such requests and transactions include, but not be limited to, the initiation and calculation of member retirement benefit estimates; contribution refunds; purchases of service credit; and processing of retirement benefits (e.g., researching/reviewing the member's service credits and wage and contribution history, calculating benefits, setting forth retirement options, and adding the retiree to payroll). The Solution must automate processes for TCRS members and employers, thereby creating a user-friendly experience that reduces/eliminates reliance on paper forms and streamlines employer reporting to TCRS (e.g., enrollment of new members, contribution reporting, and correction of previously submitted and recorded data).

- a. The high-level functionality of the Solution shall include, but not be limited to, the following:
 - (1) Support for compliance with all applicable federal statutes, rules and regulations governing a tax-qualified governmental plan under IRC Section 401(a) that are in effect on the commencement date of this Contract. Examples include, but are not limited to, compensation limits under IRC Section 401(a)(17), maximum benefits payable from a qualified plan under IRC Section 415, and the minimum distribution incidental benefit rule found in IRC Section 401(a)(9)(g).
 - (2) Existing core LOB functions, which include the rules, regulations, procedures, practices and applications that permit TCRS to perform all of its operations including those operations described in Contract Attachment 1, Functional Requirements; Contract Attachment 2, Non-Functional Requirements; and Contract Attachment 3, Cybersecurity Requirements, e.g., receive wage and contribution reporting on varied frequencies and with the ability to support reporting to a third-party vendor for deferred compensation plans, generate benefit estimates, issue refunds, calculate the cost of purchased service, process retirement applications, return to work processing, processing QDROs, disability retirement benefit administration, produce retiree payroll, death identification, customer relationship

management, withhold and remit taxes, produce 1099s, produce member annual statements, employer asset management, member self-services, member information validation services, general ledger transactions and annual financial reporting.

- (3) Support for the execution of all processes required in accordance with Tennessee Code Annotated, Title 8, Chapters 34 – 37, applicable federal statutes, rules and regulations governing a tax-qualified governmental plan under IRC Section 401(a), and TCRS Board policies that are in effect on the commencement date of this Contract.
- (4) Support for provision of data to the contracted actuary for the proper funding of the various TCRS plans sponsored by participating employers.
- (5) Support for reporting for plan sponsors, i.e., participating employers, as required under Governmental Accounting Standards Board pronouncements effective as of the commencement date of this Contract.
- (6) Support for verifying that financial information provided by a member or beneficiary actually belongs to the respective member or beneficiary.
- (7) Support for making payments to members in all modes including electronic fund transfers, real-time payments, checks, and other recognized payment modes as of the Contract commencement date, and associated support for complying with all payment industry regulations and standards.
- (8) Technical functionality, including but not limited to:
 - (i) Web-based solution to facilitate ease of application system deployment and maintenance.
 - (ii) Licensing sufficient to support unlimited use and access by State staff, TCRS active members, employers, retirees, and vendors.
 - (iii) Enablement of all required interfaces with other entities (e.g., Treasury's general ledger software (MIP Cloud), deferred compensation vendors, banks, federal and Tennessee state government agencies, providers of health and life insurance, actuary, and other service providers).
 - (iv) Ability to perform all functions using workstations (PCs) on the TCRS State network via a fully web-based application. If performance standards are not met, the Contractor shall correct virtual hardware capacity and/or software configurations in a timely manner at no cost to the State.
- (9) Enhanced LOB functionality as specified in Contract Attachment 1, Functional Requirements; Contract Attachment 2, Non-Functional Requirements; and Contract Attachment 3, Cybersecurity Requirements and the Contractor's proposal, including, but not limited to:
 - (i) Enhanced web-based, self-service functionality to improve access to TCRS by members, retirees, beneficiaries, and other appropriate stakeholders (e.g., employers).
 - (ii) Defined Contribution (DC) retirement savings plan reporting capabilities as described under the general system requirements in Contract Attachment 1, Functional Requirements.
 - (iii) ECM (i.e., imaging, print archive, workflow management, electronic forms, correspondence generation and distribution, data capture, and knowledge management repository).

- (iv) Integration of ECM with the LOB solution to include both "tight" workflow (i.e., enabling a transaction/function as part of a defined workflow path), as well as the ability to perform a transaction/function "directly" (i.e., outside of the defined workflow path).
 - (v) CRM, including contact management correspondence generation, correspondence management, email, telephony, interactive voice response (IVR), short messaging (SMS), chatbot and artificial intelligence. The system must include notification options including the ability to deliver real-time status notifications to members via multiple channels (i.e., retirement application status updates and benefit eligibility updates).
 - (vi) Enhanced web-based employer reporting including straight-through processing, manual data clean and automated data feed capabilities, expected versus actual data validation and approval workflow, and error reporting and correction.
 - (vii) General ledger, financial reporting, and reconciliation capabilities, including the ability to generate accurate financial accounting reports, actuarial reports, daily transactional activity, annual statements, and daily, monthly, annual and ad-hoc reports.
 - (viii) Support for accounting and actuarial records for each employer.
 - (ix) Addition and modification of plans by users.
 - (x) Performance metric tracking, key performance indicators, data visualizations, and performance reporting capabilities.
 - (xi) Master Data Management (MDM).
 - (xii) Ad hoc reporting capabilities.
- (10) Post implementation training and support as requested.
- (11) Streamline processing and increased automation.
- b. In addition to the integrated pension and benefits administration Solution itself, the Contractor shall further provide to the State:
- (1) All necessary hardware (virtual or physical), virtual appliances, virtual server images and software for executing scoped deliverables, which includes any licensing assignments and expenditures required for State participation, as well as assistance with the installation and configuration of all virtual hardware and/or software to support the application in all test and production environments.
 - (2) System software tools, including performance measurement tools, operations support tools, development tools, and if hosted by the Contractor in the public cloud, Intrusion Detection System (IDS), Intrusion Prevention System (IPS) a Vulnerability Management service to track vulnerabilities in the Solution.
 - (3) System security plan.
 - (4) Any necessary software configurations and customizations to meet business and functionality requirements.
 - (5) Configuration management for the pension administration software.
 - (6) Version management and control for the pension administration software.

- (7) Concept of Operations document and walk-through for the State to increase their understanding of the look and feel capabilities to be expected in the next system, i.e., what will be delivered, which will be provided within sixty (60) days of the Contract Effective Date as defined in Section B.1 below.
- (8) Development methodology document and walk-through for the State to increase its understanding of the development process and the effectiveness of the deliverables review and revision cycle when the project is in progress, which will be provided within sixty (60) days of the Contract Effective Date as defined in Section B.1 below.
- (9) High Level Demonstration of Base Functionality - Conference Room Pilot - to be delivered within sixty (60) days of the Contract Effective Date as defined in Section B.1 below. Base Functionality means what the system currently can do not including any customized design features desired by the State.
- (10) Business Process Reengineering of TCRS current business processes as necessary to increase processing efficiency and take best advantage of the LOB solution.
- (11) Thorough test and quality assurance of the entire Solution, particularly in terms of code review and database analysis.
- (12) Full implementation of the Solution (including as-built documentation of system configurations and customizations). TCRS will rely on the Contractor to determine the most time and cost-efficient method of implementing the System into TCRS's environment; provided that each of the following project milestones shall be completed within the timeline specified in the Contractor's proposal seeking this Contract and which is incorporated into the chart below unless the Contractor provides the State with adequate documentation showing that a specific project milestone cannot be met due to either:
 - (i) a Force Majeure Event as defined in Section D.24 below; provided the Contractor otherwise complies with all provisions of Section D.24, including the Contractor providing the State with the notification described in Section D.24, or
 - (ii) the State's failure to provide the Contractor with reasonable access to (x) information as shall be necessary to meet the project milestone or (y) State staff as shall be necessary to meet the project milestone; provided the Contractor shall promptly inform the State in writing of the specific information or State staff needed which is preventing performance so that the State can act on such. The Contractor's time in which to implement the Solution shall be extended an equal number of days corresponding to the delay caused by the State. However, the Contractor shall not be entitled to the extension unless the Contractor informed the State in writing of the specific delay as provided in this Section.

<p style="text-align: center;">Milestone</p> <p style="text-align: center;">[TO BE COMPLETED BASED ON THE SUCCESSFUL RESPONDENT'S RESPONSE TO QUESTION C.17. OF RFP ATTACHMENT 6.2]</p>	<p style="text-align: center;">Length of Time to Complete Milestone</p> <p style="text-align: center;">[TO BE COMPLETED BASED ON THE SUCCESSFUL RESPONDENT'S RESPONSE TO QUESTION C.17. OF RFP ATTACHMENT 6.2]</p>	<p style="text-align: center;">% of Total Fee for System Implementation and Pre-Implementation Training Cost as provided in Section C.3.b.3 To be Paid for the Milestone Completion</p>
		-----%
		-----%

		-----%
		-----%
		-----%
		-----%

The Contractor shall prepare and present for the State’s written approval an Implementation Plan based upon this timeline, which shall include a description of the documentation that will require TCRS’ sign-off. The documentation requiring TCRS’ sign-off shall include, but shall not be limited to, (x) cloud infrastructure and security design and (y) validation of application and infrastructure event logs being received before Go Live sign-off. The plan must provide that TCRS be given a minimum of ten (10) full business days to review such documentation. TCRS shall be granted extensions if the Contractor submits documents that are particularly lengthy. TCRS shall be the sole judge as to whether such documents are lengthy. The plan shall summarize the overall implementation strategy and manageable phases. It must include contingency or roll-back strategies and must reference supporting plans (e.g., Data Conversion, Data Bridging, Training, Support/Help Desk, Testing, Security). Any updated Implementation Plan shall include any and all appropriate detail, including contingency or roll-back plans, for the scope phase to go live next.

Upon the Contractor’s completion and the State’s written acceptance of a particular project milestone, the Contractor shall be entitled to the corresponding milestone payment as reflected in the above chart upon invoicing the State pursuant to Section C.5 below; provided, however, to ensure timely implementation of the Solution, an amount equal to ten percent (10%) of the respective milestone payment shall be withheld by the State until the conclusion of the Warranty Period described in Section A.19 below. The Contractor shall invoice the State for the amount withheld by the State pursuant to this Section as provided in Section C.5 below.

This Section A.5.b.(12) above does not eliminate the Contractor’s obligation to comply with all other terms and conditions of this Contract and shall not be construed to limit the liability of the Contractor for damages sustained by the State by virtue of any breach of this Contract by the Contractor nor shall it be construed to limit any other remedies available to the State in equity, at law or otherwise.

TCRS has undertaken a significant effort to document the relevant requirements and business processes. It is expected that the Contractor will need to confirm these requirements in a series of work sessions as an initial phase of the project. The Contractor’s team must have the necessary experience to understand the requirements without elaborate explanation. TCRS has limited staff resources to devote to the project, and as such does not have time to educate the Contractor’s staff in defined benefit plan business rules. The Contractor’s business analyst(s) are expected to be familiar with public retirement systems in general.

The requirements confirmation sessions must be scheduled in a manner that does not impact TCRS’s operations. A maximum of 18 hours of meetings shall be scheduled with staff each week and shall not exceed 6 hours in any given day.

The Contractor shall assist and provide guidance to TCRS in the installation and initial set-up and configuration of the hardware (virtual or physical), database software, and miscellaneous other software required for all environments, including, but not limited to:

- production environment
- development environment
- requirements
- testing environment
- UAT environment
- training environment
- data conversion environment
- project management

During testing, the Contractor shall utilize a rigorous testing methodology throughout the course of the project. Each module that is delivered to the State must have been tested on converted or simulated data prior to being certified for release by the Contractor's test team. The State may at its discretion request written proof of certification for any release.

The Contractor shall provide the following types of testing to be performed during the project:

- Unit
- System (SIT)
- Stress (volume)
- Load
- Regression
- UAT

The Contractor shall be required to test certain processes in parallel, or parallel equivalent, with the legacy system, including payroll, sample employer reporting, etc.

- (13) Conversion and migration of TCRS data and existing image data (e.g., index values in TCRS' legacy records management system) to the new Solution and, if necessary, bridging of data based on the recommended implementation approach. The Contractor agrees to work with the data cleansing and transformation vendor selected by the State, and to include the migration of legacy data into the Contractor's proposed PAS database as part of this project. The data conversion will be a major collaborative effort between all parties; it is therefore important that the Contractor account for this critical sub-project in the implementation plan and allocate sufficient hours for this activity. The Contractor shall work with the data cleansing and transformation vendor to determine data requirements and timelines to ensure the Contractor is able to develop, test and roll the Solution out on time. The Contractor shall provide the target data model (database structure) to the data cleansing and transformation vendor as early as possible, but by no later than 12 months from the Contract Effective Date as defined in Section B.1 below.

If the Contractor is proposing an integrated ECM (as opposed to integration with TCRS's current FileNet system), the contents of the current imaging system will require conversion into the new PAS, and the Contractor shall be responsible (as a part of the System Implementation services) for converting all images and documents held in TCRS's FileNet system to the new PAS. The process for migrating the images and documents shall be in accordance with pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.57. OF RFP ATTACHMENT 6.2] of the Contractor's Proposal and must ensure the metadata is set correctly to integrate with the new PAS.

The Contractor must maintain a data dictionary describing the contents, names, format, structure, range of values (if applicable), source, and relationship for each data element as well as a dataflow diagram.

The Contractor must provide a conversion audit report summarizing the work done and listing all data fixes that were made.

- (14) The Contractor will deliver all project documentation to TCRS in a standard format using professional standards. Documents must be properly formatted, versioned, named, and organized. TCRS will not dictate the format or frequency of project documentation, but the Contractor shall ensure the following standards are met:
- (i) All business requirements must be documented as provided in Contract Attachment 1 (Functional Requirements)
 - (ii) The technical design of the system must be completely documented
 - (iii) All software releases must be documented (i.e., release notes)
 - (iv) All increased functionality, enhancements or modifications must be documented
 - (v) The Contractor must submit written project reports on a regular basis
 - (vi) The Contractor must provide draft release notes with confirmed content of the build prior to delivery, with final release notes accompanying the delivery. TCRS will use this information to plan their testing activities prior to receiving delivery of functionality.
- (15) Project management services for the implementation effort as provided herein, which includes, but is not limited to:
- (i) Project planning, project management, monitoring, control and full software development lifecycle (SDLC) activities.
 - (ii) Detailed requirements definition and confirmation.
 - (iii) Requirements analysis and confirmation.
 - (iv) Requirements traceability.
 - (v) Project change control.
 - (vi) Project scheduling.
 - (vii) Document repository and document management.
 - (viii) System design specification.
 - (ix) Written statements of work which define reasonable components of work.
 - (x) When viewed in aggregate these statements of work comprise the entire project.
 - (xi) Hardware/Software installation planning and testing.
 - (xii) Risk management.
 - (xiii) Issues and action item management.
 - (xiv) Resource management, including projected resources needed from the State.
 - (xv) Communications plan.
 - (xvi) Problem incident reporting.
 - (xvii) Weekly status reports and project status meetings and minutes.
 - (xviii) Monthly executive level reporting and steering committee meetings and minutes.
 - (xix) Deliverable repository.
 - (xx) Project management software, including necessary licenses, installation, configuration, testing, administration, training and support.
 - (xxi) Problem incident management software.
 - (xxii) Configuration/version control software.
- (16) Meet the requirements of the Federal Government program and guidelines (NIST Special Publication 800-53, Security and Privacy Controls for Information Systems and Organizations and NIST Special Publication 500-292, Cloud Computing Reference Architecture) under which the security of IT systems in support of the government can be evaluated in a repeatable, comparable, and consistent fashion.
- (17) TCRS-specific manuals and documentation for System users (including employers), administrators, and developers. In addition to all baseline functionality, all such documentation must reflect any customization done on the behalf of TCRS.
- (18) Training for TCRS project staff and contractors on project-specific tools and processes.

- (19) Training for system users, administrators, and developers (but not employers, members or retirees) - not only in application navigation and the use of screens and windows, but also in the use of the new Solution to perform all of their various job functions, processes, and sub-processes in the new environment.
- (20) The regular training materials the Contractor provides must be editable and organized by TCRS's business processes, such that staff can use the manuals for their everyday work. For example, rather than describing each screen of member information, the manual should describe the step-by-step process for setting up a service purchase contract. It is strongly desired for the Contractor to provide its training materials in an on-line format, via web-based videos or another similar system. The system must also provide on-line help for all screens and fields.

The business administrator's materials must contain at a minimum all the information required for a business or system's analyst to maintain the configuration of the System, including instructions on how to perform common processes. Below are examples of some of the processes to be included:

- (i) Create and update new benefit levels or tiers as required
- (ii) Update contribution rates
- (iii) Update interest rates
- (iv) Change COLA rate
- (v) Update Federal and State tax tables

The Contractor shall also provide guidance to State IT staff on the initial setup of the overall System, including the hardware (virtual or physical), software, database, and required integrations for all implementation phases of installation and configuration.

- (21) Ongoing knowledge transfer and software support for the new PAS during the implementation, during the Warranty Period, and during the Post-Warranty Support period.
- (22) Transfer of all application source code, database source code (e.g., stored procedures, functions, triggers, etc.), UML and database schema models, data dictionary, dataflow diagram, system configuration and user documentation, or any other programming elements or technical documentation necessary for the proper operation and maintenance of the System to escrow by no later than the end of the warranty period as described in Section A.19 below. This must be updated with each code release to ensure the latest information is available in escrow.
- (23) A System warranty that must begin at Go-Live, as such term is defined in Section A.2.o. above, and last one (1) full year from that date as provided in Section A.19 below ("Warranty Period").
- (24) Upon the State's request, ongoing maintenance and support of the Solution as provided in Section A.23 below that must begin at Project Completion, as such term is defined in Section A.2.p. above.
- (25) Fully host the solution either by the Contractor in the public cloud or by the State in the State's private government cloud in accordance with pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTIONS C.43 THROUGH 46 OF RFP ATTACHMENT 6.2] of the Contractor's Proposal, as shall be determined at the State's sole discretion. In the event the State elects for the solution to be hosted by the State, the State will pay for the cloud hosting fees directly.

A.6. Overall Software Requirements. The Contractor shall be responsible for procuring on the State's behalf all third-party software, updates and security patches within the Solution and at no additional cost to the State.

The Contractor's solution must include NO software or hardware locks, traps, dongle keys, or similar security measures that would in any way deny TCRS full and complete access. The Contractor's solution must not rely on a "license server" to control licensing or to limit the number of simultaneous users.

Licenses, installation disks, training materials, and all other permissions and tools needed to maintain and operate software used for the creation, modification, or management of the ARIS application and/or the ARIS project must be delivered to the State for the State's use by no later than the end of the one-year Warranty Period as described in Section A.19 below at no additional cost to the State.

The source code for any software (be it the customized line-of-business application, middleware, a code generator, a specialized I/O routine, or any similar or related item) which is developed by the Contractor or an affiliate company or a sub-contractor and used in the new System must be delivered to TCRS. The Contractor agrees to deliver application source code with the delivery of each functional rollout phase during the project. TCRS' acceptance of a phase will be contingent upon this requirement being met. In addition, once the first functional rollout phase has been delivered, source code updates must be delivered no less frequently than quarterly. Source code for linkages to/from the System is similarly to be provided. It is to be updated and delivered to TCRS throughout the duration of the project.

In addition, the source code for any third-party software that is delivered and/or licensed to TCRS as part of the Solution must be escrowed on TCRS' behalf if, at the time of Project Completion, that software product has ever previously been escrowed for the benefit of any other client of the third-party provider. In such event, the Contractor must ensure, at its expense, that the then-current software product source code listing and related documentation are placed in the possession of a reputable escrow agent under an agreement providing for the distribution of a copy of the product source code and related documentation to TCRS for TCRS' own use upon the third party's (i) voluntary bankruptcy, liquidation, or similar proceedings or (ii) failure or inability to provide maintenance support for the product. Simultaneously with the execution of this Contract, the Contractor shall notify TCRS in writing of the name of the escrow agent and the location of the source code listing and related documentation. The Contractor shall ensure, at its own expense, that the source code listing and related documentation held by the escrow agent are updated annually to reflect the then-current release of the product. The escrow agent and the location of the source code listing may be changed by notifying TCRS in writing at least thirty (30) calendar days in advance of the change. The State does not intend that the Contractor escrow thirty-party commodity software that is widely available, such as Microsoft Office Suite.

The State is agreeable to LOB source code being provided under a non-exclusive license, including appropriate intellectual property protections for the Contractor; however, the LOB source code shall be provided to the State.

A.7. Change Orders.

- a. Scope. The State may, at its sole discretion and with written notice to the Contractor, request changes to the System without a formal amendment to this Contract through a Change Order. Change Order requests may include changes as are required in order to conform to State or federal regulations, rules, statutes and court interpretations thereof involving TCRS, or such changes as are necessary due to State personnel changes (e.g., new State Treasurer or TCRS Director name on forms and correspondence). Other changes might involve System customization for State specific tasks, development of custom System reports, modifying System functions and workflow, changing benefit payment formats, updating outgoing letters, annual member statements, and updating data file formats. All such changes and enhancements, once made, shall be considered part of the System, thereby entitling the State to the maintenance and support services described in Section A.23 below with respect to such changes and enhancements.

It is expressly understood and agreed that regular System updates and changes, and routine enhancements of the System and Services, will not require a change order, and the cost of which is included in the applicable Licensing Services fee set forth in Section C.b.1. It is also expressly understood and agreed that the Contractor shall not be eligible for remuneration through the Change Order process for items covered under the System Warranty in Section A.19., for items covered under Maintenance and Support in Section A.23. or for items covered under the Licensing Services in Section A.22.

- b. Change Order Creation. After receipt of a written request for additional services from the State, the Contractor shall respond to the State, within a maximum of ten (10) business days, with a written proposal for completing the service. The Contractor's proposal must specify:
- (1) the effect, if any, of implementing the requested change(s) on all other services required under this Contract;
 - (2) the specific effort involved in completing the change(s);
 - (3) the expected schedule for completing the change(s) and delivery date;
 - (4) the maximum number of person hours required for the change(s); and
 - (5) the maximum cost for the change(s)— this maximum cost shall in no instance exceed the product of the person hours required multiplied by the appropriate payment rate proposed for such work.

The Change Order may include a flat fee for the proposed work. This flat fee shall in no instance exceed the product of the estimated person hours required multiplied by the appropriate payment rate proposed for such work. In the event the Parties agree to a flat fee for the work, the Contractor shall not be paid the hourly rate set forth in this Contract and instead the flat fee shall constitute payment in full for the work. The Contractor shall not perform any additional service until the State has approved the proposal. If approved, the State will sign the proposal, and it shall constitute a Change Order between the Parties pertaining to the specified change(s) and shall be incorporated, hereby, as a part of this Contract.

- c. Change Order Performance. Subsequent to creation of a Change Order, the Contractor shall complete the required services in a test environment, perform all applicable testing, provide test results to the State as requested.
- d. Change Order Acceptance. The State will determine if UAT testing is desired, execute all UAT testing if applicable and be the sole judge of the acceptable completion of work, and, upon such determination, shall provide the Contractor written approval. Said acceptance, testing if applicable and approval shall not be unreasonably withheld or delayed.
- e. Change Order Remuneration. The State will remunerate the Contractor only for acceptable work. All acceptable work performed pursuant to an approved Change Order, without a formal amendment of this Contract, shall be remunerated in accordance with and further limited by Contract Section C.3.c. In no instance shall the State be liable to the Contractor for any amount exceeding the maximum cost specified by the Change Order authorizing the services. Upon State approval of the work, the Contractor shall invoice the State in accordance with the relevant provisions of this Contract. If the Contractor does not deliver the service by the delivery date on the Change Order and the delay (i) is not the result of the State's failure to provide the Contractor with reasonable access to information or staff as shall be necessary to provide the service or (ii) is not the result of changes to the Change Order requested by the State, the cost indicated on the Change Order will be reduced by fifteen percent (15%) for each seven (7) calendar day period that the delivery is delayed. To prevent such reduction, the Contractor shall promptly inform the State in writing of the specific delay which is preventing performance so that the State can act on such. The Contractor's time in which to provide the service shall be extended an equal number of days corresponding to the delay. However, the Contractor shall not be entitled to the extension unless the Contractor informed the State in writing of the specific delay as provided in this section. The State will be the sole judge of whether the delay was the result of the State's failure to provide the Contractor with reasonable access to information or staff as was necessary to provide the service, or whether the delay was the result of changes to the Change Order requested by the State.

- A.8. Hosting Environment. The Contractor shall, at State's sole discretion, either utilize a third-party public cloud or the State's government cloud, in accordance with pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTIONS C.43 THROUGH 46 OF RFP ATTACHMENT 6.2] of the Contractor's Proposal, to stage, configure, manage, and support the electronic platform (the "Hosted Environment") for the State's use of the Hosted Service. The "Hosted Service" or

“Service” means the provision of access to the Hosted Environment that allows the State to access the Software.

The Hosted Environment shall enable access to the Software across the Internet via secure communications protocols.

If the Contractor is using a third-party public cloud, the Contractor shall be responsible for maintenance of the Hosted Environment on behalf of the State. If the State elects to host in the State’s government cloud, the State will take over a portion or all of the management and maintenance of the Hosted Environment, and the Contractor will provide the necessary support to make that possible. This shall include staging and configuration of the Hosted Environment in support of the State’s use of the Software and the management of the Hosted Environment in support of the future growth and changes in TCRS. Should the State elect to be self-sufficient with respect to the maintenance and support of all or certain portions of the System, the Contractor shall follow the approach/methodology as described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.66 of RFP ATTACHMENT 6.2] of the Contractor’s Proposal.

The Contractor shall, under the terms of this Contract, ensure that the Hosted Environment remains available to State staff, conduct upgrades (security patches, operating system upgrades, etc.) of the Hosted Environment as they are made available, manage and monitor secure network connectivity to the Hosted Environment, and maintain the Hosted Environment to support the needs of TCRS. Included within the Hosted Environment, the Contractor shall provide the State with network segmentation between production, user acceptance testing, quality assurance, development, and other non-production environments. The Contractor shall provide a backup plan that ensures that the Contractor can restore all State Data in the event of a System malfunction or failure, including, but not limited to, a fully redundant cloud environment (size and capability) a minimum of 100 miles apart that is physically located within a separate power grid within the United States, a monthly air-gapped backup maintained indefinitely, weekly full backups maintained online for 8 weeks, nightly delta backups maintained online for 31 days, that are synced to the redundant cloud environment. See also Section E.4 below.

- A.9. Correction of Deficiencies. Any corrections of deficiencies relating to the Contract Scope of Services requirements or deliverables and any investigation necessary to determine the source of such deficiencies shall be completed by the Contractor at no cost to the State.
- A.10. Contractor Personnel.
- a. Personnel Assignment. In performing the services as set forth in this Contract, the Contractor shall assign such qualified personnel as needed to perform the services required under this Contract, and to meet the performance standards described in Section A.12. below. Should any of the named individuals assigned to this Contract be reassigned, or otherwise removed (whether voluntary or involuntary) as the key project team under this Contract, the Contractor shall promptly notify the State and give the State the right to approve the appointment of the person designated to replace that individual. The Contractor agrees that any such replacement personnel shall possess the qualifications, education, training, experience, and certifications necessary to perform the services under this Contract.
 - b. Reassignment or Removal of Personnel. During the term of this Contract, the State reserves the right to require the Contractor to reassign or otherwise remove from performance of this Contract any personnel found unacceptable to the State and to substitute another individual in his/her place that is acceptable to the State.
- A.11. Memorandum of Understanding. A Memorandum of Understanding (MOU) signed by the State and the Contractor may be used to document items in the scope of services that are to be mutually agreed upon between the State and the Contractor or to make changes or define services that are necessary and which are within the general scope of the Contract but were inadvertently unspecified in the Contract, provided that the MOU does not affect the Contractor’s compensation rates set forth in Section C.3.b. below.
- A.12. Performance Standards Guarantee.

a. Standards. The Contractor agrees the following performance standards shall be met or exceeded and that if such standards are not met, the Contractor's compensation shall be reduced pursuant to Section A.12.b below:

- (1) If the State elects for the System to be hosted by the Contractor, the Contractor must resolve outstanding legitimate vulnerabilities in the System within the following timeframes:

Critical – 15 days
 High – 30 days
 Medium – 45 days
 Low – 60 days

The risk rating of "critical", "high", "medium" and "low" shall be applied to the risk given by the Vulnerability Management service that the Contractor subscribes to pursuant to Section A.5.b(2) above.

- (2) The System will provide a maximum response time for query and update functions for 98% of database transactions within 2 seconds. The intervals measured shall be every 60 minutes during outside approved maintenance periods.
- (3) The System Recovery Time Objective (RTO) must be a maximum system recovery time of 4 hours as provided in Section E.4.d. below.
- (4) The System Recovery Point Objective (RPO) must be a maximum period of lost transactions, data changes, or work-in-process of 15 minutes as provided in Section E.4.d. below.
- (5) The System, in whole and in part, including but not limited to Hosting Services, must have Availability for User in accordance with the Uptime SLA of 99.9% of the time 24 hours/day, seven days per week, except for planned maintenance that is communicated to the State at least 48 hours in advance of System downtime as provided in Section A.23 below. The intervals measured shall be every 5 minutes during outside approved maintenance periods.
- (6) The Contractor shall notify the State by no later than twenty-four (24) hours following the identification of any potential or actual major or minor Security Incident, including any breach, any attack, or the introduction of any disabling device, related to the System.

The Contractor shall take corrective action to mitigate the potential or actual major or minor Security Incident as soon as possible but by no later than four (4) hours following the identification of each potential or actual Security Incident.

All potential or actual Security Incidents identification times shall be documented within the Security Report. The Contractor shall provide Equipment, Facilities, Services or Software metrics to support the potential or actual Security Incidents identification time. The Contractor shall also report the notification time of notifying the State.

Within the full detailed Security Report described in Paragraph (7) below, the Contractor shall document the corrective action taken to mitigate the potential or actual Security Incidents. The Contractor shall also provide Equipment or Software metrics to support the potential or actual Security Incidents correct action mitigation.

Once an event has been confirmed to have an impact on security, the event is classified as a Security Incident. The State reserves the right to have an independent assessment of the Security Incident. The Contractor shall provide reasonable support to the independent assessor in such instances.

- (7) The Contractor shall provide a written report and assessment regarding all actions taken concerning each identified Security Incident, including any breach, any attack, or the introduction of any disabling device, the status, and any potential impact(s) to the State of the Security Incident. Each Security Incident shall be categorized according to criticality as either minor or major.

For a minor Security Incident, which causes limited loss of Confidential Information, integrity, protection, and/or availability of the System to organizational operations, organizational assets, or individuals, a full detailed report and assessment shall be provided as soon as possible but by no later than forty-eight (48) hours following the identification of the minor Security Incident.

For a major Security Incident, which causes serious or catastrophic loss of Confidential Information, integrity, protection, and/or availability of the Systems to organizational operations, organizational assets, or individuals, a full detailed report and assessment shall be provided as soon as possible but by no later than forty-eight (48) hours following the identification of the major Security Incident. An initial high level and summary analysis shall be provided in twenty-four (24) hours following the identification of the major Security Incident.

The State, in its sole discretion, may require the Contractor to update this report and assessment on an hourly or daily basis depending on criticality, status, and potential or real impact to TCRS.

- (8) The Contractor must meet the following response time Performance Standards for the System during Acceptance Tests and after the System, in whole or in part, is in Production:

Maximum response time for query and update functions of 98% of database transactions within 2 seconds.

All Batch jobs must have a finite run-time of no more than 4 hours, except as otherwise approved by the State.

- (9) The System must replicate all system logs, application logs and telemetry data to the target business intelligence platform at near real-time, but not longer than 5 minutes.

The System must ensure a maximum data error rate of 0.5% for all data processing and reporting functionalities.

- (10) The System must perform data requests within 2 seconds for standard operations and within 5 seconds for complex queries.

- (11) The System must perform daily backups of customer data and provide a recovery point objective (RPO) of 24 hours.

- (12) The System must be available for data access and retrieval 99.9% of the time.

b. Guarantee.

If the Contractor does not meet or exceed the performance standard in Subdivision a.(1) above, the amount of compensation payable to the Contractor during the month in which the standard was not met shall be reduced by one thousand dollars (\$1,000) for each day the standard was not met.

If the Contractor does not meet or exceed the performance standard in Subdivision a.(2), a.(3), a.(4), or a.(5), above, the amount of compensation payable to the Contractor during the month in which the standard was not met shall be reduced by one thousand dollars (\$1,000) for each day the standard was not met.

If the Contractor does not meet or exceed any of the performance standards in Subdivision a.(6), or a.(7) above, the amount of compensation payable to the Contractor during the month in which the standard was not met shall be reduced by one thousand dollars (\$1,000) for each day the report and assessment is late.

If the Contractor does not meet or exceed the performance standard in Subdivision a.(8), a.(9), a.(10), a.(11), or a.(12), above, the amount of compensation payable to the Contractor during the month in which the standard was not met shall be reduced by one thousand dollars (\$1,000) for each day the standard was not met.

- c. Waiver of Reduction. The State shall notify the Contractor in writing of any reduction in compensation to be made pursuant to this Section. Any amount assessed hereunder may be waived by the State upon presentation of adequate documentation from the Contractor indicating the standard was not met because of a unique problem or situation. Such documentation must be submitted to the State within ten (10) days of the issuance of a notice of reduction.
- d. No Limit of Liability. The above performance standards do not eliminate the Contractor's obligation to comply with all other terms and conditions of this Contract and shall not be construed to limit the liability of the Contractor for damages sustained by the State by virtue of any breach of this Contract by the Contractor nor shall they be construed to limit any other remedies available to the State in equity, at law or otherwise.
- A.13. Non-Solicitation. During the term of this Contract and for a period of twelve (12) months after the date that Contractor last provides services to the State under this Contract, neither party shall knowingly and directly solicit for employment or as an independent contractor any person employed by the other, if such person was directly involved in the performance of this Contract, without the express consent of the other party. This provision shall not apply to any individual whose employment has been terminated for a period of three (3) months or longer before any such solicitation occurs or to any offers of employment initiated by either party prior to the execution of this Contract.
- A.14. Data Ownership; State Data; and Storage. The State is the exclusive owner of all of the State Data, information, documents or records transmitted to the Contractor pursuant to the terms of this Contract. The Contractor shall not change, alter, delete, manipulate or destroy the State Data, information, documents or records without the express written consent of the State or as otherwise provided in this Contract. Additionally, the Contractor shall not transmit, transfer, send, submit, sell, disclose, assign or lease the State Data, information, documents or records to any other individual or entity without the express written consent of the State. Further, the Contractor shall not use State Data to train an AI model or to otherwise enter State Data into an AI tool without explicit written consent of the State. At any time during the Contract Term or upon the expiration or termination of this Contract, the State may request that the Contractor send the State Data, information, documents, and records back to the State in the same form or format in which it was transmitted to the Contractor. The Contractor shall not retain a copy of the State Data, information, documents, and records once they are transmitted by the Contractor to the State. For purposes of this Contract, "State Data" means all data or information pertaining to the State, its business, and individual TCRS members and their respective beneficiaries that is acquired or created by the Contractor or acquired or created by a subcontractor of the Contractor in the furtherance of this Contract, including, but not limited to, Confidential Information (as defined in Section D.34 below), PII (as defined in Section E.7 below), and Confidential State Data (as defined in Section E.4 below). The Contractor and the State will agree on the secure method of transmission and maintenance of State Data which will be encrypted at the file level while in flight from the State to the Contractor, in flight from the Contractor back to the State, and at rest while being maintained by the Contractor. If the State Data is retained on a file transfer platform, the Contractor shall ensure that State Data shall not be retained on such system for any longer than is needed, and in any case, for no more than twenty-four (24) hours after transmission to the Contractor or to a subcontractor of the Contractor.
- A.15. No Services or State Data Outside of the United States. The Contractor shall not perform, nor allow any of its agents or subcontractors to perform, services under this Contract from outside of the United States without the State's prior written consent. Additionally, the Contractor shall not move or transmit any State Data outside of the United States, store any State Data outside of the United States, or permit access to

any State Data from locations outside the United States (including the ability to view information from outside the United States), without the State's prior written consent, including backup data. The Contractor's personnel located in the United States must perform all processing of State Data. If the State consents, any move or access must be limited to the State Data specified in the State's consent, and the Contractor's obligations relating to State Data continue to apply in all other cases. Any breach of this provision constitutes a non-curable, material breach of this Contract that will entitle the State to immediately terminate this Contract pursuant to D.6. below. All references in this section to the "United States" mean the fifty states and does not include any territorial possessions of the United States.

- A.16. Cyber Incidents or Breaches. The Contractor shall notify the State immediately, but no later than twenty-four (24) hours of the Contractor becoming aware of a suspected or confirmed instance of unauthorized access to or potential disclosure of State Data in the custody or control of the Contractor by virtue of the services provided to the State hereunder or in the custody or control of a subcontractor used by Contractor under this Contract, or a file transfer platform (a "Security Incident"). Immediately thereafter, the Contractor shall provide to the State all information and reports relative to the Security Incident; this includes information and reports in the possession of any subcontractor or cyber security firm acting on behalf of the Contractor for the purpose of responding, containing, or remediating against such Security Incident. The Contractor shall take all necessary measures to halt any further unauthorized disclosures. The Contractor will (i) at State's sole discretion, either undertake remediation efforts at its sole expense or reimburse the State for State's reasonable costs and expenses in connection with taking remediation efforts, and (ii) ensure that the plan associated with such remediation efforts includes components aimed at preventing the recurrence of the same type of Security Incident. The State shall have the sole right to determine remediation efforts, and (i) whether notice of any Security Incident will be provided to any individuals, regulators, law enforcement agencies or consumer reporting agencies and (ii) the contents of such notice, whether any type of remediation may be offered to affected individuals, and the nature and extent of any such remediation. Notwithstanding the foregoing, the Contractor may, without the State's approval, provide notice of any Security Incident if required by law, rule, or regulation or at the request of any governmental or regulatory authority whose request must be honored pursuant to law or regulation and only to the extent specifically required.

Notwithstanding anything in this Contract to the contrary, the State reserves the right to use the Contractor's name in the notification of any such Security Incident. The Contractor agrees to pay actual costs associated with providing notification of the Security Incident to affected individuals and any associated mitigation costs incurred by State including, but not limited to, costs associated with the State providing its own notification to affected individuals, in addition to the notification provided by the Contractor. The Contractor also agrees to pay the actual costs for identity theft and restoration services, credit monitoring, and identity theft insurance coverage up to at least one million dollars (\$1,000,000) in stolen funds per affected individual, if the State determines in its sole discretion that a Security Incident by the Contractor is significant enough to warrant such measures. The Contractor shall also reimburse State for all other reasonable costs, expenses, damages, and other losses resulting from any Security Incident involving State Data.

Upon written or oral notice by the State to do so, the Contractor shall by no later than ten (10) business days after receipt of the notice provide all affected individuals with notification of the breach and with access to the following for up to at least twelve (12) months: identity theft and restoration services, credit monitoring, and identity theft insurance coverage up to at least one million dollars (\$1,000,000) in stolen funds per affected person, and call center services. Notification of the breach and access to identify theft protection and restoration services, credit monitoring services, and identity theft insurance coverage occurs when the Contractor puts a letter in the mail as first-class mail using the U.S. Postal Service notifying affected individuals of these services and coverage. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to the State under this Contract or otherwise available at law. The obligations set forth in this Section shall survive termination of this Contract.

- A.17. Transfer of Contractor's Obligations.

- a. The Contractor shall immediately notify the State in writing of a proposed merger, acquisition or sale of its business operation, or the part of its business operation that provides services under this Contract, or that this Contract will be sold to or assumed by another entity. The entity that is

- proposed to assume the Contractor's duties under this Contract, whether through merger, acquisition, sale or other transaction, will be hereinafter described as the "New Entity."
- b. The Contractor (or, if the Contractor no longer exists as a legal entity, the New Entity) will provide to the State within a reasonable time, information that the State may require about the merger, acquisition or sale, which may include, but not be limited to, the following:
- i. the date and terms of the merger, acquisition or sale, including specifically, but not limited to, adequate documentation of the financial solvency and adequate capitalization of the proposed New Entity;
 - ii. a complete description of the relationship of any New Entity to any parent company or subsidiary or division resulting from the merger, acquisition or sale of the original Contractor's business or the part of the original Contractor's business that provides services under this Contract or from assumption by, or sale to, another entity of the contract itself, including, but not limited to:
 - (1) the names and positions of corporate or company officers, project managers, other Contractor management staff with responsibilities under the Contract, and numbers and the type of technical or other personnel who will be responsible for fulfilling the obligations of the Contract, and any subcontracts that will be used to provide any personal or other services under the Contract by the New Entity and,
 - (2) an organizational chart clearly describing the organizational structure of the New Entity, parent company, subsidiary, division or other unit of the entity or parent company with which it has merged or by which it, or the Contract, has been acquired; and
 - iii. such additional evidence of financial solvency, adequate capitalization and information regarding corporate organizational and personnel assigned to the Contract as the State determines is necessary to evaluate the status of the proposed or consummated merger, acquisition or sale.
- c. The original Contractor shall immediately notify the State in writing in the event of a change in its legal name and/or Federal Employer Identification Number (FEIN). The Contractor shall comply with State requests for copies of any documents that have been filed with state corporate records officials or other officials in the state of its incorporation that verify the name change and a narrative description of the reasons for the name change. If a New Entity has succeeded to the interest of the original Contractor, it shall immediately provide the State written notification of its Federal Employer Identification Number (FEIN), its complete corporate name, State of incorporation, and other documentation required to effectuate the transfer.
- d. Notwithstanding any other provisions of this Contract to the contrary, the State may immediately terminate this Contract in whole or in stages in the event that it determines that the New Entity
- i. has been debarred from State or Federal contracting in the past five years; or
 - ii. has had a contract terminated for cause by the State of Tennessee within the past five years.

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

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

- f. If the New Entity owes money to the State of Tennessee, it acknowledges that Tenn. Code Ann. § 9-4-604 requires repayment of these funds and will enter into a legally binding agreement for repayment.
- g. The Contractor shall not be required to disclose to the State any material nonpublic information until such information becomes public unless the information is expressly required under this Section.

A.18. Applicable Gifts and Solicitations Policy. The Contractor shall not offer to give, or give, any gift to any employee of the State or to any member of a Board, Commission or Committee administratively attached to the State that would violate the State's Gifts and Solicitations Policy, included as Contract Attachment 4 to this Contract.

A.19. System Warranty. The Contractor represents and warrants that the Solution shall operate, in its entirety, in accordance with the Contract's requirements and the specifications approved by the State for one full year after Go-Live, as such term is defined in Section A.2.o. ("Warranty Period"). This implies a longer warranty period for portions delivered earlier in the project. If a component of the LOB solution has a version upgrade, the Contractor shall be responsible for upgrading such component without any additional cost to the State. Any defects that stop production or functions that work incorrectly or cause unnecessary workarounds discovered at any time pre-production or during the Warranty Period must be corrected by the Contractor before Project Completion, as such term is defined in Section A.2.p. above. Any defects found after the Warranty Period ends shall be corrected pursuant to Section A.23., Maintenance and Support Services.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

A.20. System and Organization Controls (SOC) Report. On an annual basis, and upon the written request of the State, the Contractor shall provide the State with a Type II Independent Service Auditor's report prepared for the service organization's controls relevant to the services provided under this Contract, such as, but not limited to, security, system availability, transaction processing, confidentiality and privacy, in accordance with Statement on Standards for Attestation Engagements (SSAE 18), or equivalent standard issued by the AICPA, without requiring the State to execute any other agreements or agree to any additional confidentiality obligations.

A.21. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State.

A.22. Licensing Services. The Contractor shall provide the following licensing services to the State and as provided in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTION C.48 of RFP ATTACHMENT 6.2] of the Contractor's Proposal:

- a. The Contractor grants or shall cause to grant an unlimited license to use all software provided under this Contract in the course of the State's business and purposes.

- b. The Contractor shall provide to the State all minor and major software upgrades, modifications, bug fixes, or other improvements in the software Solution that it or the third-party software supplier makes generally available to its customers.
- c. The Contractor shall provide general support for the Solution (which includes the PAS and any third-party software, e.g., CRM solution, BI Solution, and ECM solution), including help desk, technical support, troubleshooting, analysis, and project management.
- d. The Contractor must maintain and support at least three (3) past implemented versions of the Solution.

A.23. Maintenance and Support; Service Availability.

- a. Maintenance and Support. Commencing upon Project Completion, as such term is defined in Section A.2.p. above, the Contractor shall provide ongoing maintenance and support as requested by the State and as described in pages [PAGE NUMBERS FROM SUCCESSFUL PROPOSAL WHICH RESPOND TO SECTIONS C.59 THROUGH C.66 OF RFP ATTACHMENT 6.2] of the Contractor's Proposal; provided, however, the minimum services that must be provided by the Contractor upon the State's request include:

- (1) Configuration Support
- (2) Database Administration
- (3) System Administration
- (4) Additional Training
- (5) 24/7 Help Desk
- (6) Data Transmission Analysis

- b. Service Availability.

- (1) Definitions. For purposes of this subsection, the following terms shall have the following meanings:

- I. "Downtime" means a period of time during which production system processing for the System has stopped, or the State cannot access the System for which the State has appropriate permissions. Downtime does not include the periods of time when the System is not available as a result of the following events (each individually a "Downtime Exclusion Event"):
 - a) Network or connectivity issues caused by third parties not under the reasonable control of the Contractor (such as providers of telecommunications, internet access and facilities services from third party providers);
 - b) Scheduled Maintenance;
 - c) Emergency Maintenance; or
 - d) Any outage due directly to (i) the State's information content or application programming, acts or omissions of the State or its agents, failures of equipment or facilities provided by the State; (ii) issues arising from bugs or other problems in the software, firmware or hardware of the Contractor's suppliers that are publicly known and a known remedy has not yet been released from its suppliers; or (iii) delays or failures due to circumstances (x) beyond the Contractor's reasonable control that could not be avoided by its exercise of due care and (y) that could not be circumvented by the Contractor through the use of alternate sources, workaround plans or other means.
- II. "Scheduled Maintenance" may be performed daily Monday through Friday from 8:00 p.m. to 6:00 a.m. CST and during weekends from 8:00 p.m. Saturday through 8:00 a.m. CST Sunday. The Contractor may perform maintenance, upgrades, enhancements, etc. to the electronic platform during these periods with reasonable prior written notice to the State.

III. "Emergency Maintenance" means non-scheduled Contractor system maintenance to address critical system related issues outside of Scheduled Maintenance periods.

(2) Availability. The Contractor shall maintain an average monthly Hosted Service and Software availability service level ("Uptime SLA") of 99.9%, calculated as follows: actual hours of System availability divided by the total possible hours of System availability. Downtime Exclusion Events will be counted as available time. The calculation will be:

I. Total Actual Available System Uptime / Total Possible System Uptime in Period

II. For the purposes of clarity, the following example of the calculation is being provided: In a 30-day month, the total possible available System uptime would be 720 hours (30 days x 24 hours/day). If the production system experiences Downtime of 4 hours in such 30-day period, and no Downtime Exclusion Events apply, then the total actual available system uptime would be 716 hours (720 – 4 = 716). The SLA calculation for this example would be 716/720 = 99.44%.

B. TERM OF CONTRACT:

B.1. Term. This Contract shall be effective on August 15, 2024 ("Effective Date") and extend for a period of eighty-four (84) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

B.2. Term Extension. The State may extend the Term an additional period of time, not to exceed thirty-six (36) months beyond the expiration date of this Contract, under the same terms and conditions, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of one hundred twenty (120) months.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed [WRITTEN DOLLAR AMOUNT (\$NUMBER)] ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

C.2. Compensation Firm. The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.

b. The Contractor shall be compensated based upon the following payment methodology:

Goods or Services Description	Amount (per compensable increment)
1. Licensing Services as described in Sections A.5, A.6, and A.22	
(a) Third-Party Software Licensing (e.g., ECM, CRM or BI), if applicable	\$ _____ per quarter

(b) PAS Licensing	\$ _____ per quarter
2. Hardware and Related Hardware Services as described in Section A.5.b(1) (Hardware required but not accounted for in the PAS Hosting by Contractor in Public Cloud, Item 6(a) below)	\$ _____ per quarter
3. System Implementation and Pre-Implementation Training Services as described in Section A. Note: Compensation for these services shall be paid in the manner provided in Section A.5.b.(12) above.	\$ _____ (flat fee)
4. Maintenance and Support Services as described in Section A.23	\$ _____ per hour
5. System Warranty Services as described in Section A.19.	\$ _____ per quarter
6. PAS Hosting as provided in Sections A and E	
(a) If selected by the State, PAS Hosting by Contractor in Public Cloud	\$ _____ per quarter
(b) If selected by the State, PAS Hosting in State Private Government Cloud Note: If imposed, this is an inconvenience fee for the additional time spent or cost incurred by the Contractor to connect into the State's government cloud, which is in addition to the Maintenance and Support cost in Item 4 above. The State would pay for the cloud hosting fees directly.	\$ _____ per hour

- c. The Contractor shall be compensated for changes requested and performed pursuant to Contract Section A.7, without a formal amendment of this Contract based upon the payment rates detailed in the schedule below and as agreed pursuant to Section A.7, PROVIDED THAT compensation to the Contractor for such "change order" work shall not exceed ten percent (10%) of the sum of milestone payment rates detailed in Section C.3.b., above (which is the total cost for the System Implementation and Pre-Implementation Training Services as described in Item 3 of Section C.3.b. above). If, at any point during the Term, the State determines that the cost of necessary "change order" work would exceed the maximum amount, the State may amend this Contract to address the need.

Service Description	Amount (per compensable increment)
Change Orders as described in and subject to the terms and limitations detailed in Section A.7 above	\$ _____ per hour (OR the flat maximum fee amount proposed by the Contractor in the applicable Change Order, whichever is less)
NOTE: The Contractor shall not be compensated for travel time to the primary location of service provision.	

- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.
- C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Specifically, the Contractor shall invoice the State for the fees in Items 1, 2, 4, 5 and 6 of Section C.3.b above on a quarterly basis and in arrears. The Contractor shall invoice the State for the fee in Item 3 of Section C.3.b. in accordance with Section A.5.b.(12) above. The Contractor shall invoice the State for a Change

Order upon acceptance of the work by the State. All invoices shall be submitted to the following address along with the below necessary supporting documentation:

Administrative Services Division
Tennessee Treasury Department
14th Floor, Andrew Jackson State Office Building
502 Deaderick Street
Nashville, Tennessee 37243

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
- (1) Invoice number (assigned by the Contractor);
 - (2) Invoice date;
 - (3) Contract number (assigned by the State);
 - (4) Customer account name: Tennessee Treasury Department, Tennessee Consolidated Retirement System;
 - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
 - (6) Contractor name;
 - (7) Contractor Tennessee Edison registration ID number;
 - (8) Contractor contact for invoice questions (name, phone, or email);
 - (9) Contractor remittance address;
 - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
 - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
 - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
 - (13) Amount due for each compensable unit of good or service; and
 - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
- (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
 - (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
 - (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
 - (4) Include shipping or delivery charges only as authorized in this Contract.
- c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.
- C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.

- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and
- b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

D. MANDATORY TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Jamie Wayman, Director Tennessee Consolidated Retirement System
 Tennessee Treasury Department
 14th Floor, Andrew Jackson State Office Building
 502 Deaderick Street
 Nashville, Tennessee 37243-0208
 Jamie.Wayman@tn.gov
 Telephone # (615) 253-3847

The Contractor:

[CONTRACTOR CONTACT NAME & TITLE]
 [CONTRACTOR NAME]
 [ADDRESS]
 [EMAIL ADDRESS]
 Telephone # [NUMBER]

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.

- D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation 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 Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation by submitting to the State a completed Attestation (accessible through the Edison Supplier Portal) and included at Contract Attachment 5, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.

- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other

legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.

- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death. For clarity, except as otherwise expressly set forth in this Section, Contractor's indemnification obligations and other remedies available under this Contract are subject to the limitations on liability set forth in this Section.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. 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, 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.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.
- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
 - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
 - c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
 - d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"),

provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.

- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.23. 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 prohibitions of sections a-d.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees for the affected obligations until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due

and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.

- D.25. State and Federal Compliance. The Contractor shall comply with all State and federal laws and regulations applicable to Contractor in the Contractor's performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 408.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
 - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes Contract Attachments 1 and 5;
 - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
 - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
 - e. any technical specifications provided to proposers during the procurement process to award this Contract; and
 - f. the Contractor's response seeking this Contract.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) acceptable to the State; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (c) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must contain an endorsement for a waiver of subrogation in favor of the State. Any deductible or self insured retention ("SIR") over fifty thousand dollars (\$50,000) must be approved by the State. The deductible or SIR and any premiums are the Contractor's sole responsibility. 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.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a 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. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3rd floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again thirty (30) calendar days before renewal or replacement of coverage. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required is a material breach of this Contract. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. The State reserves the right to require complete copies of all required insurance policies, including endorsements required by these specifications, at any time.

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.

The insurance obligations under this Contract shall be: (1)—all the insurance coverage and policy limits carried by the Contractor; or (2)—the minimum insurance coverage requirements and policy limits shown in this Contract; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and minimum required policy limits, which are applicable to a given loss, shall be available to the State. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability ("CGL") Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit

shall apply separately to this policy or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.

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.

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- 2) 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.

d. Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance

- 1) The Contractor shall maintain technology professional liability (errors & omissions)/cyber liability insurance appropriate to the Contractor's profession in an amount not less than ten million dollars (\$10,000,000) per occurrence or claim and ten million dollars (\$10,000,000) annual aggregate, covering all acts, claims, errors, omissions, negligence, infringement of intellectual property (including copyright, patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, unauthorized disclosure, alteration, corruption, destruction, or deletion of information stored or processed on a computer system, the failure to prevent the transmission of malicious code or malware (intentional or unintentional), ransomware, data breach response, including remediation expenses, failure of security, information theft, damage to, destruction of or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, loss of data, collection, or other negligence in the handling of confidential information, and including coverage for related regulatory fines, defenses, and penalties.

- 2) Such coverage shall include data breach response expenses, in an amount not less than ten million dollars (\$10,000,000) and payable whether incurred by the State or Contractor, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services and expenses in the performance of services for the State or on behalf of the State hereunder.

e. Crime Insurance

- 1) The Contractor shall maintain crime insurance, which shall be written on a "loss sustained form" or "loss discovered form" providing coverage for third party fidelity, including cyber theft and extortion. The policy must allow for reporting of circumstances or incidents that may give rise to future claims, include an extended reporting period of no less than two (2) years with respect to events which occurred but were not reported during the term of the policy, and not contain a condition requiring an arrest or conviction.
- 2) Any crime insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) in the aggregate. Any crime insurance policy shall contain a Social Engineering Fraud Endorsement with a limit of not less than two hundred and fifty thousand dollars (\$250,000). This insurance may be written on a claims-made basis, but in the event that coverage is cancelled or non-renewed, the Contractor shall purchase an extended reporting or "tail coverage" of at least two (2) years after the Term.

D.33. Major Procurement Contract Sales and Use Tax. Pursuant to Tenn. Code Ann. § 4-39-102 and to the extent applicable, the Contractor and the Contractor's subcontractors shall remit sales and use taxes on the sales of goods or services that are made by the Contractor or the Contractor's subcontractors and that are subject to tax.

D.34. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

D.35. Boycott of Israel. The Contractor certifies that it is not currently engaged in, and covenants that it will not, for the duration of the Contract, engage in a Boycott of Israel, as that term is defined in Tenn. Code Ann. § 12-4-119.

D.36. Prohibited Contract Terms. The prohibited contract terms and conditions enumerated in Tenn. Code Ann. § 12-3-515, shall be a material provision of this Contract. The Contractor acknowledges, understands, and agrees that the inclusion of a term or condition prohibited by Tenn. Code Ann. § 12-3-515, shall be null and void and the Contract shall be enforceable as if the Contract did not contain such term or condition.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.

E.2. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's Response to RFP # 30901-

58424 (Attachment 6.2, Section B.32) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a monthly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, service-disabled veterans, and persons with disabilities. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in the TN Diversity Software available online at:

<https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810>.

- E.3. Intellectual Property Indemnity. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

In addition to the above indemnity, if the State's use of any deliverable, or any portion thereof, provided under this Contract, is or is likely to be enjoined by order of a court of competent jurisdiction as such an infringement or unauthorized use, the Contractor, at its expense, shall: (x) procure for the State the continued use of such deliverable; (y) replace such deliverable with a non-infringing counterpart; or (z) modify such deliverable so it becomes non-infringing; provided that, if (y) or (z) is the option chosen by the Contractor, the replacement or modified deliverable must be capable of performing substantially the same function. Notwithstanding the foregoing, the State retains the right to terminate the Contract in accordance with Section D.6 hereunder in the event of such infringement or unauthorized use, and any such exercise of these allowable options by Contractor shall not relieve Contractor of its indemnity obligations under this Section.

The forgoing indemnity does not apply to the extent that the infringement arises from the State's: (i) use of the deliverable not in accordance with instructions, documentations, or specifications ("Misuse"); (ii) alteration, modification or revision of the Deliverables not expressly authorized by the Contractor ("Alteration"); (iii) failure to use or implement corrections or enhancements to the Deliverables made available by the Contractor to the State at no additional cost to the State, except where such failure to use or implement corrections or enhancements is a result of State's termination in accordance with the preceding paragraph; or (iv) combination of the Deliverables with materials not provided, specified, or approved by the Contractor.

E.4. Contractor Hosted Services Confidential Data, Audit, and Other Requirements.

- a. "Confidential State Data" is defined as data deemed confidential by State or Federal statute or regulation. The Contractor shall protect Confidential State Data as follows:
- (1) The Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data.
 - (2) The Contractor shall encrypt Confidential State Data at rest and in transit using the current version of Federal Information Processing Standard ("FIPS") 140-2 or 140-3 (current applicable version) validated encryption technologies. The State shall control all access to encryption keys. The Contractor shall provide installation and maintenance support at no cost to the State.
 - (3) The Contractor and the Contractor's processing environment containing Confidential State Data shall either (1) be in accordance with at least one of the following security standards: (i) International Standards Organization ("ISO") 27001; (ii) Federal Risk and Authorization Management Program ("FedRAMP"); or (2) be subject to an annual engagement by a CPA firm in accordance with the standards of the American Institute of Certified Public

Accountants (“AICPA”) for a System and Organization Controls for service organizations (“SOC”) Type II audit. The State shall approve the SOC audit control objectives. The Contractor shall provide proof of current ISO certification or FedRAMP authorization for the Contractor and Subcontractor(s), or provide the State with the Contractor’s and Subcontractor’s annual SOC Type II audit report within 30 days from when the CPA firm provides the audit report to the Contractor or Subcontractor. The Contractor shall submit corrective action plans to the State for any issues included in the audit report within 30 days after the CPA firm provides the audit report to the Contractor or Subcontractor.

If the scope of the most recent SOC audit report does not include all of the current State fiscal year, upon request from the State, the Contractor must provide to the State a letter from the Contractor or Subcontractor stating whether the Contractor or Subcontractor made any material changes to their control environment since the prior audit and, if so, whether the changes, in the opinion of the Contractor or Subcontractor, would negatively affect the auditor’s opinion in the most recent audit report.

No additional funding shall be allocated for these certifications, authorizations, or audits as these are included in the Maximum Liability of this Contract.

- (4) The Contractor must annually perform Penetration Tests and Vulnerability Assessments against its Processing Environment. “Processing Environment” shall mean the combination of software and hardware on which the Application runs. “Application” shall mean the computer code that supports and accomplishes the State’s requirements as set forth in this Contract. “Penetration Tests” shall be in the form of attacks on the Contractor’s computer system, with the purpose of discovering security weaknesses which have the potential to gain access to the Processing Environment’s features and data. The “Vulnerability Assessment” shall be designed and executed to define, identify, and classify the security holes (vulnerabilities) in the Processing Environment. The Contractor shall allow the State, at its option, to perform Penetration Tests and Vulnerability Assessments on the Processing Environment.
 - (5) Upon State request, the Contractor shall provide a copy of all Confidential State Data it holds. The Contractor shall provide such data on media and in a format determined by the State.
 - (6) Upon termination of this Contract and in consultation with the State, the Contractor shall destroy all Confidential State Data it holds (including any copies such as backups) in accordance with the current version of National Institute of Standards and Technology (“NIST”) Special Publication 800-88. The Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction.
- b. Minimum Requirements
- (1) The Contractor and all data centers used by the Contractor to host State data, including those of all Subcontractors, must comply with the State’s Enterprise Information Security Policies as amended periodically. The State’s Enterprise Information Security Policies document is found at the following URL:
<https://www.tn.gov/finance/strategic-technology-solutions/strategic-technology-solutions/sts-security-policies.html>.
 - (2) The Contractor agrees to maintain the Application so that it will run on a current, manufacturer-supported Operating System. “Operating System” shall mean the software that supports a computer’s basic functions, such as scheduling tasks, executing applications, and controlling peripherals.
 - (3) If the Application requires middleware or database software, Contractor shall maintain middleware and database software versions that are at all times fully compatible with current versions of the Operating System and Application to ensure that security vulnerabilities are not introduced.
- c. Comptroller Audit Requirements

Upon reasonable notice and at any reasonable time, the Contractor and Subcontractor(s) agree to allow the State, the Comptroller of the Treasury, or their duly appointed representatives to perform information technology control audits of the Contractor and all Subcontractors used by the Contractor. Contractor will maintain and cause its Subcontractors to maintain a complete audit trail of all transactions and activities in connection with this Contract. Contractor will provide to the State, the Comptroller of the Treasury, or their duly appointed representatives access to Contractor and Subcontractor(s) personnel for the purpose of performing the information technology control audit.

The information technology control audit may include a review of general controls and application controls. General controls are the policies and procedures that apply to all or a large segment of the Contractor's or Subcontractor's information systems and applications and include controls over security management, access controls, configuration management, segregation of duties, and contingency planning. Application controls are directly related to the application and help ensure that transactions are complete, accurate, valid, confidential, and available. The audit shall include the Contractor's and Subcontractor's compliance with the State's Enterprise Information Security Policies and all applicable requirements, laws, regulations or policies.

The audit may include interviews with technical and management personnel, physical inspection of controls, and review of paper or electronic documentation.

For any audit issues identified, the Contractor and Subcontractor(s) shall provide a corrective action plan to the State within 30 days from the Contractor or Subcontractor receiving the audit report.

Each party shall bear its own expenses incurred while conducting the information technology controls audit.

- d. **Business Continuity Requirements.** The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:
- (1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:
 - i. Recovery Point Objective ("RPO"). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: [15 Minutes]
 - ii. Recovery Time Objective ("RTO"). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity: [4 Hours]
 - (2) The Contractor and the Subcontractor(s) shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A "Disaster Recovery Test" shall mean the process of verifying the success of the restoration procedures that are executed after a critical IT failure or disruption occurs. The Disaster Recovery Test shall use actual State Data Sets that mirror production data, and success shall be defined as the Contractor verifying that the Contractor can meet the State's RPO and RTO requirements. A "Data Set" is defined as a collection of related sets of information that is composed of separate elements but can be manipulated as a unit by a computer. The Contractor shall provide written confirmation to the State after each Disaster Recovery Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.

E.5. Transfer of Ownership of Custom Software Developed for the State.

a. Definitions.

- (1) "Contractor-Owned Software," shall mean commercially available software the rights to which are owned by Contractor, including but not limited to commercial "off-the-shelf" software which is not developed using State's money or resources.
- (2) "Custom-Developed Application Software," shall mean customized application software developed by Contractor for the State under this Contract intended to function with the Contractor-Owned Software or any Work Product provided under this Contract.
- (3) "Rights Transfer Application Software," shall mean any pre-existing application software and documentation owned or supplied by Contractor or a third party necessary for the use, functioning, support, or maintenance of the Contractor-Owned Software, the Custom-Developed Application Software, Third Party Software, and any Work Product provided to State.
- (4) "Third-Party Software," shall mean software supplied by Contractor under this Contract or necessary for the functioning of any Work Product not owned by the State or the Contractor.
- (5) "Work Product," shall mean all deliverables such as software, software source code, documentation, planning, etc., that are created, designed, developed, or documented by the Contractor for the State under this Contract. Work Product shall include Rights Transfer Application Software.

b. Rights and Title to the Software

- (1) All right, title and interest in and to the Contractor-Owned Software shall at all times remain with Contractor, subject to any license or transfer of rights or ownership granted under this Contract. Contractor grants the State a perpetual non-exclusive license to the Contractor-Owned Software to be used solely with the Custom-Developed Application Software and the Work Product.
- (2) Contractor shall provide the source code in the Custom-Developed Application Software, Work Product and the Contractor-Owned Software, with all subsequent modifications, enhancements, bug-fixes or any other changes in the source code of the Work Product and the Contractor-Owned Software and all other code and documentation necessary for the Custom-Developed Application Software to be installed and function as intended and as set forth in this Contract, to the State.
- (3) Contractor may lease or sell the Custom-Developed Application Software to third parties with the written permission of the State, which permission may be conditioned on the State receiving royalties from such sales or licenses.
- (4) All right, title and interest in and to the Custom-Developed Application Software, and to modifications thereof made by State, including without limitation all copyrights, patents, trade secrets and other intellectual property and other proprietary rights embodied by and arising out of the Custom-Developed Application Software, shall belong to State. To the extent such rights do not automatically belong to State, Contractor hereby assigns, transfers, and conveys all right, title and interest in and to the Custom-Developed Application Software, including without limitation the copyrights, patents, trade secrets, and other intellectual property rights arising out of or embodied by the Custom-Developed Application Software. Contractor and its employees, agents, contractors or representatives shall execute any other documents that State or its counsel deem necessary or desirable to document this transfer or allow State to register its claims and rights to such intellectual property rights or enforce them against third parties.

- (5) All right, title and interest in and to the Third-Party Software shall at all times remain with the third party, subject to any license or other rights granted to the State under this Contract or otherwise.
- c. The Contractor may use for its own purposes the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of performing under this Contract. The Contractor may develop for itself, or for others, materials which are similar to or competitive with those that are produced under this Contract.
- E.6. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible personal property furnished by the State for the Contractor's use under this Contract. Upon termination of this Contract, all property furnished by the State shall be returned to the State in the same condition as when received, less ordinary wear and tear. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the fair market value of the property at the time of loss.
- E.7. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.
- The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Contract.
- E.8. Extraneous Terms and Conditions. The Contractor shall fill all orders submitted by the State under this Contract. No purchase order, invoice, or other documents associated with any sales, orders, or supply of any good or service under this Contract shall contain any terms or conditions other than as set forth in this Contract. Any such extraneous terms and conditions shall be void, invalid and unenforceable against the State. Any refusal by the Contractor to supply any goods or services under this Contract conditioned

upon the State submitting to any extraneous terms and conditions shall be a material breach of the Contract and constitute an act of bad faith by the Contractor.

IN WITNESS WHEREOF,

CONTRACTOR LEGAL ENTITY NAME:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

TREASURY DEPARTMENT:

DAVID H. LILLARD, JR., STATE TREASURER

DATE

CONTRACT ATTACHMENT 1**FUNCTIONAL REQUIREMENTS**

Contract Attachment 1, **Functional Requirements**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

CONTRACT ATTACHMENT 2

NON-FUNCTIONAL REQUIREMENTS

Contract Attachment 2, **Non-Functional Requirements**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

CONTRACT ATTACHMENT 3**CYBERSECURITY REQUIREMENTS**

Contract Attachment 3, **Cybersecurity Requirements**, is published on the Internet at the below location along with this entire RFP:

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/supplier-information/request-for-proposals--rfp--opportunities1.html>

CONTRACT ATTACHMENT 4**TREASURY DEPARTMENT'S GIFTS AND SOLICITATIONS POLICY**

No employee or any member of a Board, Commission or Committee administratively attached to the Department shall solicit, accept or agree to accept, directly or indirectly, on behalf themselves or their immediate family, any gift in violation of state law including, but not limited to, any gratuity, service, favor, entertainment, lodging, transportation, loan, loan guarantee rebate, money, any promise, obligation or contract for future awards or compensation or any other thing of monetary value, from any **individual or entity** that:

- Has, or is seeking to obtain, contractual or other business or financial relations with the Treasury Department or the Tennessee Consolidated Retirement System;
- Conducts operations or activities that are regulated by the Treasury Department;
- May bid on future procurement from the Department or a Board, Commission, or Committee administratively attached to the Department based on the employee's reasonable belief that the person or entity intends to submit a bid; or
- Has an interest that may be substantially affected by the performance or nonperformance of the employee's official duties.

Generally, gifts from a lobbyist or an employer of a lobbyist are prohibited; however, the following are exceptions to the general gift prohibition:

- A gift given for nonbusiness purpose and motivated by a close personal friendship and not by the position of the employee, and specifically authorized and defined by the Ethics Commission;
- Informational materials in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication;
- Sample merchandise, promotional items, and appreciation tokens if they are routinely given to customers, suppliers or potential customers or suppliers in the ordinary course of business;
- Unsolicited tokens or awards of appreciation, honorary degrees, or bona fide awards in recognition of public service in the form of a plaque, trophy, desk item, wall memento, and similar items, provided that any such item shall not be in a form which can readily be converted to cash;
- Benefits resulting from business, employment, or other outside activities of the employee or the employee's immediate family, if such benefits are customarily provided to others in similar circumstances and are not enhanced due to the status of the employee;
- Opportunities and benefits made available to all members of an appropriate class of the general public, including but not limited to, discounts afforded to the general public or prizes and awards given out in public contests;
- Expenses of out-of-state travel, if such expenses are paid for or reimbursed by a governmental entity or an established and recognized organization of elected or appointed state government officials;
- Food, refreshments, amenities, goody bags, entertainment, or beverages provided as part of a meal, reception or similar event including tradeshows and professional meetings; and
- Food, refreshments, meals, foodstuffs, entertainment, beverages that are provided in connection with the following: an event where the employee is a speaker or part of a panel discussion at a scheduled meeting of an established or recognized membership organization which regularly meets at in-state events in which invitations are extended to legislative or executive branch employees. The value of the items shall not exceed fifty dollars (\$50.00) per person, per day.*

* The amount may be increased to reflect the percentage of change in the average consumer price index. The Ethics Commission publishes the increased amount on its website. For other gifts offered which are not included in the exceptions above, the employee must obtain the written approval of the Assistant Treasurer for Legal, Compliance and Audit.

CONTRACT ATTACHMENT 5**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
EDISON VENDOR IDENTIFICATION NUMBER:	

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

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION