



STATE OF TENNESSEE
PROCUREMENT COMMISSION
 3rd Floor, William R. Snodgrass TN Tower, 312 Rosa L. Parks Avenue
 Nashville, Tennessee 37243-1102

- AGENDA -

PROCUREMENT COMMISSION MEETING #046

TUESDAY, JUNE 25, 2024

10:00 A.M. – 11:00 A.M.

3RD FLOOR TN TOWER/NASHVILLE ROOM AND TEAMS

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**MINUTES OF NOVEMBER 9, 2023
MEETING**

MINUTES
PROCUREMENT COMMISSION MEETING #045
THURSDAY, NOVEMBER 9, 2023, AT 9:00 A.M.
Nashville Room/TEAMS

Members in Attendance:

Jason Mumpower, Comptroller of the Treasury; Christi W. Branscom, Commissioner, Department of General Services; Jim Bryson, Commissioner of Finance and Administration; Mike Perry, Chief Procurement Office

Others in Attendance:

Bryan Chriske, Eugene Neubert, Paul Krivacka, Robin Upchurch, Leslie Hafner, Athanasios Halkias

WebEx Attendance:

Christy Allen, Randy Dean, Toni Stuart, Chadwick Nottingham, Kay Morgan, Trey Norris, Judy Tribble, Nicholas Edwards, Jenny Young, Lindsey Lattner, Karen Conway, Kevin Bartels, Sharon Pope, Tammy Byrd, Michael Zimmerman, Veronica Peters, James Grady, Shannon Mohundro, Lorraine Lassourreille, Elizabeth Orange, Debi Moss, Adam Mamula

I. Call to Order:

Commissioner Branscom called the meeting to order and recognized that a quorum of Procurement Commission ("Commission") members was present. All members voted in favor – none opposed, whereupon the minutes were approved.

II. Public Comments:

Commissioner Branscom asked if there were any public comments. No comments.

III. Minutes from June 21, 2023, Meeting:

Commissioner Branscom presented the June 21, 2023, minutes for approval. Comptroller Mumpower moved the adoption of the June 21, 2023, Procurement Commission meeting minutes as presented. Commissioner Branscom seconded the motion. All members voted in favor – none opposed.

IV. Consent Agenda Items.

Commissioner Branscom presented the Consent Agenda items (1) through (5) for

approval.

Mr. Paul Krivacka, Director of Legal and Compliance, Central Procurement Office, stated that items (1) through (5) are being presented for approval today as Consent Agenda items, and he was available for any questions on the Consent Agenda items. Commissioner Branscom asked if there were any comments or questions on the consent agenda items.

Seeing no discussion, Comptroller Mumpower made a motion to approve Consent Agenda items (1) through (5). Commissioner Branscom seconded the motion. All members voted in favor – none opposed.

V. New Business:

Mr. Krivacka presented the following New Business agenda items:

Mr. Krivacka stated there were (10) new business items. Items (4) and (5) would be taken together. Item (8) is removed from the agenda per consultation with the Comptroller's office as this item is not longer necessary.

Mr. Krivacka proceeded to present agenda item (1):

(1) Protest Procedures

Mr. Krivacka summarized the following points regarding the Protest Procedures proposals:

- This proposal adds more explicit and bolded language around what happens if a protest is found by the protest committee to have violated TCA § 12-3-514 (and allowing the bond to be surrendered to the State).

Seeing no discussion on agenda items (1), Comptroller Mumpower made a motion to approve the Protest Procedures as presented. The motion was seconded by Commissioner Branscom. All members voted in favor – none opposed.

Mr. Krivacka proceeded to present agenda item (2):

(2) RFP and RFQ (Mandatory Requirements)

Mr. Krivacka summarized the following points regarding the RFP and RFQ (Mandatory Requirements):

- This proposal changes the details of responsibilities that are delegated to the Solicitation Coordinator in the RFP and RFQ processes.
- It is the Solicitation Coordinator's responsibility to coordinate and facilitate all

responsiveness determinations and calculations as to the best-evaluated respondent.

Seeing no discussion on agenda item (2), Comptroller Mumpower made a motion to approve RFP and RFQ (Mandatory Requirements) as presented. The motion was seconded by Commissioner Branscom. All members voted in favor – none opposed.

Mr. Krivacka then proceeded to present agenda item (3):

(3) Disclosure of Response Contents

Mr. Krivacka presented the following point regarding the Disclosure of Response Contents proposal:

- This proposal will add a notice on Solicitation Documents (i.e., ITB; RFQ; RFP) instructing respondents not to submit trade secrets in their responses to solicitations.

Seeing no discussion on agenda items (3), Comptroller Mumpower made a motion to approve Disclosure of Response Contents as presented. The motion was seconded by Commissioner Branscom. All members voted in favor – none opposed.

Mr. Krivacka requested to present agenda items (4) and (5) together:

(4) Policy Number 2013-007 (Grant Management and Subrecipient Monitoring Policy and Procedures):

(5) Grant Contract and Governmental Grant Contract Template Changes

Mr. Krivacka presented the following points regarding Policy Number 2013-007 (Grant Management and Subrecipient Monitoring Policy and Procedures) and Grant Contract and Governmental Grant Contract Template Changes proposals:

- The Department of Finance & Administration has determined that F&A Policy 03 is no longer necessary. This request would replace references to F&A Policy 03 with references to CPO Policy 2013-007 Grant Management and Subrecipient Monitoring Policy and Procedures, as the CPO Policy will supersede F&A Policy 03. Also, minor corrections were noticed by F&A in their review.
- This proposal will also amend the “Grantee Hosted Services Confidential Data, Audit, and Other Requirements” grant contract term to match the standard that was recently updated in the FA Template (Contract Hosted Term at section E.#. a. (2) related to the Federal Information Processing Standard version).

Seeing no discussion on agenda items (4) and (5), Comptroller Mumpower made a motion

to approve Policy Number 2013-007 (Grant Management and Subrecipient Monitoring Policy and Procedures and Grant Contract) and Governmental Grant Contract Template Changes as presented. The motion was seconded by Commissioner Bryson. All members voted in favor – none opposed.

Mr. Krivacka requested to present agenda items (6):

(6) Build America, Buy America (“BABA”) Act – “America Preference in Federal Financial Assistance Programs for infrastructure.”

Mr. Krivacka presented the following points regarding Build America, Buy America (“BABA”) Act – “America Preference in Federal Financial Assistance Programs for Infrastructure.” proposal:

- This proposal would add a new contract term related to the production of iron, steel, manufactured products, and construction materials used in an infrastructure project under an award (see M-2-11).

Seeing no discussion on agenda item (6), Comptroller Mumpower made a motion to approve regarding Build America, Buy America (“BABA”) Act – “America Preference in Federal Financial Assistance Programs for Infrastructure.” as presented. The motion was seconded by Commissioner Bryson. All members voted in favor – none opposed.

Mr. Krivacka requested to take items (7) and (8) together, but item (8) will be withdrawn due to the Comptroller’s office stating it is no longer needed as they will continue to use the same email address that has been provided.

Mr. Krivacka requested to present agenda items (7) and (8):

(7) Statewide Payment Card Policy § 9.4.
(8) State Agency P-Card Procedures Model

Mr. Krivacka presented the following points regarding Statewide Payment Card Policy § 9.4. and State Agency P-Card Procedures Model proposals:

Statewide Payment Card Policy § 9.4.:

- This proposal revises the Statewide Payment Card Policy and Procedures, CPO Policy 2015-010, at Section 9.4. Records Retention Requirements.
- The Public Records Commission recently approved (at its 9/28/23 meeting): (1) revision to SW RDA #23 covering P-Card documents; and, (2) addition of a new RDA, SW RDA #48 covering the issuance of P-Cards. For complete details, please visit:
- SW23 <https://rmd-rda.tnsos.net/node/35069>
- SW48 <https://rmd-rda.tnsos.net/node/35837>

State Agency P-Card Procedures Model:

- This proposal makes a several changes to the State Agency Payment Card Procedures

Model. Section 4, Records Retention Requirements, has been updated to reflect the changes described above.

- Also, the email address for the Comptroller's Office has been updated as they have transitioned to a new email system. (This request will update the email address for procedures to be submitted for review and approval from the current email address to the new email address at: cpc@cotcpc.zendesk.com).
- Section 5. P-Card Program Roles and Responsibilities has been updated to mirror Cardholder Training requirements in CPO Policy 2015-010.

During the meeting, Comptroller Mumpower proposed a motion to approve the changes to items (7) and (8) together. He requested to keep the proposed changes for item (8) modifications to the State Agency Payment Card Procedures Model, Section 4, Records Retention Requirements and Section 5, which covers P-Card program roles and responsibilities. Also, it was decided to withdraw the request to change the email address of the Comptroller's office and keep it the same.

Seeing no further discussion on agenda items (7) and (8), Comptroller Mumpower made a motion to approve Statewide Payment Card Policy § 9.4. and State Agency P-Card Procedures Model as presented. The motion was seconded by Commissioner Bryson. All members voted in favor – none opposed.

Mr. Krivacka requested to present agenda items (9):

(9) Pollution Liability Insurance

Mr. Krivacka presented the following points regarding Pollution Liability Insurance proposal:

- This proposal will add a new optional coverage type insurance to the FA Template for Pollution Liability Insurance.
- This type of insurance is generally recommended by the CPO Risk Manager when the contract involves the Contractor using and transporting chemicals, pesticides, and other types of pollution exposures.

Seeing no discussion on agenda item (9), Comptroller Mumpower made a motion to approve Pollution Liability Insurance as presented. The motion was seconded by Commissioner Bryson. All members voted in favor – none opposed.

Mr. Krivacka requested to present agenda items (10):

(10) Terms and Conditions for Purchase Orders Issued Under Agency LPAs

Mr. Krivacka presented the following points regarding Terms and Conditions for Purchase Orders Issued Under Agency LPAs proposal:

- This proposed change adds additional terms and conditions that are commonly utilized by agencies under their LPA.

Seeing no discussion on agenda item (10), Comptroller Mumpower made a motion to approve Terms and Conditions for Purchase Orders Issued Under Agency LPAs as presented. The motion was seconded by Commissioner Bryson. All members voted in favor – none opposed.

Mr. Krivacka mentioned that the Comptroller's office had pointed out four limitations of liabilities requests that were listed inaccurately in the original reports and needed to be revised. The revised report was sent out with the corrected requests, which were 9377, 9378, 9399, and 9435. The reason for the changes is that many of those requests were denied upon review and needed to be resubmitted. The reports presented during the meeting were the revised reports.

Comptroller Mumpower asked if we were reviewing the approval of the human resource agency procedures first before accepting the reports. Mr. Krivacka presented the human resource agency procedures for approval.

VI. Approval of Human Resource Agency Procedures:

(1) Southwest Human Resource Agency (SWHR)

Mr. Krivacka then proceeded to present Human Resource Agency Procedures for approval.

Comptroller Mumpower asked if the SWHR procedures being presented had been reviewed by the CPO and fell in line with the state's procurement procedures and policies. Mr. Krivacka replied yes, they were reviewed by staff attorney Jenny Young.

Seeing no further discussion on this agenda item, Commissioner Bryson made a motion to approve Southwest Human Resource Agency (SWHR) as presented. The motion was seconded by Comptroller Mumpower. All members voted in favor – none opposed.

VII. Reports:

Mr. Krivacka presented the following standard reports for acknowledgment and informational purposes:

- 1) Certification Related Items (CMRA)
- 2) Limitation of Liability
- 3) Memorandum of Understanding (MOU)

Commissioner Branscom requested that the minutes reflect that the reports were presented and accepted.

VIII. Other Business:

Comptroller Mumpower mentioned that the council recognized a public comment period to comply with the state statute regarding public comments. However, there were no public commenters today. The Comptroller distributed copies and had extra copies of a set of public comment guidelines adopted by the Comptroller's office. He requested the CPO to review and consider adopting these guidelines before the next meeting. To comply with the statute, it was agreed that the CPO would eventually need to adopt rules formally, but the guidelines would help until this can be done.

Consent to Cancel the December 21, 2023, Procurement Commission Meeting:

Comptroller Mumpower, Commissioner Branscom, and Commissioner Bryson verbally consented to cancel the December 21, 2023, Procurement Commission meeting. The next meeting will be on January 18, 2024. A motion was made by Comptroller Mumpower and was seconded by Commissioner Bryson. All members voted in favor – none opposed.

IX. Adjournment:

Seeing no other business, Commissioner Bryson made a motion for adjournment. The motion was seconded by Comptroller Mumpower. All members voted in favor – none opposed, whereupon the November 9, 2023, Procurement Commission meeting was adjourned.

PROCUREMENT COMMISSION AGENDA OVERVIEW

Overview of Agenda Items:

Consent Agenda Items:

1. Option: Federal Preaward Authority System
 - This request would clarify an error in the instructional text that refers to attaching a document to the “Contract” where it was meant to be attached as part of the Contract file in Edison.
 - The requested documentation should not be attached to the contract but rather included in the file for review by oversight authorities.

2. IG Model Changes (F&A Policy 03)
 - This request is to revise the Interagency Agreement Grant Model (“IG”) to reflect changes that were recently changed in the GR and GR Templates.
 - In particular, the Department of Finance & Administration identified that its F&A Policy 03 was no longer needed and highlighted several references to F&A Policy 03 in the CPO Grant Templates that would need to be replaced with references to CPO Policy 2013-007, Grant Management and Subrecipient Monitoring Policy and Procedures.
 - The changes were made to the GR and GG template at the November 9, 2023, meeting, this would apply it to the IG as well.

3. Drug-Free Workplace Contract Term
 - Add the Drug-Free Workplace Term (stating that the Grantee shall provide a drug-free workplace) to the GR Template (already included as an option in the GG Template).

4. Policy Number 2013-007 Grant Management and Subrecipient Monitoring Policy and Procedures
 - This request will remove the following sentence from CPO Policy Number 2013-007, “For each Grant Contract, the contracting State Agency shall assist the Grantee with inputting the required information.”
 - This change is due to the use of the database which will be generating the form off of spend, the only agency that needs to be involved in the process is the Cognizant State Agency for each grantee.

5. Oral Presentations or Field Tests Option RFP and RFQ Templates
 - This proposed change will add additional information in the scheduling section regarding whether the Oral Presentation or Field Test will be in-person or virtual and the duration of the meeting.
 - The intent of adding this information is to reduce the number of questions potential respondents have regarding this event. Please note that any additional information that is not related to the logistics of scheduling, but rather a substantive change regarding the oral presentation itself would require a RFP or RFQ Amendment.

6. Build-America-Buy-America (“BABA”)
 - Inclusion of this term in the FA Template and configurator will assist State Agencies with compliance with federal guidelines. Please see the following for details:

- Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure (10/25/23), available online at the following: <https://www.whitehouse.gov/wp-content/uploads/2023/10/M-24-02-Buy-America-Implementation-Guidance-Update.pdf>
- This contract term was added to the GR and GG Templates at the 11/9/23 Procurement Commission Meeting (please see Agenda Item #6. Build America, Buy America (“BABA”) Act - America Preference in Federal Financial Assistance Programs for infrastructure”). State Agencies have requested this term also be added to the FA Template and configurator.

7. TITLE VI Compliance

- Title VI: Request to add Title VI compliance term requiring Grantee to comply with requirements of Title VI of the Civil Rights Act of 1964.

8. D.12. Public Accountability

- This will correct an error as the incorrect minimum size is referenced. This is correct in the other templates but was not updated in the endowment grant template.

New Business Agenda Items:

1. Product Liability Insurance

- This would add a new optional insurance coverage for instances where products liability insurance would be helpful. Product Liability Insurance protects against financial loss or legal liability caused by a faulty product as the result of a design defect, manufacturing flaw, or misleading, defective warning instructions.

** Agenda Items #2, #3, and #4 all relate to the revised Click-Wrap Approval Request process and new accompanying documents (i.e., Contract Rider and Letter of Adhesion).

2. Click-Wrap Approval Request – Revised

3. Contract Rider for Click-Wraps – NEW

4. Letter of Adhesion – NEW (Updated Process Chart)

- Revised Click-Wrap Approval Process that requires the State Agencies to upload additional documentation prior to submitting a click-wrap approval request in Edison.
- Please note, if the Contractor doesn’t agree to the State’s terms and the Contract involves sensitive data a click-wrap is not the appropriate contracting process.
- A new job aid, “Click-Wrap Agreement for State Agencies” will be available under the Learning and Development tab on [TEAM TN](#), for State Agencies for assistance with this process.

5. Information Technology Security Requirements

- This request will delete the current “Contractor Hosted Services Requirements and Confidential Data Options” in all applicable templates and replace it with updated requirements that are now broken into two separate parts: (1) the Comptroller Audit Requirements Option; and, (2) Information Technology Security Requirements (State Data, Audit, and Other Requirements).
- In addition, instructions related to BAA and HIPAA are now with their optional instructions sections instead of being with the former contractor hosted language.

- The most important thing is that Procurement Professionals review the STS Endorsement to see what additional language is required and must include that language accordingly. The applicable security requirements shall be dependent upon the type of data involved (e.g., Personally Identifiable Information (PII); Personal Health Information (PHI); Social Security Number (SSN); etc.).

*** Agenda Items # 6– 10 are proposed to reflect changes from Public Chapter No. [634](#) (2024) related to the authority to increase the small and informal purchase authority amounts subject to PC Approval.

6. Procurement Procedures Manual of the CPO – Local Purchase Authority

7. Local Purchases Authority Model - NEW

8. Non-Competitive Procurements Policy 2013-006

9. Delegation of Authority Policy 2013-006

10. Delegation of Authority Template

- Public Chapter No. 634 approved the threshold for informal solicitations to up to one hundred thousand dollars (\$100,000) and up to twenty-five thousand dollars (\$25,000) for small purchases, if all of the members of the Procurement Commission agree.
- This requested change will replace the Small Purchases Model and Informal Purchases Model with one new Local Purchases Authority Model. This will reduce duplicative forms as the two former models had a lot of the same information.
- The revised thresholds for small and informal purchases and related guidance are also included in this new model and references in the Manual and policies to the dollar amount under which agencies can use their local purchase authority has been modified accordingly.

*** Agenda Items #11-13 are proposed to reflect changes from Public Chapter No. [634](#) (2024) related to the protest file and procedures.

11. Procurement Procedures Manual of the CPO – Procurement File and Protest Period

12. Notice of Intent to Award (“NOIA”) and Protest Procedures

13. RFP and RFQ Templates - “Protest Period”

- This requested change combines the NOIA and Protest Procedures into one document as both are distributed to the respondents at the same time.
- The 2024 legislation includes a definition of the "Procurement File" in Tenn. Code Ann. § 12-3-201 that replaces the term "Open File". This proposal aligns the Protest Procedures and the Procurement Procedures Manual with the terminology used in the updated statute and adds additional information regarding the grounds for a protest.
- The RFP and RFQ Templates at the Schedule of Events refer to the end of the “Open File” Period. This requested change will revise the references to “Open File” to “Protest Period” to be consistent with the changes made in the Protest Procedures and Procurement Procedures Manual.

CONSENT AGENDA

**OPTION: FEDERAL PREAWARD
AUTHORITY SYSTEM**

REQUEST: Revise the Grant Contract (GR) Template instructions as follows:

Option: Federal Preaward Authority System

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

- B.#.** Federal Preaward Authority. The Parties acknowledge that the State has the power to expend funds under this Grant Contract in accordance with applicable federal preaward authority. Federal preaward authority is a system under which recipients of federal grant money may incur certain project costs before the final approval of a federal grant and may retain eligibility for subsequent reimbursement after grant approval. The payment obligations of this Grant Contract may be predicated wholly or in part on the State’s exercise of federal preaward authority. By accepting the terms of this Grant Contract, the Grantee acknowledges the following:
- a. With regard to the Grantee’s activities prior to the Effective Date of this Grant Contract, only those activities which meet all of the following requirements shall be considered for reimbursement:
 - (1) Activities that are reasonably related to the Scope of Services;
 - (2) Activities in whose absence the Scope of Services could not be completed or performed; and
 - (3) Activities that meet the relevant federal agency’s requirements for reimbursement under federal preaward authority.
 - b. The Grantee understands the federal preaward authority system and its relation to this Grant Contract.
 - c. Preaward authority is not a legal or implied commitment that the work contemplated in this Grant Contract will be approved for federal assistance or that a federal agency will obligate funds. Furthermore, it is not a legal or implied commitment that all items undertaken by the Grantee will be eligible for inclusion in a federally funded project.
 - d. It is the Grantee’s responsibility to ensure its own compliance with the policies and requirements of the relevant federal agency with regard to the goods or services contemplated in this Grant Contract. The Grantee assumes all risk and is responsible for ensuring that all conditions are met to retain eligibility for federal reimbursement via grant.
 - e. To the extent that this Grant Contract is funded through federal preaward authority, the State’s obligations under Section C of this Grant Contract shall be void in the event that any of the following occur:
 - (1) the Grantee fails to comply with the grantor federal agency’s policies and regulations;
 - (2) the relevant federal agency fails or refuses to finalize a grant; or
 - (3) the relevant federal agency refuses to reimburse specific expenses incurred under preaward authority.
 - f. The start date of the State’s federal preaward authority is [insert date here].

IG MODEL CHANGES (F&A POLICY 03)

INTERAGENCY AGREEMENT – GRANT MODEL

This model provides the format and content for drafting a cost-reimbursement grant agreement between (1) two Tennessee state agencies, neither of which has the separate legal capacity to contract or sue and be sued; or (2) a Tennessee state agency and a campus or institute of the University of Tennessee (“UT”) system, an institution governed by the Tennessee Board of Regents (“TBR”), or a State University or Locally Governed Institution (“LGI”). For a listing of all UT campuses and institutes, please consult <https://tennessee.edu/>. For a listing of all TBR institutions that can use this model please consult <https://www.tbr.edu/institutions/our-institutions>. [State Universities or LGIs include the](#) University of Memphis, Tennessee Technological University, Austin Peay State University, East Tennessee State University, Tennessee State University, and Middle Tennessee State University. All agreements must comply with the requirements of the Central Procurement Office’s Grant and Subrecipient Monitoring Policy (Policy Number 2013-007) and the U.S. OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as applicable. Please refer to Department of Finance and Administration – Policy 18 “Interunit Journals” for additional information, as applicable.

Grant administrators should complete text fields and follow, replace, or otherwise address red instructional text (e.g., **State Agency Name**, **amount**, **will/will not**) as indicated with appropriate font and color. The standard IG Model begins on the following page. Additional IG instructions, considerations, and options follow the standard IG model.



INTERAGENCY GRANT AGREEMENT COVER SHEET

(cost reimbursement grant agreement between two Tennessee state agencies, University of Tennessee, or Board of Regents colleges and universities)

Begin Date	End Date	Agency Tracking # -	Edison ID		
Grantee Legal Entity Name		Edison Supplier ID			
Subrecipient or Recipient <input type="checkbox"/> Subrecipient <input type="checkbox"/> Recipient		Assistance Listing Number			
Service Caption (one line only)					
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Agreement Amount
TOTAL:					
Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.				<i>CPO USE - IG</i>	
Budget Officer Signature					
Speed Chart (optional)		Account Code (optional)			

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

This Grant Agreement, by and between the State of Tennessee, [Insert Name of State Agency] (the "Grantor State Agency"), and [Insert Name of State Agency] (the "Grantee"), is for the provision of **Scope of Service Caption**, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

A. SCOPE OF SERVICES AND DELIVERABLES:

- A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Agreement.
- A.#. **Specify the services and deliverables that the Grantee must provide as well as the technical specifications and delivery requirements that must be met (include sufficient detail to ensure accountability and definitive results). Do NOT include payment terms in the Scope of Service.**

B. TERM OF AGREEMENT:

This Grant Agreement shall be effective on **DATE** ("Effective Date") and extend for a period of **number (#) months** after the Effective Date ("Term"). The Grantor State Agency shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the Maximum Liability of the Grantor State Agency under this Grant Agreement exceed **Written Dollar Amount (\$Number)** ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment **Reference**, is the maximum amount due the Grantee under this Grant Agreement. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The Maximum Liability of the Grantor State Agency is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Agreement and are not subject to escalation for any reason unless amended, except as provided in section C.5.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in section C.1. Upon progress toward the completion of the Scope, as described in section A of this Grant Agreement, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for reimbursement.
- C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Agreement shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to **NUMBER** percent (**#%**) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amounts such that the net result of variances shall not increase the total Grant Agreement amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Agreement.

- C.6. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Agreement end date and in form and substance acceptable to the Grantor State Agency.
- a. If total disbursements by the Grantor State Agency pursuant to this Grant Agreement exceed the amounts permitted by section C, payment terms and conditions of this Grant Agreement, the Grantee shall refund the difference to the Grantor State Agency. The Grantee shall submit the refund with the final grant disbursement reconciliation report.
 - b. The Grantor State Agency shall not be responsible for the payment of any invoice submitted after the grant disbursement reconciliation report. The Grantor State Agency will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the Grantor State Agency, and such invoices will not be paid.
 - c. The Grantee must close out its accounting records at the end of the Term in such a way that reimbursable expenditures and revenue collections are not carried forward.
- C.7. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the Grantor State Agency a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the Grantor State Agency, and subject to the availability of funds the Grantor State Agency agrees to remit any underpayment to the Grantee.
- C.8. Cost Allocation. If any part of the costs to be reimbursed under this Grant Agreement are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Central Procurement Office Policy 2013-007 or any amendments or revisions made to this policy statement during the Term.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The Grantor State Agency is not bound by this Grant Agreement until it is signed by the agency head, or his or her designee, of the state agencies that are parties to this Grant Agreement (depending upon the specifics of this Grant Agreement, these officials may include, but are not limited to, the Commissioner of Finance and Administration and the Commissioner of Human Resources).
- D.2. Modification and Amendment. This Grant Agreement may be modified only by a written amendment signed by all parties and approved by the officials who approved the original Grant Agreement and, depending upon the specifics of the Grant Agreement as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration and the Commissioner of Human Resources).
- D.3. Bilateral Termination for Convenience. This Grant Agreement may be terminated by either party by giving written notice to the other, at least thirty (30) days before the effective date of termination. Should either party exercise this provision, the Grantee shall be entitled to reimbursement for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Grantor State Agency be liable to the Grantee for any

service which has not been rendered. The final decision as to the amount, for which the Grantor State Agency is liable, shall be determined by the Grantor State Agency.

- D.4. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Agreement shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The Grantor State Agency:

State Contact Name & Title

State Agency Name

Address

Email Address

Telephone # Number

FAX # Number

The Grantee:

Grantee Contact Name & Title

Grantee Name

Address

Email Address

Telephone # Number

FAX # Number

A change to the above contact information requires written notice to the person designated by the other party to receive notice.

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

- D.5. Subject to Funds Availability. This Grant Agreement 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 Grantor State Agency reserves the right to terminate this Grant Agreement upon written notice to the Grantee. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Agreement. In the event of a Grantor State Agency termination, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date.
- D.6. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the Grantor State Agency as requested.
- D.7. Procurement. If the other terms of this Grant Agreement allow reimbursement for the cost of goods, materials, supplies, equipment, motor vehicles, or contracted services, the procurement of these goods or services by the Grantee shall be competitive where practicable. For any procurement for which reimbursement is paid under this Grant Agreement, the Grantee shall document the competitive procurement method. In each instance where it is determined that use of a competitive procurement method is not practicable, supporting documentation shall include a written justification for the decision and for the use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.318—200.326 when procuring property or services under a federal award.
- D.8. Completeness. This Grant Agreement is complete and contains the entire understanding between the parties relating to the subject matter contained in this Grant Agreement, including all

the terms and conditions agreed to by the parties. This Grant Agreement supersedes any and all prior understandings, representations, negotiations, and agreements between the parties, whether written or oral.

D.9. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Agreement.

E. SPECIAL TERMS AND CONDITIONS:

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

Add ALL Necessary or Contingently Required Special Terms & Conditions

IN WITNESS WHEREOF,

GRANTEE STATE AGENCY:

GRANTEE SIGNATURE **DATE**

PRINTED NAME AND TITLE OF GRANTEE STATE AGENCY SIGNATORY (above)

GRANTOR STATE AGENCY NAME:

NAME & TITLE **DATE**

GRANT BUDGET				
Additional Identification Information As Necessary				
The grant budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable Period:				
	BEGIN: DATE		END: DATE	
	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT AGREEMENT	GRANTEE PARTICIPATION	TOTAL PROJECT
	Salaries, Benefits & Taxes	0.00	0.00	0.00
	Professional Fee, Grant & Award ²	0.00	0.00	0.00
	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
	Travel, Conferences & Meetings	0.00	0.00	0.00
	Interest ²	0.00	0.00	0.00
	Insurance	0.00	0.00	0.00
	Specific Assistance To Individuals	0.00	0.00	0.00
	Depreciation ²	0.00	0.00	0.00
	Other Non-Personnel ²	0.00	0.00	0.00
	Capital Purchase ²	0.00	0.00	0.00
	Indirect Cost	0.00	0.00	0.00
	In-Kind Expense	0.00	0.00	0.00
	GRAND TOTAL	0.00	0.00	0.00

¹ Each expense object line-item is defined by, the U.S. OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles* (posted on the Internet at: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E>) and CPO Policy 2013-007 (posted online at <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo--library-.html>).

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

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

INTEREST	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

DEPRECIATION	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

OTHER NON-PERSONNEL	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

CAPITAL PURCHASE	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

IG INSTRUCTIONS, CONSIDERATIONS, and OPTIONS

The following pages contain additional IG instructions, considerations, and options. Replace or modify the standard IG model by including the following content as appropriate. Content included with a box around it is intended to be inserted into the standard IG model as appropriate.

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

SUMMARY COVER SHEET

A summary cover sheet properly completed and in accordance with the model is required. Complete the summary cover sheet fields as indicated within the model and the following field directions.

<i>Agency Tracking #</i>	unique tracking number comprised of: 5-digit business unit # + unique, 5-digit # example: 31707-12345
<i>Subrecipient or Recipient</i>	Subrecipient or Recipient in accordance with the <i>OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i>
<i>Funding</i>	Amounts by fiscal year and funding source with row and column totals The Grant Agreement's Maximum Liability must equal the sum of the total amount column (i.e., the grand total amount for all fiscal years and all sources of funding)

PREAMBLE

Add additional information only if necessary.

A. SCOPE OF SERVICES AND DELIVERABLES

It is the responsibility of the Grantor State Agency to adequately draft the Scope. Oversight examiners will rely on the Grantor State Agency head's signature on the Grant Agreement as certification and assurance that the Scope is clear, correct, and sufficiently detailed to ensure Grantee accountability and results.

Do not include payment terms in the Scope.

Draft the Scope to clearly, specifically, and definitively detail duties, responsibilities, and associated performance requirements and describe, in detail, the service and deliverable requirements and all related specifications.

Option: Grant Proposal Attachment

It is not acceptable to attach the associated grant proposal to the Grant Agreement in lieu of a properly drafted scope of services. Proposals for funding are not adequately definitive to stand alone as the description of Grantee duties and responsibilities or performance requirements.

To attach an associated grant proposal to the Agreement in support of a properly drafted Scope, use the following optional section.

- A.#.** Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Agreement by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance, these items shall govern in order of precedence below:
- a. this Grant Agreement document with any attachments or exhibits (excluding the items listed at subsections b. and c. below);
 - b. the State grant proposal solicitation as may be amended, if any; and

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

Option: Federal Award Identification Worksheet

If the Grantee is a subrecipient and the Grant Agreement involves any federal funds, the Grantor State Agency must complete the federal award identification worksheet on the following page and reference the worksheet by adding the following section. Include the worksheet as an attachment to the Grant Agreement. If some federal award identification worksheet information is not available, provide as much information as is available. Grantor State Agencies should update the worksheet no more than once every six (6) months to reflect any changes. Grantor State Agencies should also send the updated worksheet to the Grantee and upload a copy into Edison.

- A.#. Incorporation of Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment **#**, is incorporated in this Grant Agreement.

Federal Award Identification Worksheet

Subrecipient's name (must match name associated with its Unique Entity Identifier (SAM))	
Subrecipient's Unique Entity Identifier (SAM)	
Federal Award Identification Number (FAIN)	
Federal award date	
Subaward Period of Performance Start and End Date	
Subaward Budget Period Start and End Date	
Assistance Listing number (formerly known as the CFDA number) and Assistance Listing program title.	
Grant Agreement's begin date	
Grant Agreement's end date	
Amount of federal funds obligated by this Grant Agreement	
Total amount of federal funds obligated to the subrecipient	
Total amount of the federal award to the pass-through entity (Grantor State Agency)	
Federal award project description (as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA))	
Name of federal awarding agency	
Name and contact information for the federal awarding official	
Name of pass-through entity	
Name and contact information for the pass-through entity awarding official	
Is the federal award for research and development?	
Indirect cost rate for the federal award (See 2 C.F.R. §200.332 for information on type of indirect cost rate)	

B. TERM OF AGREEMENT

Grant Administrators should obtain the Grantee’s signature before submitting the Grant Agreement for Grantor State Agency signatures or approvals. The Grant Agreement should be drafted with an appropriate, definitive, and complete Term.

Option: Term Renewal or Extension

To reserve the right to extend the Term beyond the original period, the Grant Administrator should change the designation of the paragraph under B. to B.1. and add one or both of the following sections, revising the length of the extension periods as appropriate.

B.#. Renewal Options. This Grant Agreement may be renewed upon satisfactory completion of the Term. The Grantor State Agency reserves the right to execute up to **number (#)** renewal options under the same terms and conditions for a period not to exceed twelve (12) months each by the Grantor State Agency, at the Grantor State Agency’s sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty (60) months.

B.#. Term Extension. The Grantor State Agency may extend the Term an additional period of time, not to exceed one hundred-eighty (180) days beyond the expiration date of this Grant Agreement, under the same terms and conditions. In no event, however, shall the maximum Term, including all extensions or renewals, exceed a total of sixty (60) months.

C. PAYMENT TERMS AND CONDITIONS

Grant Administrators may revise payment terms and conditions as agreed to by the parties.

Payment Methodology

Option: Partial Advance Payment

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

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

Option: Periodic Advance Payment

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

C.3. Payment Methodology – Periodic Advance Payment. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in section C.1. The amount of **Written Dollar Amount (\$Number)** shall paid to the Grantee in advance upon approval of this Grant Agreement and on **Dates on which the Grantor State Agency will make advance payments.** The total of said payments shall not exceed the Maximum Liability of this Grant Agreement.

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

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

Option: Total Advance Payment

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

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

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

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

Budget Line-Items

Option 1: Revise line-item variance amount as appropriate and up to the maximum of twenty percent (20%). Budget line-item variation of more than the specified percentage will require an amendment. The Budget Line-Items provision should not be amended after Grant Agreement approval.

Option 2: If the Grantee is allowed to request budget line-item variance exceeding twenty percent (20%) per line item, replace the Section with the following:

C.5. Grant Budget and Revisions to Grant Budget Line-Items. Expenditures, reimbursements, and payments under this Grant Agreement shall adhere to the Grant Budget.

a. The Grantee may vary from a Grant Budget line-item amount by up to twenty percent (20%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amounts. The net result of any changes to Grant Budget line-item amounts shall not result in funding for a line-item that was previously funded at zero dollars (\$0.00) or increase the total Grant Agreement amount detailed by the Grant Budget.

b. The Grantee may request in writing Grant Budget line-item revisions exceeding the limitation set forth in section C.6.a., above, giving full details supporting the Grantee's request, provided that such revisions do not result in funding for a line-item that was previously funded at zero dollars (\$0.00) and do not increase the total Grant Agreement amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are detailed. Any approval of a revision to a Grant Budget line-item greater than twenty percent (20%) shall be superseded by a subsequent revision of the Grant Budget by Grant Agreement amendment.

c. Any increase in the total Grant Agreement amount shall require a Grant Agreement Amendment.

Option 3: No Line-Item Variance

Replace the section with the following alternative as appropriate.

- C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Agreement shall adhere to the Grant Budget. Reimbursable expenditures may NOT vary from the Grant Budget line-item amounts.

Disbursement Reconciliation and Close Out

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

Option: Grantee Match Requirement

If the Grant Budget details a grantee match requirement (in which the maximum total amount reimbursable by the Grantor State Agency under the Grant Agreement will be reduced by the amount of any Grantee failure to meet the match requirement), replace the standard Disbursement Reconciliation and Close Out term with the following and revise the maximum number of days to no less than thirty (30).

- C.#. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) calendar days of the Grant Agreement end date and in form and substance acceptable to the Grantor State Agency.
- a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.
 - i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant agreement with the State of Tennessee.
 - ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the Grantor State Agency pursuant to this Grant Agreement, as detailed by the Grant Budget column "Grant Agreement," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.
 - b. If total disbursements by the Grantor State Agency pursuant to this Grant Agreement exceed the Maximum Liability, the Grantee shall refund the difference to the Grantor State Agency. The Grantee shall submit the refund with the final grant disbursement reconciliation report.
 - c. The Grantor State Agency shall not be responsible for the payment of any invoice submitted after the grant disbursement reconciliation report. The Grantor State Agency will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the Grantor State Agency.
 - d. The Grantee's failure to provide a final grant disbursement reconciliation report as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Agreement, and the Grantee shall be required to refund any and all payments by the Grantor State Agency pursuant to this Grant Agreement.
 - e. The Grantee must close out its accounting records at the end of the Term in such a way that reimbursable expenditures and revenue collections are not carried forward.

D. STANDARD TERMS AND CONDITIONS

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

Bilateral Termination for Convenience

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

Option: Unilateral Termination for Convenience

Add the following section as appropriate.

D.#. Unilateral Termination for Convenience. The Grantor State Agency may terminate this Grant Agreement without cause for any reason. The Grantor State Agency shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Grantor State Agency be liable to the Grantee for compensation for any service that has not been rendered. The final decision as to the amount for which the Grantor State Agency is liable shall be determined by the Grantor State Agency

Procurement

Replace the section with the following if Grantor State Agency head approval is required for non-competitive procurements under the Grant Agreement.

D.#. Procurement. If other terms of this Grant Agreement allow reimbursement for the cost of goods, materials, supplies, equipment, motor vehicles, or contracted services, such procurements shall be made consistent with Central Procurement Office rules, policies and procedures or if the Grantee is the University of Tennessee or the Board of Regents, consistent with their procurement policies and procedures..

E. SPECIAL TERMS AND CONDITIONS

Add any other terms as agreed to by the parties. Should any of these special terms and conditions conflict with any other terms and condition of this Grant Agreement, the special terms and conditions shall be subordinate to the Grant Agreement's other terms and conditions.

Family Educational Rights and Privacy Act & Tennessee Data Accessibility, Transparency and Accountability Act

Add the following section only if the Grantee will have access to personally identifiable student information or student information that is confidential pursuant to federal or state law.

E. #. Family Educational Rights and Privacy Act & Tennessee Data Accessibility, Transparency and Accountability Act. The Grantee shall comply with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232(g)) and its accompanying regulations (34 C.F.R. § 99) ("FERPA"). The Grantee warrants that the Grantee is familiar with FERPA requirements and that it will comply with these requirements in the performance of its duties under this Grant Contract. The Grantee agrees to cooperate with the State, as required by FERPA, in the performance of its duties under this Grant Contract. The Grantee agrees to maintain the confidentiality of all education records and student information. The Grantee shall only use such records and information for the exclusive purpose of performing its duties under this Grant Contract. The obligations set forth in this Section shall survive the termination of this Grant Contract.

The Grantee shall also comply with Tenn. Code Ann. § 49-1-701, *et seq.*, known as the “Data Accessibility, Transparency and Accountability Act,” and any accompanying administrative rules or regulations (collectively “DATAA”). The Grantee agrees to maintain the confidentiality of all records containing student and de-identified data, as this term is defined in DATAA, in any databases, to which the State has granted the Grantee access, and to only use such data for the exclusive purpose of performing its duties under this Grant Contract.

Any instances of unauthorized disclosure of data containing personally identifiable information in violation of FERPA or DATAA that come to the attention of the Grantee shall be reported to the State within twenty-four (24) hours.

Equal Opportunity

Add the following Section only if the Grantee is receiving a federal award.

- E.#. Equal Opportunity. As a condition for receipt of grant funds, the Grantee agrees to comply with 41 C.F. R. § 60-1.4 as that section is amended from time to time during the term.

Equal Opportunity for Federally Assisted Construction Contracts

Add the following Section only if the Grantee is receiving a federal award and the contract provides for federally assisted construction.

- E.#. Federal Equal Opportunity Clause for Federally Assisted Construction Contracts. As a condition for receipt of grant funds, the Grantee agrees to comply with 41 C.F. R. § 60-1.4 as that section is amended from time to time during the term.

Davis-Bacon Act and Copeland Anti-Kickback Act

Add the following Section only if the Grantee is receiving a federal award and the contract involves construction.

- E.#. Davis-Bacon Act and Copeland Anti-Kickback Act. As a condition for receipt of grant funds, the Grantee agrees to comply with the Davis-Bacon Act, 40 U.S.C. § 3141 *et seq.*, and the Copeland Anti-Kickback Act at 18 U.S.C. § 874 *et seq.*, as those sections are amended from time to time during the term.

Contract Work Hours and Safety Standard Act

Add the following section only if the Grantee is receiving a federal award in excess of one hundred thousand dollars (\$100,000) and mechanics and laborers will be employed in construction work under the contract. This section does not apply to the purchases of supplies and materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- E.#. Contract Work Hours and Safety Standard Act. As a condition for receipt of grant funds, the Grantee agrees to comply with the Contract Work Hours and Safety Standard Act at 40 U.S.C. § 3701 *et seq.*, as that section is amended from time to time during the term.

SIGNATURES

By signing or approving this Grant Agreement, the Grantor State Agency head assures and affirms that:

- There is a balance in the appropriation from which obligations under the agreement are required to be paid that is not already encumbered to pay other obligations;
- The Scope is clear, correct, and sufficiently detailed to ensure Grantee accountability and results.

Draft the Grant Agreement so that the signature section immediately follows the previous section text separated by only one blank line. Do not insert an arbitrary page break prior to the signature section.

GRANT BUDGET

All Grant Budgets must be type-written and mathematically correct in every aspect. Each Grant Budget page must be numbered consecutively.

The Grant Agreement column total must equal the Maximum Liability of the Grant Agreement.

Line-Item funding must comply with the Expense Object Line-Item Category Definitions provided by the *U.S. OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles* (which is posted on the Internet at: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>). . Budget line-items and the definitions above have legal, audit, and federal funding implications, and Grantor State Agency staff are solely responsible for whether appropriate line-items are funded in accordance with the scope of service and the definitions set out CPO Policy 2013-007 and *U.S. OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles*.

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

Grant Budget Line-Item Detail.

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

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

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

Delete the line-item detail box for each of the line-items that are not funded.

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

Multiple Grant Budget Periods.

If a multi-year Grant Agreement is to be written such that funding is restricted on an annual basis, this restriction must be reflected in the Grant Budget by means of repeated use of the model grant budget pages, numbered consecutively, detailing funding information for consecutive period of applicability. If a grant budget attachment includes multiple pages respectively applicable to consecutive periods of applicability, a "roll-up" budget page totaling all lines for all periods is not required. However, the sum of all totals must agree with the Grant Agreement Maximum Liability and any other relevant provisions of this Grant Agreement.

Option: Grant Budget Grantee Match Requirement

Replace the Grant Budget table with the table on the following page if a grantee match is required.

GRANT BUDGET

Additional Identification Information As Necessary

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

Applicable

Period:

BEGIN: DATE

END: DATE

	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT AGREEMENT	GRANTEE MATCH	TOTAL PROJECT
	Salaries, Benefits & Taxes	0.00	0.00	0.00
	Professional Fee, Grant & Award ²	0.00	0.00	0.00
	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
	Travel, Conferences & Meetings	0.00	0.00	0.00
	Interest ²	0.00	0.00	0.00
	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
	Depreciation ²	0.00	0.00	0.00
	Other Non-Personnel ²	0.00	0.00	0.00
	Capital Purchase ²	0.00	0.00	0.00
	Indirect Cost	0.00	0.00	0.00
	In-Kind Expense	0.00	0.00	0.00
	Grantee Match Requirement (for any amount of the required Grantee Match that is <u>not</u> specifically delineated by budget line-items above)	0.00	0.00	0.00
	GRAND TOTAL	0.00	0.00	0.00

¹ Each expense object line-item is defined by the U.S. OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles (posted on the Internet at: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E>) and CPO Policy 2013-007 (posted online at <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html>).

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

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

Grant Budget Line-Item Detail.

Replace the Grant Budget attachment with the following if the grant requires a more detailed breakdown of budget items.

ATTACHMENT REFERENCE

GRANT BUDGET				
Additional Identification Information As Necessary				
APPLICABLE PERIOD: The grant budget line-item amounts below shall be applicable only to expense incurred during the period beginning DATE, and ending DATE.				
	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
	Salaries ²	0.00	0.00	0.00
	Benefits & Taxes	0.00	0.00	0.00
	Professional Fee, Grant & Award ²	0.00	0.00	0.00
	Supplies	0.00	0.00	0.00
	Telephone	0.00	0.00	0.00
	Postage & Shipping	0.00	0.00	0.00
	Occupancy	0.00	0.00	0.00
	Equipment Rental & Maintenance	0.00	0.00	0.00
	Printing & Publications	0.00	0.00	0.00
	Travel, Conferences & Meetings ²	0.00	0.00	0.00
	Interest ²	0.00	0.00	0.00
	Insurance	0.00	0.00	0.00
	Specific Assistance To Individuals ²	0.00	0.00	0.00
	Depreciation ²	0.00	0.00	0.00
	Other Non-Personnel ²	0.00	0.00	0.00
	Capital Purchase ²	0.00	0.00	0.00
	Indirect Cost (% and method)	0.00	0.00	0.00
	In-Kind Expense	0.00	0.00	0.00

	GRAND TOTAL	0.00	0.00	0.00
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¹ Each expense object line-item is defined by the U.S. OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E Cost Principles* (posted on the Internet at: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E>) and CPO Policy 2013-007 (posted online at <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html>).² Applicable detail follows this page if line-item is funded.

**DRUG-FREE WORKPLACE CONTRACT
TERM**

REQUEST: Add the following to the GR Template:

Drug-Free Workplace.

Add the following Section as appropriate:

- E. #. Drug-Free Workplace. The Grantee shall provide a drug-free workplace pursuant to the Drug-Free Workplace Act of 1988, Title 41 U.S.C. §§ 701, *et seq.*, and the regulations in Title 41 U.S.C.A. §§ 8101 through 8106.

**POLICY NUMBER 2013-007 GRANT
MANAGEMENT AND SUBRECIPIENT
MONITORING POLICY AND
PROCEDURES**

REQUEST: Revise CPO Policy Number 2013-007 Grant Management and Subrecipient Monitoring Policy and Procedures as follows:

12. Central Database.

The Central Database is a resource to be utilized by Grantees and State Agencies, allowing them to enter all information required in the End of Fiscal Year Form and the Information for Audit Purposes Form.

The Cognizant State Agency of each Grantee shall be responsible for verifying that the Grantee has input all required information and that all information in the Central Database is correct.

**ORAL PRESENTATIONS OR FIELD
TESTS OPTION RFP AND RFQ
TEMPLATES**

REQUEST: Add the following additional instructional text to all of the optional text regarding Oral Presentation or Field Test in the RFP & RFQ Template/Various Options/Points/No Points options:

Option: Oral Presentation or Field Test Points – Example 1.

The procuring state agency must maintain an accurate record of each Respondent’s oral presentation or Field Test session such that all pertinent dialogue between Proposal Evaluation Team members, technical advisers, and Respondents shall be reduced to writing or otherwise memorialized. Procurement Professionals should consider using a court reporter, video recording, or audio recording to memorialize the oral presentation or Field Test.

Insert the following as sections 5.2.1.5., *et seq.* (and renumber current section 5.2.1.5. accordingly) if an Oral Presentation or Field Test is required.

5.2.1.5. The Solicitation Coordinator will invite each apparently responsive and responsible Respondent to make a(n) **Oral Presentation or Field Test**.

5.2.1.5.1. The **Oral Presentations or Field Tests** are mandatory. The Solicitation Coordinator will schedule Respondent **Presentations or Field Tests** during the period indicated by the RFP Section 2, Schedule of Events. The **Oral Presentations or Field Tests** will be for a duration of **insert time in hours and minutes**. Respondents should leave time for potential questions from evaluators. The **Oral Presentations or Field Tests** will be held **virtually/in-person**. Any additional details regarding the Oral Presentation or Field Test will be provided by the Solicitation Coordinator at the time of scheduling. The Solicitation Coordinator will make every effort to accommodate each Respondent’s schedules. When the Respondent **Presentation or Tests** schedule has been determined, the Solicitation Coordinator will contact Respondents with the relevant information as indicated by RFP Section 2, Schedule of Events.

Option: Oral Presentation or Field Test No Points – Example 2.

The procuring state agency must maintain an accurate record of each Respondent’s Oral Presentation or Field Test session such that all pertinent dialogue between Proposal Evaluation Team members, technical advisers, and Respondents shall be reduced to writing or otherwise memorialized. Procurement Professionals should consider using a court reporter, video recording, or audio recording to memorialize the Oral Presentation or Field Test.

Insert the following optional language as sections 5.2.1.5., *et seq.* (and renumber current section 5.2.1.5. accordingly) if an Oral Presentation or Field Test is proposed.

5.2.1.5. The Solicitation Coordinator will invite each Respondent, who is apparently responsive and responsible, to make an **Oral Presentation or Field Test**.

5.2.1.5.1. The **Oral Presentations or Field Tests** are mandatory. The Solicitation Coordinator will schedule Respondent

Presentation or Field Test during the period indicated by the RFP Section 2, Schedule of Events. The **Oral Presentations or Field Tests** will be for a duration of **insert time in hours and minutes**. Respondents should leave time for potential questions from evaluators. The **Oral Presentations or Field Tests** will be held **virtually/in-person**. Any additional details regarding the Oral Presentation or Field Test will be provided by the Solicitation Coordinator at the time of scheduling. The Solicitation Coordinator will make every effort to accommodate each Respondent's schedules. When the Respondent **Presentations or Field Tests** schedule 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 or Field Tests** 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 or Field Tests** provide an opportunity for Respondents to explain and clarify their responses and for the State to test to better understand the practical application of the good or service as applicable. Respondents must not materially alter their responses and **Presentations or Field Tests** will be limited to addressing the items detailed in RFP Attachment 6.2., Technical Response & Evaluation Guide. Respondent pricing shall not be discussed during **Oral Presentations or Field Tests**. Evaluators may adjust Respondents' Technical Response scores based on **Oral Presentations or Field Tests**.

5.2.1.5.4. The State will maintain an accurate record of each Respondent's **Oral Presentations or Field Tests** session. The record of the Respondent's **Oral Presentations or Field Tests** shall be available for review when the State opens the procurement files for public inspection.

RFQ Template:

Add the following as sections 5.2. if an Oral Presentation or Field Test is required and will be an evaluation category.

5.2.1. The Solicitation Coordinator will invite each apparently responsive and responsible Respondent who passed the Phase 1 evaluation to make a(n) **Oral Presentation or Field Test**.

5.2.1.1. The **Oral Presentations or Field Tests** are mandatory. The Solicitation Coordinator will schedule Respondent **Presentations or Field Tests** during the period indicated by the RFQ Section 2, Schedule of Events. The **Oral Presentations**

or Field Tests will be for a duration of insert time in hours and minutes. Respondents should leave time for potential questions from evaluators. The Oral Presentations or Field Tests will be held virtually/in-person. Any additional details regarding the Oral Presentation or Field Test will be provided by the Solicitation Coordinator at the time of scheduling. The Solicitation Coordinator will make every effort to accommodate each Respondent's schedules. When the Respondent Presentation or Tests schedule has been determined, the Solicitation Coordinator will contact Respondents with the relevant information as indicated by RFQ Section 2, Schedule of Events.

- 5.2.1.2. Respondent Presentations or Tests 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.
- 5.2.1.3. Oral Presentations or Field Tests provide an opportunity for Respondents to explain and clarify their responses and for the State to test to better understand the practical application of the good or service as applicable. Respondents must not materially alter their responses and Presentations or Field Tests will be limited to addressing the items detailed in RFQ Technical Response & Evaluation Guide. Respondent pricing shall not be discussed or provided during Oral Presentations or Field Tests.
- 5.2.1.4. The State will maintain an accurate record of each Respondent's Oral Presentation or Field Test session. The record of the Respondent's Oral Presentation or Field Test 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 or Field Test in accordance with the RFQ Attachment C., Technical Response & Evaluation Guide.
- 5.2.1.5.6. The Solicitation Coordinator will calculate and document the average of the Proposal Evaluation Team member scores for RFQ Attachment C., Technical Response & Evaluation Guide, and record that number as the score for Respondent's Technical Response section.

**BUILD-AMERICA-BUY-AMERICA
("BABA")**

REQUEST: Add the following to the FA and Configurator

Buy America Provision

Add the following provision as appropriate.

E.#. Buy America Provision. As required by Section 70914 of the Infrastructure Investment and Jobs Act (Pub. L. 117-58), on or after May 14, 2022, none of the funds under a federal award that are part of a Federal financial assistance program for infrastructure may be obligated for a project unless all the iron, steel, manufactured products, and construction materials used in the project are produced in the United States, unless subject to an approved waiver.

None of the funds provided under this award may be used for a project for infrastructure unless:

- a. All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States,
- b. All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation, and
- c. All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

This Buy America preference only applies to articles, materials, and supplies consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, used at or within the finished structure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

TITLE VI COMPLIANCE

REQUEST: Add the following to the GR and GG Templates:

- E. #. Title VI Compliance. Grantee shall comply with requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d-1, pursuant to the guidelines established by the Tennessee Human Rights Commission's Title VI Compliance Office, by completing all of the following items:
- a. Provide name and contact information of Grantee's Title VI Coordinator to State.
 - b. Ensure Policies and Procedures Manual contains a Title VI section with information on:
(a) Filing a complaint; (b) Investigations; (c) Report of findings; (d) Hearings and appeals;
(e) Description of Title VI Training Program; (f) Limited English Proficiency (LEP) procedure; and (g) Retaliation.
 - c. Train all staff (regular, contract, volunteer) on Title VI upon employment and annually thereafter. Training documentation shall be made available upon request of State, and include: 1) dates and duration of each training; 2) list of staff completing training on each date.
 - d. Annually complete and submit a Title VI self-survey as supplied by State.
 - e. Implement a process and provide documentation to ensure service recipients are informed of Title VI and how to file a discrimination complaint.

Additional Title VI resources may be found at: <Insert Current Hyperlink to State Agency Resources e.g., <https://sos.tn.gov/TitleVI>>

D.12. PUBLIC ACCOUNTABILITY

**REQUEST: Revise D.12. Public Accountability contract term in the Endowment Grant (GE) Model
as follows:**

a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

NEW BUSINESS

PRODUCT LIABILITY INSURANCE

REQUEST: Add the following as a new insurance option to the FA Template:

Option 9: Product Liability Insurance

Add the following Product Liability coverage if applicable. Product Liability Insurance protects against financial loss or legal liability caused by a faulty product as the result of a design defect, manufacturing flaw, or misleading, defective warning instructions. This type of insurance provides financial assistance to cover an injured party's medical costs that arise from the use of the product and other financial assistance to cover legal fees, settlements, compensatory damages, punitive damages and economic or business damages that may result from a lawsuit.

j. Product Liability Insurance

- 1) The Contractor shall maintain Product Liability/Completed Operations Insurance, which shall be written on an occurrence basis. This insurance shall cover compensation when someone is injured or their particular property is damaged by a product that Contractor has sold or manufactured, including the cost of legal action, or if the injury or damage arises from a Completed Operation by the Contractor. The injured person does not need to be the user or buyer to make a claim.
- 2) Insurance must be maintained, and evidence of insurance must be provided for at least five (5) full years from the date of the final Contract payment.
- 3) Coverage can be written on a claims made basis provided that the retroactive date is on or prior to the Contract Effective Date, and if coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date on or prior to the Contract Effective Date. The Contractor must purchase "extended reporting" or "tail coverage" for a minimum of five (5) full years from the date of the final Contract payment and
- 4) Any Product Liability/Completed Operations insurance policy shall have a limit not less than **two million dollars (\$2,000,000)** per claim and **four million dollars (\$4,000,000)** in the aggregate. The full limit can be provided by an Umbrella/Excess Liability insurance policy that follows the form of the Products/Completed Operations policy.

**CLICK-WRAP APPROVAL REQUEST –
REVISED**

Click-wrap Agreement Approval Request

Procurement professionals should use this document to seek approval to enter or renew a click-wrap agreement associated with a proposed purchase that is greater than \$.01 and equal to or less than \$10,000. This Request will typically be utilized for licenses of software, internet-based services, or computer services. See sections 4.1. and 5.15.3.3. of the [Procurement Procedures Manual of the Central Procurement Office](#) for more information about click-wrap agreements. THIS DOCUMENT CANNOT BE USED TO MODIFY, AMEND, OR SUPPLEMENT AN EXISTING CONTRACT. A Special Contract Request is not required for any click-wrap agreement with a proposed purchase value that is greater than \$.01 and equal to or less than \$10,000. For new click-wrap agreements, submit a copy of the proposed click-wrap agreement, license agreement or terms of use, the quote you were provided (if applicable), a copy of the State’s Contract Rider with proof it was sent to and agreed to by the Contractor, and a completed Click-wrap Agreement Approval Request in Edison as a Click-wrap e-Form. For additional guidance, please see:

- The e-Forms Job Aid that is available online at the following: <https://www.teamtn.gov/cpo/learning-development/cpo-job-aids.html>.
- The State’s Contract Rider Template (agreed to by the contractor). Please make sure to use the most recent version of the State’s Contract Rider, available on TEAM TN at the following: <https://www.teamtn.gov/cpo>.
- The Letter of Adhesion (“LOA”) Template, that the State Agency must complete and send to the Contractor IF: (1) the Supplier does NOT agree to the State’s Contract Rider and (2) Sensitive State Data (e.g., Personally Identifiable Information, Patient Information protected by HIPAA, State or federal tax information under IRC § 1075, Educational Data under FERPA, etc.) is **NOT** involved. Please make sure to use the most recent version of the State’s LOA Template, available on TEAM TN at the following: <https://www.teamtn.gov/cpo>

If Contractor doesn’t agree to State’s Rider AND Sensitive State Data is involved, the State cannot proceed with the Click-Wrap request.

If this is a renewal, please also include a copy of the previously approved click-wrap agreement. Approved Click-Wrap Agreement Requests and supporting documents (including email confirmation that the State Agency sent the Contract Rider and that it was agreed to by the Contractor. In the event of a click-wrap agreement not involving sensitive data, the requesting agency must send a Letter of Adhesion if the contractor declines the State’s Rider.

APPROVED*		APPROVED	
[Upload this Click-Wrap Agreement Approval Request to e-Forms in Edison. Approval will be captured in Edison Workflow.]		[Upload this Click-Wrap Agreement Approval Request to e-Forms in Edison. Approval will be captured in Edison Workflow.]	
CENTRAL PROCUREMENT OFFICE	DATE	STRATEGIC TECHNOLOGY SOLUTIONS	DATE

* The Agency signatory must have signing authority. Please sign and: (1) send directly to the Contractor at the Contractor’s email address; (2) retain a copy for your records; and (3) upload a copy of the signed Rider; (4) and in the case where the Contractor declines the State’s rider and the click-wrap agreement does not involve sensitive State data, a copy of the LOA sent to the contractor; and (5) this Click Wrap Approval Request document into Edison.

If the proposed Click Wrap Agreement Request is stamped DENIED an accompanying explanation will be provided in the box labelled “Denial Explanation” located at the bottom of this form, which may contain additional instructions.

Agency Tracking #	
1. Procuring Agency	
2. Agency Contact (Include name, email address and phone number)	

3. Contractor Name and ID # (Also include both the developer and the reseller if obtaining via a third party)	
4. Contractor Contact (Include name and email address to where proposed changes can be sent. If buying from a reseller, please provide the reseller contact information.)	
5. Click-wrap agreement's proposed Effective Date (This is the anticipated date for entering into the click-wrap agreement.)	
6. Click-wrap agreement's proposed End Date	
7. Name and description of goods or services (Please be specific, i.e. what the product will be used for, whether anything will be downloaded onto State servers or whether data will be transmitted to third parties).	
8. Are these goods or services currently available on a statewide or agency term contract? If YES, please explain why the current contract is not being used for this procurement.	<input type="checkbox"/> NO <input type="checkbox"/> YES,
9. Maximum Contract Cost – with ALL options to extend exercised. Note: the Click-Wrap Approval process shall not be used if the Maximum Contract Cost is over \$10,000.	\$
10. Sensitive Data Involvement - If none, select N/A. If yes, please provide the type of data involved (e.g., HIPAA, Payment Card Industry (PCI), Federal Tax Information (FTI), Family Educational Rights and Privacy Act (FERPA), Federal Information Security Management Act (FISMA), Criminal Justice Information Services (CJIS), Center for Medicare and Medicaid (CMS), Social Security Administration (SSA), or Personally Identifiable Information (PII)).	<input type="checkbox"/> N/A <input type="checkbox"/> YES,
11. Additional STS Approvals – Please identify any STS Exception Requests that have been submitted for this product/service. If this does not apply to your request, please leave blank.	(1) Exception Request # (2) Date submitted (3) Current Status (circle one) [Planned] [In Progress] [Completed]
For Renewals Only	

<p>Confirm that there is a valid renewal option remaining in the contract and confirm that there has been no other change to the agreement’s terms and conditions. – If there is not a valid renewal or extension option remaining in the agreement, submit as a new click-wrap agreement or contract instead. (Note: the term cannot exceed sixty (60) months without an approved Rule Exception Request and Contract Amendment.)</p>	<p>Confirm that all necessary due diligence has been performed and it is in the State’s best interest to renew or extend the contract. – Considering such items as contractor performance, pricing, etc.</p>	<p>Confirm this renewal or extension does not increase the total dollar value above amounts approved (i.e., total dollar amount of purchase between \$0.01 - \$10,000).</p>
<p>YES <input type="checkbox"/></p>	<p>YES <input type="checkbox"/></p>	<p>YES <input type="checkbox"/></p>
<p>Denial Explanation (for CPO/STS use only)</p>		
Empty space for denial explanation		

**CONTRACT RIDER FOR CLICK-WRAPPS
– NEW**

CLICK-WRAP AGREEMENTS CONTRACT RIDER TEMPLATE

Procurement professionals shall complete text fields and follow, replace, or otherwise address red instructional text (e.g., **State Agency Name**, **amount**, **will/will not**) as indicated with appropriate font and color.

Add clear, non-conflicting terms and conditions as appropriate. Terms that are included in the FA (fee for goods or services) Template may be added and re-numbered as appropriate. Please refer to TEAM TN for the most recent version of the FA Template for optional terms and conditions.

**STATE OF TENNESSEE
CONTRACT RIDER
STATE AGENCY NAME
AND
CONTRACTOR LEGAL ENTITY NAME**

This Contract Rider, by and between the State of Tennessee, **State Agency Name** ("State") and **Contractor Legal Entity Name** ("Contractor") is part of the contract described below:

Contract Reference:

1. Conflicting Terms and Conditions. In the event of a conflict between any of the terms and conditions in this State of Tennessee Contract Rider and any other click-wrap agreement, the terms and conditions in this State of Tennessee Contract Rider will prevail and any other terms and conditions shall be subordinate.
2. Total Click-Wrap Agreement Amount. In no event shall the liability of the State under this click-wrap agreement exceed the Total click-wrap agreement amount.
3. Term of Click-Wrap Agreement. The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date. In no event shall the Term of the click-wrap agreement exceed sixty months.
4. Modification, Amendment or Change Order. This click-wrap agreement may be modified only by a written amendment or change order signed by the State and the Contractor.
5. Limitation of Liability. The State shall have no liability except as specifically provided in this click-wrap agreement. In no event shall 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, money, 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. The State's total liability under this click-wrap agreement or otherwise shall under no circumstances exceed the Total Click-Wrap Agreement Amount.
6. Limitation of Contractor's Liability. The Contractor's liability for all claims arising under this click-wrap agreement shall be limited to an amount equal to two (2) times the total click-wrap agreement amount. In no event shall this Section limit the Contractor's liability for intentional torts, criminal acts, fraudulent conduct, or omissions that result in personal injuries or death.
7. Termination for Cause or Convenience. If the Contractor fails to properly perform its obligations under this click-wrap agreement in a timely or proper manner, or if the Contractor materially violates any terms of this click-wrap agreement ("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 click-wrap agreement. Notwithstanding the foregoing, the State reserves the right to terminate this agreement at any time giving thirty days written notice.
8. Subject to Funds Availability. The State's payment of this click-wrap agreement is subject to the appropriation and availability of State or federal funds. In the event that funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this click-wrap

agreement, effective immediately, upon written notice to the Contractor. If the State terminates this click-wrap agreement 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.

9. Payment. 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.
10. 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 click-wrap agreement 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.
11. 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 click-wrap agreement, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract. Contractor does hereby attest, certify, warrant, and assure that it shall not knowingly utilize the services of an unauthorized immigrant in the performance of this Agreement and shall not knowingly utilize the services of a subcontractor who will utilize the services of an unauthorized immigrant in the performance of this Agreement.
12. 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 click-wrap agreement.
13. 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.
14. 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 click-wrap agreement. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this click-wrap agreement arising from a Force Majeure Event is not a default under this click-wrap agreement 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 click-wrap agreement is not a Force Majeure Event under this click-wrap agreement. 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 click-wrap agreement 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 click-wrap agreement as the result of a Force Majeure Event.

15. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the provision of goods or services under this click-wrap agreement.
16. Governing Law. This click-wrap agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. 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 click-wrap agreement. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this click-wrap agreement shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 through 9-8-407.
17. Prohibited Contract Terms. The prohibited contract terms and conditions enumerated in Tenn. Code Ann. § 12-3-515, shall be a material provision of this click-wrap agreement. 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 click-wrap agreement shall be enforceable as if the click-wrap agreement did not contain such term or condition.
18. Entire Agreement. This Contract Rider and Click-Wrap Agreement contains the entire understanding between the State and the Contractor relating to this subject matter. This Contract Rider supersedes any and all prior understandings, representations, negotiations, and agreements between the State and the Contractor, whether written or oral, regarding the express terms of this Contract Rider.
19. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons with investment activities in Iran, shall be a material provision of this Contract Rider. The Contractor agrees, 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.
20. Federal Awards Procurement Standards. If applicable, Contractor agrees to comply with the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards including, but not limited to the Procurement Standards at 2 C.F.R. §§ 200.317 to 200.327.

21. Boycott of Israel. The Contractor certifies that it is not currently engaged in, and covenants that it will not, for the duration of the click-wrap agreement, engage in a Boycott of Israel, as that term is defined in Tenn. Code Ann. § 12-4-119.
22. Hold Harmless / Indemnity. Contractor agrees to indemnify and hold harmless the State 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 Contractor, its employees, or any person acting for or on its or their behalf relating to this Agreement. 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 Agreement. 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 Contractor of its obligations under this Section to the extent that Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant 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.
23. Intellectual Property Indemnity. Contractor agrees to indemnify and hold harmless the State, 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, Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and 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 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 Contractor, through its attorneys, the right to represent the State in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

Data Security Related Terms – The following are required only if applicable:

24. Contractor Hosted Services.

To the extent that Contractor shall have access to “Confidential State Data”, Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data. Contractor agrees to limit its support to onshore (US-based) sources. Confidential State Data is defined as State data deemed confidential by State or Federal statute or regulation. Contractor shall protect Confidential State Data as follows:

Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data

Contractor shall encrypt Confidential State Data at rest and in transit using the current version of Federal Information Processing Standard (“FIPS”) 140-2 validated encryption technologies.

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”) 2 Type II audit. The State shall approve the SOC audit control objectives. 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 2 Type II audit report upon request. Upon State request, the Contractor shall submit corrective action plans to the State for any specific issues included in the audit report within 30 days after the State’s request.

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 Contractor’s computer system, with the purpose of discovering security weaknesses that 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. Contractor shall allow the State, at its option, to perform Penetration Tests and Vulnerability Assessments on the Processing Environment.

Upon State request, 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. Upon expiration of the Agreement, and in consultation with the State, Contractor shall destroy all Confidential State Data it holds in accordance with the current version of the National Institute of Standards and Technology (“NIST”) Special Publication 800-88. Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction. Contractor may maintain Confidential State Data it holds in its archives or backups, and such Confidential State Data shall be purged in accordance with Contractor’s backup lifecycle policies, provided that the requirements of this Section shall survive for as long as the Contractor holds State Data.

Minimum Requirements.

Contractor and all of its data centers used to host State data, including those of any subcontractors, must comply with, shall implement, and maintain privacy and security controls that follow the guidelines set forth in NIST 800-53, “Security and Privacy Controls for Federal Information Systems and Organizations,” as amended from time to time. Contractor shall meet annually, or as otherwise agreed, with the State to review the implementation of this Section. A “System Security Plan (SSP)” is required whether a vendor has FedRAMP, ISO27001, or SOC 2 Type II.

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.

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.

Comptroller Audit Requirements.

To the extent that Contractor or any subcontractors will host State services or State data in the cloud (e.g., SaaS, IaaS, PaaS) the following shall apply:

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.

Business Continuity Requirements.

Contractor shall maintain set(s) of documents, instructions, and procedures which enable 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:

"Disaster Recovery Capabilities" refer to the actions Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:

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: 24 Hours.

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: 24 Hours.

Contractor and its subcontractors 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 Contractor verifying that 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. Contractor shall provide written confirmation to the State after each Disaster Recovery Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.

Confidentiality.

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 Contractor by the State or acquired by 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 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 materials or information in conformance with applicable state or federal law. The obligations set forth in this section shall survive the termination of this Agreement. All obligations regarding Confidential Information are subject to the requirements of the Tennessee Public Records Act.

FERPA and DATAA.

To the extent, Contractor may have access to educational records and student information, Contractor shall comply with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232(g)) and its accompanying regulations (34 C.F.R. § 99) (“FERPA”). Contractor warrants that it is familiar with FERPA requirements and that it will comply with these requirements in the performance of its duties herein. Contractor agrees to cooperate with the State, as required by FERPA, in the performance of its duties for the State. Contractor agrees to maintain the confidentiality of all education records and student information. Contractor shall only use such records and information for the exclusive purpose of performing its duties under this Agreement. The obligations set forth in this Section shall survive the termination of this Agreement. Contractor shall also comply with Tenn. Code Ann. § 49-1-701, *et seq.*, known as the “Data Accessibility, Transparency and Accountability Act,” and any accompanying administrative rules or regulations (collectively “DATAA”). Contractor agrees to maintain the confidentiality of all records containing student and de-identified data, as this term is defined in DATAA, in any databases, to which the State has granted Contractor access, and to only use such data for the exclusive purpose of performing its duties under this Agreement. Any instances of unauthorized disclosure of data containing personally identifiable information in violation of FERPA or DATAA that come to the attention of the Contractor shall be reported to the State within twenty-four (24) hours. Contractor shall indemnify and hold harmless State, its employees, agents and representatives, from and against any and all claims, liabilities, losses, or causes of action that may arise, accrue, or result to any person or entity that is injured or damaged as a result of Contractor’s failure to comply with this section.

HIPAA Compliance.

To the extent Contractor has access to patient data, Contractor shall comply with its 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”). These obligations shall survive the termination of this Agreement. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements. 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 its performance so that both parties will follow the Privacy Rules. 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 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. 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.

Internal Revenue Publication 1075.

IRS 1075 provides safeguards for protecting Federal Tax Information (“FTI”) at all points where it is received, processed, stored, and maintained. It applies to federal, state, and local agencies with whom IRS shares FTI, and it defines a broad set of management, operations, and technology specific security controls that must be in place to protect FTI. To protect FTI, IRS 1075 prescribes security and privacy controls for application, platform, and datacenter services. For instance, it prioritizes the security of datacenter activities, such as the proper handling of FTI, and the oversight of datacenter contractors to limit entry. To ensure that government agencies receiving FTI apply those controls, the IRS established the Safeguards Program, which includes periodic reviews of these agencies and their contractors. For more information. Contractor must use the State’s Cloud Tenant which is AWS certified Federal Risk and Authorization Management Program (“FedRAMP”). Contractor shall meet all applicable requirements of the most current version of IRC 1075.

Personally Identifiable Information.

To the extent Contractor may have access to Personally Identifiable Information (“PII”) held by the State while performing its obligations under this Agreement, Contractor shall comply with all applicable laws, rules and regulations. “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 Agreement, 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 Upon termination or expiration of the Agreement or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall timely return to the State any and all PII which it has received under this Agreement and shall destroy all records of such PII subject to retention of such records within Contractor backups per Contractor backup lifecycle policies and procedures. 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 attention of Contractor. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. Contractor shall bear the cost of legally required 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 Agreement or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Agreement.

Prohibited Contractual Terms.

Contractor recognizes that Tennessee Code Annotated § 12-3-515, provides that the State cannot enter into a Contract that requires:

The State to defend, indemnify, or hold harmless another party;

Assume liability for an act or omission against a person, except as specifically provided in a contract or otherwise provided by law;

Be bound by terms and conditions that are unknown to the State at the time of signing such contract or that may be unilaterally changed by another party;

Pay liquidated damages;

Pay taxes, except as may be required by law;

In litigation about a term of a contract, permit a person other than the attorney general and reporter to serve as legal counsel for the State or other governmental entity, except as provided in § 8-6-106;

Establishes the venue for an action or dispute with this State or a State governmental entity in a jurisdiction other than the Tennessee Claims Commission, Chancery Courts of Williamson County and federal courts in this State;

Provides that the contract must be construed in accordance with the laws of a state other than this state;

Requires binding arbitration; or

Contains an automatic renewal obligating state funds subsequent to the initial term of the contract.

Contractor: _____

Signature

Name and Title

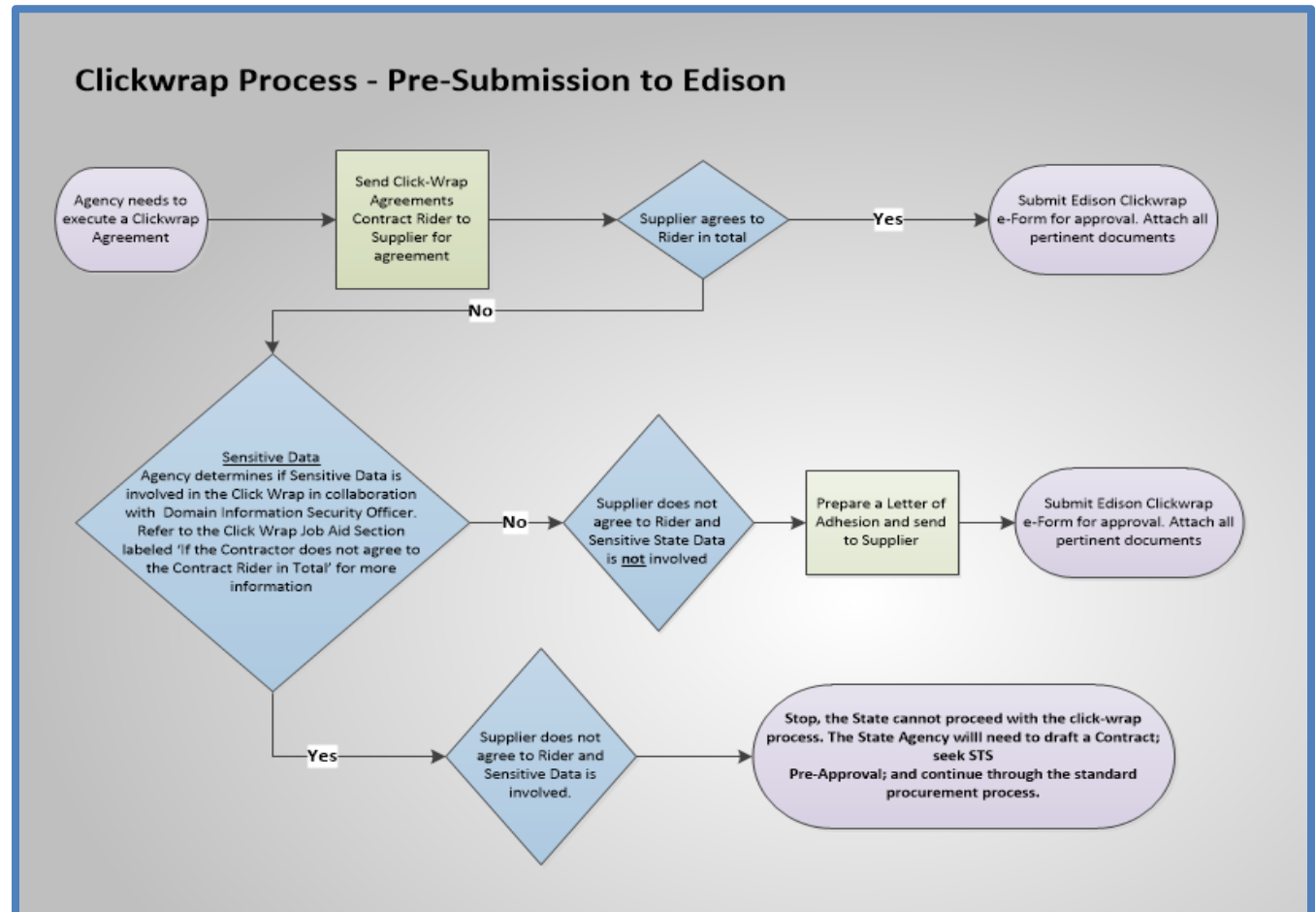
Date

LETTER OF ADHESION – NEW

LETTER OF ADHESION (“LOA”) TEMPLATE FOR USE WITH AGENCY CLICK-WRAP AGREEMENTS

There are some instances where a State Agency must purchase goods or services between \$.01 and \$10,000 for Click-Wrap Agreements and the Contractor will not agree to the State’s terms and conditions. Please see decision points below to determine if a LOA is applicable.

- Total Contract Value between \$.01 and \$10,000 (No procurement shall be artificially divided or split to fall within such amounts).
- Due diligence performed (such as benchmarking of pricing, ensuring that terms, conditions, and pricing are in the State’s best interests. Note all due diligence performed by procurement professionals must be documented for small purchases from \$5,000.01 to \$10,000.)
- Goods or services not available from an existing Statewide Contract or Agency Term Contract (if so, prior Chief Procurement Officer approval must be obtained).
- Procurement professionals are encouraged to use competitive methods whenever practicable.
- If the State Agency must execute a click-wrap agreement, the first step is to send the State’s Rider (terms and conditions) to the Contractor. See Click-Wrap Agreements Contract Rider Template on Team TN (Resources > Formal Request Documents).
- If the Contractor doesn’t agree to the State’s Rider, then the State Agency must complete and send a letter of adherence (“LOA”) to the Contractor, but ONLY IF: (1) the Supplier does NOT agree to the State’s Contract Rider and (2) Sensitive State Data is NOT involved.
- If Sensitive State Data is involved, then the click-wrap request is deemed denied and the State Agency must NOT continue with the Click-Wrap approval process. Please see diagram below for more details:



Agency Letterhead

Date

Contractor Name

Attn: _____

Sent via email to:

Address

RE: Terms & Conditions

The State of Tennessee has issued you the State's Rider as a condition for providing services to the State. Your organization has declined to accept the State's Rider. Your organization's click-wrap agreement or contract contains terms and conditions that contravene Tennessee law or State contract policy. A number of these prohibited terms are detailed below:

- Contractual Terms and Conditions prohibited for State Governmental Entity under Tenn Code Ann. § 12-3-515:
 - The State cannot:
 - Defend, indemnify, or hold harmless another person;
 - Assume liability for an act or omission against a person, except as specifically provided in the contract or as otherwise provided by law;
 - Be bound by terms and conditions that are unknown to this state at the time of signing such contract or that may be unilaterally changed by another party;
 - Pay liquidated damages; or
 - Pay taxes, except as may be required by law;
 - In litigation about a term of the contract, permits a person, other than the attorney general and reporter, to serve as legal counsel for this state or a state governmental entity, except as provided in § 8-6-106;
 - Establishes the venue for an action or dispute with this state or a state governmental entity in a jurisdiction other than the Tennessee claims commission, the chancery courts of Williamson County, and federal courts in this state;
 - Provides that the contract must be construed in accordance with the laws of a state other than this state;
 - Requires binding arbitration; or
 - Contains an automatic renewal obligating state funds after the initial term of the contract; or
 - A limitation of liability for all claims greater than the click-wrap agreement. Any Limitation of Contractor's Liability must comply with Tenn. Code Ann. § 12-3-701.
 - The State calls your attention to its Limitation of Liability provision which states:
- Limitation of State's Liability. The State shall have no liability except as specifically provided in the Contract. In no event will the State be liable to the Vendor 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 under the Contract. This limitation of liability is cumulative and not per incident.

Since the purchase is required by the Department and effectively the sole source for the procurement, the State has no alternative but to consider the agreement a contract of adhesion to which the State enters from necessity.

Procuring State Agency Authorized Signature

Attachments: State of TN Contract Rider

INFORMATION TECHNOLOGY SECURITY REQUIREMENTS

REQUEST: Delete the current “Contractor Hosted Services Requirements and Confidential Data Options” optional contract language with the following, in all applicable templates and models (replacing “Contractor” with “Grantee” and “Contract” with “Grant Contract” as applicable):

Information Technology Security Requirements

STS Endorsement Required:

If the Contract includes information technology as a component of the scope of service or processing data, a STS Pre-Approval Endorsement is requirement (regardless of dollar value). Procurement Professionals should review the STS Endorsement to see what additional language is required and must include that language accordingly. Please visit, <https://www.teamtn.gov/sts/planning-services/information-systems-planning/endorsement-request.html>, for more information regarding the STS Endorsement process.

Comptroller Audit Requirements Option

If the contract will allow a Contractor or Subcontractor to host State services or State data in the cloud (e.g., Software as a Service (SaaS), Infrastructure as a Service (IaaS), Platform as a Service (PaaS)), then follow the instructions as described in the various options below. Include this section if the Contractor or Subcontractor will be hosting State services or State data in the cloud (e.g., SaaS, IaaS, PaaS) or the STS Pre-Approval Endorsement lists this optional language as a condition:

Please direct any questions regarding these requirements to the Comptroller’s Office, Office of Management Services.

E.#. Comptroller Audit Requirements.

When requested by the State or the Comptroller of the Treasury, the Contractor must provide the State or the Comptroller of the Treasury with a detailed written description of the Contractor’s information technology control environment, including a description of general controls and application controls. The Contractor must also assist the State or the Comptroller of the Treasury with obtaining a detailed written description of the information technology control environment for any third or fourth parties, or Subcontractors, used by the Contractor to process State data and/or provide services under this Contract.

Contractor will maintain and cause its Subcontractors to maintain a complete audit trail of all transactions and activities in connection with this Contract, including all information technology logging and scanning conducted within the Contractor’s and Subcontractor’s information technology control environment. Upon reasonable notice and at any reasonable time, the Contractor grants the State or the Comptroller of the Treasury with the right to audit the Contractor’s information technology control environment, including general controls and application controls. The audit may include testing the general and application controls within the Contractor’s information technology control environment and may also include testing general and application controls for any third or fourth parties, or Subcontractors, used by the Contractor to process State data and/or provide services under this Contract. The audit may include the Contractor’s and Subcontractor’s compliance with the State’s Enterprise Information Security Policy and all applicable requirements, laws, regulations, or policies.

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

The Contractor must have a process for correcting control deficiencies that were identified in the State's or Comptroller of the Treasury's information technology audit. For any audit issues identified, the Contractor and Subcontractor(s) shall submit a corrective action plan to the State or the Comptroller of the Treasury which addresses the actions taken, or to be taken, and the anticipated completion date in response to each of the audit issues and related recommendations of the State or the Comptroller of the Treasury. The corrective action plan shall be provided to the State or the Comptroller of the Treasury upon request from the State or Comptroller of the Treasury and within 30 days from the issuance of the audit report or communication of the audit issues and recommendations. Upon request from the State or Comptroller of the Treasury, the Contractor and Subcontractor(s) shall provide documentation and evidence that the audit issues were corrected.

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

General Instructions:

The Information Technology Security Requirements language applies and should be used if any of the following circumstances occur:

- (1) Data residency
 - a. Contractor/vendor hosted – Contractor/vendor hosts State Data on a third-party server, such as the contractor's own servers or those of a third-party hosting company.
 - b. Contractor/vendor stored – Contractor/vendor stores State Data on removable media, workstation, or vendor device.
- (2) Contractor/vendor access to State Data – Contractor/vendor accesses State Data, including accessing within a State environment/tenant.
- (3) Contractor/vendor transmits, displays, and transfers State Data – Contractor/Vendor transmits, displays, or transfers State Data from the State tenants, including via email, messaging, and presentation applications like Teams, Slack, Google Meet, Zoom, etc.

Please direct any questions regarding these requirements to STS, Security Area. Direct any questions regarding the types of Confidential State Data to STS, Security Area. Please direct any questions regarding Section E.#.c. **Business Continuity and Disaster Recovery**, to the following contact: AG_DR@tn.gov.

E.#. Information Technology Security Requirements (State Data, Audit, and Other Requirements).

a. The Contractor shall protect State Data as follows:

- (1) The Contractor shall ensure that all State Data is housed in the continental United States, inclusive of backup data. All State data must remain in the United States, regardless of whether the data is processed, stored, in-transit, or at rest. Access to State data shall be limited to US-based (onshore) resources only.

All system and application administration must be performed in the continental United States. Configuration or development of software and code is permitted outside of the United States. However, software applications designed, developed, manufactured, or supplied by persons owned or controlled by, or subject to the jurisdiction or direction of, a foreign adversary, which the U.S. Secretary of Commerce acting pursuant to 15 CFR 7 has defined to include the People's Republic of China, among others are prohibited. Any testing of code outside of the United States must use fake data. A copy of production data may not be transmitted or used outside the United States.

- (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 (or 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 any Subcontractor used by the Contractor to host State data, including data center vendors, shall be subject to an annual engagement by a licensed 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") 2 Type 2 examination. The scope of the SOC 2 Type 2 examination engagement must include the Security, Availability, Confidentiality, and Processing Integrity Trust Services Criteria. In addition, the Contractor services that are part of this Contract, including any processing or storage services, must be included in the scope of the SOC 2 Type 2 examination engagement(s).
- (4) The Contractor must annually review its SOC 2 Type 2 examination reports. Within 30 days of receipt of the examination report, or upon request from the State or the Comptroller of the Treasury, the Contractor must provide the State or the Comptroller of the Treasury a non-redacted copy of the Contractor's SOC 2 Type 2 examination report(s). The Contractor must review the annual SOC 2 Type 2 examination reports for each of its Subcontractors and must also assist the State or Comptroller of the Treasury with obtaining a non-redacted copy of any SOC examination reports for each of its Subcontractors, including data centers used by the Contractor to host or process State data.

If the Contractor's SOC 2 Type 2 examination report includes a modified opinion, meaning that the opinion is qualified, adverse, or disclaimed, the Contractor must share the SOC report and the Contractor's plan to address the modified opinion with the State or the Comptroller of the Treasury within 30 days of the Contractor's receipt of the SOC report or upon request from the State or the Comptroller of the Treasury. If any Subcontractor(s) SOC 2 Type 2 examination report includes a modified opinion, the Contractor must assist the State or Comptroller of the Treasury with obtaining the Subcontractor(s) SOC report and the Subcontractor(s) plan to address the modified opinion.

The Contractor must have a process for correcting control deficiencies that were identified in the SOC 2 Type 2 examination, including follow-up documentation providing evidence of such

corrections. Within 30 days of receipt of the examination report, or upon request from the State or the Comptroller of the Treasury, the Contractor must provide the State or the Comptroller of the Treasury with a corrective action plan and evidence of correcting the control deficiencies. The Contractor must require each of its Subcontractors, including data centers used by the Contractor to host State data, to have a process for correcting control deficiencies identified in their SOC examination reports and must assist the State or Comptroller of the Treasury with obtaining a corrective action plan and obtaining evidence of correcting control deficiencies identified in Subcontractor(s) SOC reports.

No additional funding shall be allocated for these examinations as they are included in the Maximum Liability of this Contract.

- (5) The Contractor must annually perform Penetration Tests and Vulnerability Assessments against its Processing Environment per the NIST 800-115 definition. "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. The Contractor shall provide a letter of attestation on its processing environment that penetration tests and vulnerability assessments has been performed on an annual basis and taken corrective action to evaluate and address any findings.

In the event of an unauthorized disclosure or unauthorized access to State data, the State Strategic Technology Solutions (STS) Security Incident Response Team (SIRT) must be notified and engaged by calling the State Customer Care Center (CCC) at 615-741-1001. Any such event must be reported by the Contractor within twenty-four (24) hours after the unauthorized disclosure has come to the attention of the Contractor.

- (6) If a breach has been confirmed a fully un-modified third-party forensics report must be supplied to the State and through the STS SIRT. This report must include indicators of compromise (IOCs) as well as plan of actions for remediation and restoration. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures.
- (7) 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
- (8) Upon termination of this Contract and in consultation with the State, the Contractor shall destroy, and ensure all subcontractors 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 always fully compatible with current versions of the Operating System and Application to ensure that security vulnerabilities are not introduced.
- (4) In the event of drive/media failure, if the drive/media is replaced, it remains with the State and it is the State's responsibility to destroy the drive/media, or the Contractor shall provide written confirmation of the sanitization/destruction of data according to NIST 800-88.

c. 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

[NUMBER OF HOURS/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:

[NUMBER OF HOURS/MINUTES]

- (2) The Contractor and the Subcontractor(s) shall maintain a documented Disaster Recovery plan and shall share this document with the State when requested. 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.

Criminal Justice Information Services ("CJIS") Data

The contracting state agency must obtain prior approval from the Tennessee Bureau of Investigation (“TBI”) before contracting for external hosting of CJIS data. Include this optional language if the STS Pre-Approval Endorsement lists this optional language as a condition:

Contractor shall meet all applicable requirements of the most current version of the Criminal Justice Information Services (CJIS) Security Policy.

Option: Federal Tax Information (“FTI”) Data Requirements

Federal Risk and Authorization Management Program (“FedRAMP”)

- (1) If the contract will involve FTI data include all of the General Requirements above, except replace section E.#.a.(3) with the following and add each additional requirement as applicable.

(3) The Contractor shall maintain a Security Management Certification from the Federal Risk and Authorization Management Program (“FedRAMP”). A “Security Management Certification” shall mean written confirmation from FedRAMP that FedRAMP has assessed the Contractor’s information technology Infrastructure, using a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services, and has certified that the Contractor meets FedRAMP standards. Information technology “Infrastructure” shall mean the Contractor’s entire collection of hardware, software, networks, data centers, facilities and related equipment used to develop, test, operate, monitor, manage and/or support information technology services. The Contractor shall provide proof of current certification annually and upon State request. No additional funding shall be allocated for these certifications, authorizations, or audits as these are included in the Maximum Liability of this Contract.

- (1) If the contract will contain FTI data, also add the following sentence to the optional section E.#.a.(3) (FedRAMP) language above. Also include the FTI attachment contained elsewhere in this FA Template.

Contractor shall meet all applicable requirements of the most current version of Internal Revenue Service Publication 1075.

Option: Centers for Medicare and Medicaid Services (“CMS”) Data

As applicable, if the contract will involve CMS data, also add the following sentence to the optional section E.#.a.:

Contractor shall meet requirements of current version of Minimum Acceptable Risk Standards for Exchanges (“MARS-E”) controls.

Option: Payment Card Industry (“PCI”) Data

If the contract will involve PCI data, include all of the General Requirements above, and add the following as section E.#.a.(5):

(5) Contractor shall be certified to host Payment Card Industry (“PCI”) data in accordance with the current version of PCI DSS (“Data Security Standard”), maintained by the PCI Security Standards Council.

Template language:

D.20. HIPAA Compliance. As applicable, 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.

Template Instructions Section:

D.20. HIPAA Compliance

Contractors: The Contractor must execute a business associate agreement (“BAA”) if: (a) the contracting State Agency is a “covered entity” as defined by the Privacy Rules; and (b) the Contractor will provide services to the contracting State Agency that involve Contractor’s access to protected health information (“PHI”) as defined by the Privacy Rules. The State’s Business Associate Agreement Example is available on TEAM TN > Resources > Other General Models.

Subcontractors: The Contractor must execute a BAA with a subcontractor if the subcontractor creates, receives, maintains, or transmits PHI on behalf of the Contractor.

Disclosure of Personally Identifiable Information

Add the following Section as appropriate. Typically, the Personally Identifiable Information term should be included if the Contract involves confidential data such as social security number, credit card or financial account information, or driver’s license numbers or the Contractor will have access to State provided Personally Identifiable Information. If unsure whether the Section is applicable, consult the CPO legal team. If unsure whether the Section is applicable, consult the CPO legal team.

E.#. 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.

**PROCUREMENT PROCEDURES
MANUAL OF THE CPO – LOCAL
PURCHASE AUTHORITY**

REQUEST: Revise the *Procurement Procedures Manual of the CPO* at the following sections regarding Local Purchase Authority:

5.15.3. *Contract Approval.*

5.15.3.1. *Approval by State Officials.*

The solicitation coordinator is responsible for obtaining all necessary approvals prior to a contract's effective date. (A) Statewide Contracts must be approved by the following: (i) awarded respondent; (ii) solicitation coordinator; and (iii) Chief Procurement Officer or designee. (B) Agency Term Contracts must be approved by the following: (i) awarded respondent; (ii) Agency budget officer or designee; and (iii) Agency head or designee. The Central Procurement Office ("CPO") does not review Agency Term Contracts for one hundred thousand dollars or less (\$100,000) unless the contract involves a Rule Exception Request or Special Contract Request. Agency Term Contracts that are not subject to Central Procurement Office review will still be set to approved in Edison by authorized CPO personnel. Certain types of procurements and contracts require additional approvals, as specified in the chart below.

6.4. *Local Purchases.*

There are two types of Local Purchase authority: (1) Small Purchases; and (2) Informal Purchases. The limitations, requirements and procedures for each are set forth below.

6.4.1. *Small Purchases.*

6.4.1.1. *Description of Small Purchase.*

State procurement professionals are encouraged to use competitive methods whenever practicable. State Agencies may utilize a Small Purchase authority without soliciting quotes or proposals from multiple vendors when the total value of a contract or a purchase will cost less than such amounts approved by the Procurement Commission. State procurement professionals shall also perform due diligence to ensure that the State is procuring goods and services on terms, conditions, and pricing that is in the State's best interests. All due diligence performed by a state procurement professional, such as benchmarking of pricing, ability to perform within a delivery timeline, avoiding harm to the State, scarcity of

providers due to time or location restraints, etc., shall be documented for small purchases from \$5,000.01 to \$25,000.00. State procurement professionals shall follow *Manual, Section 5.4.2.*, to identify prospective vendors of goods or services. Moreover, State procurement professionals shall consult Section 10.1 of the *Manual* and actively solicit goods or services from minority-owned, woman-owned, service-disabled veteran-owned, businesses owned by persons with disabilities, and small businesses when possible. Agency purchasing professionals shall obtain the Chief Procurement Officer's prior approval for procuring goods or services from sources other than a Statewide Contract when the goods or services to be procured are available from an existing Statewide Contract. In allowing a State Agency to purchase other than "off" of a Statewide Contract, the Chief Procurement Officer may consider, by way of example only, a Contracting Party's past performance, timeliness of performance (e.g., inability to supply the needed goods or services within the timeframe prescribed by the State Agency, etc.), the Contracting Party's ability to supply the goods or services (e.g., by having a source of supply of the requested goods or services), pricing, quality or compatibility concerns. See *Manual, Section 10.4. Purchases Made "Off" Statewide Contract.* See also Policy Number 2013-004, *Central Procurement Office Contract Management Policy and Procedures, Section 4.2.3.*

6.4.2.2. *Conditions of Use for Informal Purchase Authority.*

Local purchase authority may be used for goods or services not exceeding such amounts approved by the Procurement Commission. It is important to note that no procurement shall be artificially divided or split in order to fall within such amounts approved by the Procurement Commission. Similarly, if purchases that fall within the informal purchase authority are of a recurring nature and the aggregate total exceeds such amounts approved by the Procurement Commission, the contract is presumed to exceed the informal purchase authority and a competitive procurement method must be used (e.g., RFP, ITB or informal quotes).

6.4.2.3. *Informal Purchase Approval Process.*

Informal Purchases of a State Agency must be approved by the contract manager, or such other person designated by the State Agency, prior to communication or issuance of a contract or purchase order to a vendor of goods or services.

6.4.3. *Small and Local Purchase Thresholds.*

The Procurement Commission has approved the following small and informal purchase authorities as follows:

Requirement	Dollar Amount of Purchase
Small Purchase Authorization – Approval by all members of the procurement commission	\$.01 to \$25,000
Information Solicitation Authorization – Approval by all members of the procurement commission	\$25,000.01 to \$100,000

**LOCAL PURCHASES AUTHORITY
MODEL - NEW**

LOCAL PURCHASES MODEL

There are two types of Local Purchase Authority: (1) Small Purchases; and (2) Informal Purchases. Please see the “Local Purchases” section of the *Procurement Procedures Manual of the Central Procurement Office* available on the CPO Library Page: <https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/library-.html> for more information. The use of this model is optional and serves as a guide for recording small purchases or informal purchase quotes when such are permitted by all applicable laws, policies, and procedures. Add, delete, or revise information in the model below as applicable.

General Minimum Reminders for Local Purchases (note each State Agency may have additional requirements or limitations based on their delegated purchase authority):

- Goods or services not available from an existing Statewide Contract or Agency Term Contract (if so, prior Chief Procurement Officer approval must be obtained).
- Goods or services actively solicited from minority-owned, woman-owned, Tennessee service-disabled veteran owned, business owned by persons with disabilities, and small businesses when possible.
- Any required approval based on the contract subject matter or Endorsement obtained (e.g., STS Endorsement requirement applies regardless of dollar amount; purchases of goods or equipment that require tagging under the Department of F&A; etc.).
- All applicable Terms and Conditions included when quotes are solicited.** Please see the CPO Job Aid “Terms & Conditions” available on TEAM TN at: <https://www.teamtn.gov/cpo/learning-development/cpo-job-aids.html> > Sourcing > Terms and Conditions Configurator for assistance with using the Edison configurator to generate terms, utilize the FA (fee-for-goods or services template) or the “Terms and Conditions for PO’s” for one time purchases, available on TEAM TN at: <https://www.teamtn.gov/cpo/resources.html>. State Agency required to add any additional terms required by funding source as may be applicable.
- Procurement professionals are encouraged to use competitive methods whenever practical.
- Small Purchases:** Due diligence performed (such as benchmarking of pricing, ensuring that terms, conditions, and pricing are in the State’s best interests). Note all due diligence performed by procurement professionals must be documented for small purchases from \$5,000.01 to \$25,000. Due diligence does not require competitive quotes but does provide contemporaneous documentation of the reasons as to why the particular contractor was chosen e.g., price reasonableness based on benchmarking; ability to perform within a delivery timeline, avoiding harm to the State, scarcity of providers due to time or location restraints; etc. When competitive quotes are obtained, there is a presumption of due diligence and no additional documentation required.
- Informal Purchases:** Signed and dated confirmation of quotes, as required, for all procurements exceeding \$25,000 (but not exceeding \$100,000) as practical. (Fax or e-mail confirmation is acceptable as written confirmation of quotes on informal purchases not exceeding \$100,000 for State Agencies procuring under a Delegated Purchase Authority.) A current website, catalogue, price list, or price available at retail to the general public may count as a quote. A Special

Contract Request is not required if the procurement professional undertakes reasonable efforts to obtain the requisite three (3) quotes and these efforts have been sufficiently documented to the procurement file.

- Notice of Intent to Award sent to all Respondents after the State has completed evaluation of all responses. Please see the “Notice of Intent to Award Model” available on TEAM TN at: <https://www.teamtn.gov/cpo/resources.html>.
- Dollar Thresholds:** Procurement requirements shall not be artificially divided in order to constitute a small or informal purchase. Similarly, if purchases that fall within the informal purchase authority are of a recurring nature and the aggregate total exceeds such amounts approved by the Procurement Commission, the contract is presumed to exceed the threshold amount and a competitive procurement method must be used (e.g., RFP, ITB, or informal quotes). In deciding which method to use, Procurement Professionals should consider the total life cycle cost of the items being purchased and allocate a margin in case quotes exceed expectations.

Requirement	Dollar Amount of Purchase
<p>Small Purchases</p> <p>All due diligence performed by procurement professionals must be documented for small purchases from \$5,000.01 to \$25,000.</p>	<p>\$0.01 to \$25,000</p>
<p>Information Purchases</p> <p>All purchases exceeding \$25,000 based on three (3) competitive quotes, when practical.</p>	<p>\$25,000.01 to \$100,000</p>



STATE OF TENNESSEE

Agency Header Information

Small and Informal Purchases – Request for Quotes

Date:

Reference Number:

Please complete the information below and send this Request for Quotes to:

State Procurement Professional Name & Title

Email: xxxx@tn.gov

Phone: (XXX) XXX-XXXX

Fax: (XXX) XXX-XXXX

All Responses are due by:

Please provide a quote for the following line(s) and return this document by email or fax:

Line	Qty.	Unit of Measure (UOM)	Description	Unit Price Per Line	Total Line Amount (QTY x UOM)
Total Quote Amount					

The State prefers to award a single contract for all line items; however, separate awards may be made by each line item.

With respect to goods, delivery shall be F.O.B. The term F.O.B. destination shall mean delivered and unloaded in-house or on-site service, with all charges for transportation and unloading prepaid by the respondent.

Ship F.O.B. Destination Address:

I (We) propose to furnish and deliver any and all of the goods and/or services named in this Request for Quotes, and for which I (we) have set prices in my (our) offering.

1. Company Name: _____
2. Edison Supplier Number: _____
3. Print Contact Person Name: _____
4. Title: _____
5. Phone Number: _____
6. Email Address: _____
7. Date: _____
8. Number of days the quote is valid: (please circle) 30 – 60 – 90 – N/A
9. Payment terms, including Cash Discount offered: _____
10. Delivery time, after receipt of order: _____

Signature of Respondent: _____

Thank You!

Attachment: State of Tennessee Terms and Conditions

**NON-COMPETITIVE PROCUREMENTS
POLICY 2013-006**

Policy Number 2013-003
Central Procurement Office
Non-Competitive Procurement Policy and Procedures

Effective: May 28, 2013
Last Amended: June 25, 2024
Prepared by: The Central Procurement Office of the State of Tennessee

1. Purpose.

To establish a policy and procedures for utilizing non-competitive procurement methods for goods or services by the Central Procurement Office or Delegated State Agencies.

2. Scope.

This policy applies to all non-competitive procurements and resulting contracts and amendments procured under Title 12 of the Tennessee Code, the Rules or Central Procurement Office Policy.

3. Definitions.

For purposes of this policy, existing definitions are listed below:

“Agency” - means each State board, commission, committee, department, officer, or any other unit of State government.

“Central Procurement Office” – means the Central Procurement Office of the State of Tennessee acting by and through the Chief Procurement Officer or his or her designee as the context requires.

“Emergency Purchases” means a State Agency purchase made during an actual emergency arising from unforeseen causes without the issuance of a competitive solicitation.

“Procurement” - means buying, purchasing, renting, leasing, or otherwise acquiring any goods or services. It also includes all functions that pertain to the obtaining of any goods or service, including the description of requirements, selection and solicitation of sources, preparation and award of a contract, and all phases of contract administration [Tenn. Code Ann. §4-56-101(6)].

“Proprietary” means a good or service that is used, produced, or marketed under exclusive legal right of the inventor, maker or service provider that is protected under trade secret, patent, trademark, or copyright law.

“Proprietary Procurement” means a procurement of a service or a product that is manufactured and marketed by a person or persons having the exclusive right to provide the service or manufacture or sell the product.

“Sole Source Procurement” means a procurement for which only one vendor possesses the unique and singularly available capability to meet requirement of the solicitation, such as technical

qualifications, ability to deliver at a particular time, or services from a public utility or a situation where a particular supplier or person is identified as the only qualified source available to the requisitioning authority.

“State” – means the State of Tennessee and its agencies, boards and commissions as the context requires.

“State Agency” - means the departments, agencies, and entities of the State of Tennessee.

4. Authorization for Non-Competitive Solicitations.

The Chief Procurement Officer must approve all non-competitive procurements under Title 12 of the Tennessee Code. The allowed non-competitive procurement methods include:

- Emergency Purchases;
- Proprietary Procurements;
- Sole Source Procurements; and
- Small Purchases.

4.1 Emergency Purchases.

4.1.1. Description of Emergency Purchases.

An Emergency Purchase may occur when there is a serious and unexpected situation that poses an immediate risk to health, life, property or environment which calls an agency to action; such action entails the need to secure goods or services to carry out an emergency response. In such situations, competition should be engaged when practicable, but this policy recognizes that some emergencies are such that the exigencies of the situation may not allow for a competitive procurement.

4.1.2. Conditions of Use for Emergency Purchases.

Conditions of use for an Emergency Purchase may include, by way of example only, natural disasters, hazardous material spill or systems failure. An Emergency Purchase does not require the declaration of a State of Emergency. Poor planning (e.g., failure to manage contract beginning dates or expiration dates) or the expiration of funds (e.g., expiration of federal funding for a project), however, do not constitute an emergency. These circumstances may require immediate action and may justify use of another Non-Competitive Procurement method, but not an Emergency Purchase.

4.1.3. Emergency Purchase Approval Process & Written Documentation.

The Chief Procurement Officer may delegate Emergency Purchase authority to a State Agency to meet emergencies arising from any unforeseen cause, including, but not limited to, delays by contractors, delays in transportation, unanticipated

work volume, acts of God or systems failures. Such delegations must not conflict with an activated Tennessee Emergency Management Agency (TEMA) declared emergency.

Delegated State Agencies may procure goods or services via the Emergency Purchase method in accordance with the Rules or Central Procurement Office Policy. State agencies should make Emergency Purchases through the Edison System and submit in writing to the Central Procurement Office the following information when requested by the Central Procurement Office:

- The circumstances leading to the Emergency Purchase;
- The Procurement-related actions taken in response to the emergency, including procurement methods used;
- A complete list of goods or services procured, including prices paid and total purchase amount; and
- As applicable, additional purchases expected, including expected price and total purchase amount, as of the time of the report.

4.2. *Proprietary Procurements.*

4.2.1. *Description of Proprietary Procurements.*

A Proprietary Procurement occurs when a required good or service is restricted to a particular manufacturer but may be sold through multiple distributors. If competition between distributors is obtained, then products or services should be secured by means of a competitive procurement method:

- Total value exceeds \$100,000, use Request for Proposal, Invitation to Bid or other available competitive procurement method;
- Total value exceeds \$25,000 but is less than \$100,000, use Informal Procurement Method.

4.2.2. *Conditions of Use for Proprietary Procurement.*

Circumstances whereby a Proprietary Procurement may be justified include, but are not limited to:

- Compatibility of existing equipment or products is at issue;
- The good or service is covered by one or more patents or copyrights;
- Continuity of results is absolutely dependent upon the proprietary good or service at issue; or
- State users have extensive training or experience and use of similar goods or services would require significant reorientation and training.

4.2.3. *Proprietary Procurement Approval Process.*

Requests for Proprietary Procurements, with accompanied justification and circumstances for limiting competition to a select group of distributors or suppliers, must be submitted to the Chief Procurement Officer for approval prior to the draft or issuance of any associated procurement document. All other approvals for the selected procurement method still apply.

4.3. *Sole Source Procurements.*

4.3.1. *Description of Sole Source Procurements.*

A Sole Source Procurement may occur when only one vendor possesses the unique and singularly available capability to meet the solicitation requirements such as technical qualifications, ability to deliver at a particular time, or services from a public utility or a situation where a particular supplier or person is identified as the only qualified source available to the requisitioning authority.

4.3.2. *Conditions of Use for Sole Source Procurements.*

Sample justifications for Sole Source Procurements include, but are not limited to:

- Only one company has the good or service that will meet the State's needs;
- Compatibility of existing equipment or products is at issue;
- The good or service is covered by one or more patents or copyrights;
- Continuity of results is absolutely dependent upon the specific good or service;
- The supplier possesses exclusive capabilities for the good or service at issue that are not obtainable from similar suppliers;
- An unusual or compelling urgency exists; or
- State users have extensive training or experience and use of similar goods or services would require significant reorientation and training.

4.3.3. *Sole Source Procurement Approval Process.*

Requests for Sole Source Procurements, with accompanied justification and circumstances, must be submitted by the State agency for approval by the Central Procurement Office prior to the drafting of any associated contract. Upon approval by the Central Procurement Office, the sole source procurement may be made without following competitive procurement procedures. A written quote should be obtained from the single-source supplier, and a purchase order will be issued without utilizing the competitive bidding process. The Central Procurement Office shall report approved Sole Source Procurements to the Comptroller of the Treasury in the form of a quarterly report.

4.4. *Small Purchases.*

4.4.1. *Description of Small Purchase.*

State procurement professionals are encouraged to use competitive methods whenever practicable. State Agencies may utilize a Small Purchase authority without soliciting quotes or proposals from multiple suppliers when the total value of a contract or a purchase will cost less than \$25,000.

4.4.2. *Conditions of Use for Small Purchase.*

Small Purchase authority may be used for goods or services will cost less than \$25,000. It is important to note that no procurement shall be artificially divided or split in order to fall within the \$25,000 Small Purchase authority. Similarly, if purchases that fall within the Small Purchase authority are of a recurring nature and the aggregate total exceeds \$25,000, the contract is presumed to exceed the Small Purchase authority and a competitive procurement method must be used (e.g., Request for Proposals, Invitation to Bid or informal quotes).

4.4.3. *Small Purchase Approval Process.*

Small Purchases must be approved by the contract manager of a State Agency prior to communication or issuance of a contract or purchase order to a supplier of goods or services.

Related Statutes, Rules and Policies.

Tenn. Code Ann. §§ 4-56-101, *et seq.*

Tenn. Code Ann. §§ 12-3-101, *et seq.*

Tenn. Code Ann. §§ 12-4-101, *et seq.*

**DELEGATION OF AUTHORITY POLICY
2013-006**

Policy Number 2013-006
Central Procurement Office
Delegation of Authority Policy

Effective: August 22, 2013
Last Amended: June 25, 2024
Prepared by: The Central Procurement Office of the State of Tennessee

1. Purpose.

To establish conditions under which the Chief Procurement Officer, with the approval of the Comptroller of the Treasury, may delegate authority to State Agencies to issue, execute, and manage contracts, purchases, grant contracts, or loans.

2. Scope.

This policy applies to all contracts, purchases, grant contracts, or loans that are issued pursuant to the delegated authority application process.

3. Definitions.

For purposes of this policy, the following terms shall have the meanings described below:

“Agency” - means each State board, commission, committee, department, officer, or any other unit of State government.

“Contract” - means any duly authorized and legally binding written agreement or purchase order for goods or services by and between the State of Tennessee and any person or any separate entity with the independent legal capacity to contract and sue and be sued.

“Central Procurement Office” - means the State office established and empowered by Tenn. Code Ann. § 4-56-104.

“Chief Procurement Officer” - means the official as defined by Tenn. Code Ann. § 4-56-104.

“Delegated Authority” - means approval given by the Chief Procurement Officer and the Comptroller of the Treasury to a State Agency to purchase goods or services or execute contracts within specified limits and guidelines.

“Delegated Grant Authority” - means approval given by the Chief Procurement Officer and the Comptroller of the Treasury to a State Agency to execute grant contracts for an individual program within specified limits and guidelines.

“Delegated Loan Authority” - means approval given by the Chief Procurement Officer and the Comptroller of the Treasury to a State Agency to loan funds and to enter into loan agreements with contracting parties in accordance with a State or federally funded program.

“Delegated State Agency” - means a State Agency that has received approval from the Chief Procurement Officer and the Comptroller of the Treasury to purchase goods or services, execute contracts, including revenue or no-cost contracts, execute grant contracts, or make loans for an individual program within specified limits and guidelines.

“Purchase Order” - means a document issued by the Central Procurement Office or a State Agency to a contracting party authorizing a purchase. Upon delivery to the contracting party, a “purchase order” becomes a binding contract on both parties.

“Special Delegated Authority for a Declared Disaster” - means approval given by the Chief Procurement Officer and the Comptroller of the Treasury to the Tennessee Emergency Management Agency to execute grant contracts related to a specific federal or state declared disaster.

“State” - means the State of Tennessee, including its departments, agencies, and entities that fall under its purview.

“State Building Commission” or “SBC” - means the entity created pursuant to Tenn. Code Ann. § 4-15-101.

“State Agency” - means the departments, agencies, and entities of the State of Tennessee.

“Statewide Contract” - means a contract for goods or services established by the Chief Procurement Officer that all State Agencies must utilize and that may be used by local governments, higher education, and certain not-for-profit entities under Tenn. Code Ann. § 33-2-1001.

4. Delegated Authority - Generally.

In no event shall a State Agency initiate a purchase, contract, grant contract, or loan agreement under a delegated authority until the Chief Procurement Officer and Comptroller of the Treasury approve the delegated authority application. An approved delegated authority application shall remain in force and effect for no more than twelve (12) months unless an approved Rule Exception Request is obtained using the Rule Exception Request for the DA or DGA template. A DGA that contains ONLY federal funds and is in excess of twelve (12) months does not require a rule exception request, unless there are changes requested by the State Agency to the pro forma or underlying contract template. Amendments to a delegated authority must use the Delegated Authority Amendment Model prescribed by the Central Procurement Office and must be approved by the Chief Procurement Officer and the Comptroller of the Treasury. An approved delegated authority application may be revoked at any time if the Delegated State Agency fails to comply with State or federal law, or with Central Procurement Office rules, policies, and procedures.

5. Delegated Authority Types Covered by This Policy.

This policy applies to any Delegated Authority, Delegated Grant Authority, Delegated Loan Authority and Special Delegated Authority for a Declared Disaster.

5.1. *Delegated Authority.*

A Delegated Authority authorizes a State Agency to purchase goods or services or execute contracts for the specified program within the limits, guidelines, and conditions specified within the approved Delegated Authority. Use of a Delegated Authority is appropriate when the Delegated Authority's maximum liability is greater than one hundred thousand dollars (\$100,000) or the goods or services being purchased are inappropriate for the use of the State Agency's local purchase authority. State Agencies shall not use a Delegated Authority to procure goods or services that are available on a Statewide or Agency Term Contract.

5.1.1. A Delegated Authority for purchases may be approved when:

- The need for goods or services is sporadic, and an advance determination of the volume, delivery, or exact costs of goods or services needed is not possible;
- It is impractical to award one or more fee-for-service contracts for the category of goods or services needed with compensation based upon unit or milestone rates;
- The program needs and general categories of goods or services are such that adequate guidelines can be developed to direct the State Agency in competitively making each purchase;
- All goods or services purchased can be delivered or performed in ninety (90) days or fewer or represent a single transaction, as provided in Central Procurement Office Policy 2013-004, Section 4.3.2;
- The procurement terms, conditions, and criteria to be followed by the agency in making each purchase will be of such uniformity that the Central Procurement Office's individual, independent, and prior approval of each purchase is unnecessary; and
- The purchases involved will be of such uniformity, volume, and pressing need that the individual approval of each purchase by the Central Procurement Office is impractical.

All purchases made under an approved Delegated Authority shall be made using purchase orders that include the terms and conditions specified in the Purchase Order Terms and Conditions Template.

5.1.2. A Delegated Authority for contracts may be approved when:

- The program needs and general categories of services are such that adequate guidelines can be developed to direct the State Agency in competitively executing a number of similar contracts;
- The individual contracts involved will be of such uniformity and

- standardization of processes, procedures, and contract terms that individual, independent, and prior approval is unnecessary and impractical; and
- All individual contracts executed will create a “contractor” relationship as defined in Central Procurement Office Policy 2013-007.

5.2. *Delegated Grant Authority.*

A Delegated Grant Authority authorizes a State Agency to execute grant contracts for a particular program or programs within the limits, guidelines, and conditions specified within the approved Delegated Grant Authority.

A Delegated Grant Authority may be approved when:

- The program needs and category of services are such that adequate guidelines can be developed to direct the agency in competitively or impartially executing a number of similar grant contracts; and
- The individual grant contracts involved are of such uniformity and standardization of processes, procedures, and contract terms that individual review and approval by the Central Procurement Office is unnecessary and impractical.

A Delegated Grant Authority shall set forth all provisions, including but not limited to selection criteria, required by the Central Procurement Office rules, policies, and applicable State statutes.

No changes shall be made to the terms and conditions of the grant contracts included within the approved Delegated Grant Authority without an amendment to the Authority.

5.3. *Delegated Loan Authority.*

A Delegated Loan Authority authorizes a State Agency to make loans and associated loan agreements for the specified program that are within the limits, guidelines, and conditions specified within the approved Delegated Loan Authority.

A Delegated Loan Authority shall set forth all provisions, including but not limited to selection criteria, required by the Central Procurement Office rules, policies, and applicable State statutes.

No changes shall be made to the approved loan and associated loan agreement form detailed within the Delegated Loan Authority without an amendment to the Authority.

5.4. *Special Delegated Authority for Federal or State Declared Disaster.*

A Special Delegated Authority for Declared Disaster is for Tennessee Emergency Management Agency (“TEMA”) use only. It authorizes TEMA to execute grant agreements related to funds awarded for the response to and recovery from a disaster formally declared by the federal government or the Governor of Tennessee.

6. Delegated State Agency Requirements and Responsibilities.

Delegated authority applications must be signed by the State Agency head or authorized designee. Unless purchases, contracts, grant contracts, or loan agreements made or entered into under an approved delegated authority application are authorized by the State Agency head or his or her designee, they are null and void.

All purchases, contracts, grant contracts, and loans made or entered into under a delegated authority are subject to applicable Central Procurement Office rules, policies and procedures. The Delegated State Agency must use the current Central Procurement Office templates and models and maintain a procurement file for all purchases, contracts, grant contracts, and loans made or entered into under a delegated authority. All relevant documentation must also be maintained in Edison as appropriate.

The Delegated State Agency is responsible for ensuring that it does not exceed the scope of its authority delegation and that all conditions of the approved delegated authority application are met. Further, the head of the Delegated State Agency is responsible for ensuring all staff carrying out the terms of the approved delegated authority application are properly authorized and trained to perform the necessary tasks. The exercise of delegated authority shall not violate or circumvent state or federal law, executive orders, appropriations, or state rules, policies, and procedures.

Delegated State Agencies must develop written procedures for implementing approved delegated authority applications. A Delegated State Agency’s procedures must comply with applicable Central Procurement Office rules, policies, and procedures and may contain more restrictive requirements than those specified by the Central Procurement Office. The Chief Procurement Officer may revoke a Delegated Authority at any time, at his or her sole discretion. The Chief Procurement Officer shall notify the Comptroller of the Treasury in writing of any such revocation.

Approvals or endorsements may be required for certain contracts depending upon the nature of the proposed contract scope of service. The Delegated State Agency must obtain signed approval or endorsement documentation and submit it with the delegated authority application to the Central Procurement Office and Comptroller of the Treasury. Required approvals and endorsements are indicated in the table below.

Contract Subject Matter	Required Approval or Endorsement
<ul style="list-style-type: none"> • Information technology 	STS Endorsement

<ul style="list-style-type: none"> • Contract between State Agencies that includes provisions for cooperative programs 	Governor
<ul style="list-style-type: none"> • Provision for State legal consultation services 	Attorney General ¹
<ul style="list-style-type: none"> • Contract with an individual; • Contract that involves training State employees (except training pursuant to an information technology system procurement); • Services relating to the employment of current or prospective State employees 	Human Resources Commissioner
<ul style="list-style-type: none"> • Contract that involves engineering or architectural services relating to an improvement (including demolition) to real property in which the State of Tennessee has an interest 	State Architect
<ul style="list-style-type: none"> • Delegation of procurement or contract authority by the Central Procurement Office; • Procurements for goods and services where authority exists under both the SBC and Central Procurement Office to procure and contract; • Auditing services; • Cooperative agreements as provided in Tenn. Code Ann. § 4-56-108(a)(4); 	Comptroller of the Treasury ²

¹ See Tenn. Code Ann. § 8-6-106.

² Pursuant to Tenn. Code Ann. § 4-56-108(b), without limitation of the audit authority of the comptroller of the treasury, the comptroller is authorized to examine any documents under the authority of the chief procurement officer.

<ul style="list-style-type: none"> • Fee-For-Service procurements or contracts with a maximum liability > \$5,000,000; • Grant contracts with a maximum liability > \$5,000,000; • Fee-For-Service procurements or contracts for new or replacement information systems and technical infrastructure projects for goods and services > \$500,000; • Procurements or contracts utilizing competitive or non-competitive negotiations with a maximum liability > \$250,000; • Revenue procurements/contracts; • No-Cost procurements/contracts; • Procurements/contracts with a term > 60 months (5 years); • Procurements/contracts that propose to limit liability to less than 2 times the maximum liability or revenue of the contract; • Procurements/contracts that propose to change the Records, Annual Report, Audit, or Monitoring clauses; • Procurements allowing a cost proposal to be evaluated contemporaneously with or prior to the technical proposal evaluation; • Procurements/contracts containing an automatic price escalator; and • Such other procurements/contracts or other items as may be directed by the Central Procurement Office or the Procurement Commission. 	<p style="text-align: center;">Comptroller of the Treasury²</p>
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<ul style="list-style-type: none"> • All requests to procure goods or services by negotiation with a single service provider (a noncompetitive contract) having a term of more than one (1) year or which contain term extension language authorizing a term of greater than one (1) year AND a cumulative value of \$250,000 or more 	Fiscal Review Committee ³
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Related Statutes, Rules and Policies

Tenn. Code Ann. Title 12, Chapter 3.

³ Pursuant to Tenn. Code Ann. § 4-56-107(b)(4), the Fiscal Review Committee, pursuant to its jurisdiction under § 3-7-103(a), is authorized to review any other State contract or contract amendment regardless of whether the contract or contract amendment meets these requirements.

REQUEST: Revise the Delegated Authority (DA Template) as follows:

DELEGATED AUTHORITY (DA) TEMPLATE

This template prescribes the format and content for a Delegated Authority (“DA”) application. Procurement professionals should use this template to request authority either to: (1) purchase goods or services (“purchase order delegation”), or (2) execute contracts (“contract delegation”) as specified without additional, individual, independent approval. Use of this template is appropriate when the DA’s maximum liability is greater than one hundred thousand dollars (\$100,000) or the goods or services being purchased are inappropriate for use of the Agency’s local purchase authority. An approved DA may remain in force and effect for a maximum period of twelve (12) months. To request a delegation period in excess of twelve (12) months or any other modifications to this template other than those identified in the instructions, procurement professionals must use the Rule Exception Request for the DA or DG templates document. In no event shall the term of an individual contract executed under an approved DA extend beyond the approved DA’s end date.

A purchase order delegation is appropriate only when the goods or services will be provided within ninety (90) days or less or represent a single transaction, as provided in CPO Policy 2013-004, Section 4.3.2. If a purchase order delegation is not appropriate, use this template for contract delegation authority. For a DA requesting contract delegation authority, the applicant State Agency shall attach the entire proposed contract or contracts. If the proposed contracts include modifications or additions to the Central Procurement Office’s contract templates or models, the State Agency shall redline the modifications or additions, and include the redlined document as an attachment. An approved Rule Exception Request (“RER”) is required when proposed contracts involve modifications or additions to a template.

DELEGATION OF AUTHORITY TEMPLATE

REQUEST: Revise the Delegated Authority (DA Template) as follows:

DELEGATED AUTHORITY (DA) TEMPLATE

This template prescribes the format and content for a Delegated Authority (“DA”) application. Procurement professionals should use this template to request authority either to: (1) purchase goods or services (“purchase order delegation”), or (2) execute contracts (“contract delegation”) as specified without additional, individual, independent approval. Use of this template is appropriate when the DA’s maximum liability is greater than one hundred thousand dollars (\$100,000) or the goods or services being purchased are inappropriate for use of the Agency’s local purchase authority. An approved DA may remain in force and effect for a maximum period of twelve (12) months. To request a delegation period in excess of twelve (12) months or any other modifications to this template other than those identified in the instructions, procurement professionals must use the Rule Exception Request for the DA or DG templates document. In no event shall the term of an individual contract executed under an approved DA extend beyond the approved DA’s end date.

A purchase order delegation is appropriate only when the goods or services will be provided within ninety (90) days or less or represent a single transaction, as provided in CPO Policy 2013-004, Section 4.3.2. If a purchase order delegation is not appropriate, use this template for contract delegation authority. For a DA requesting contract delegation authority, the applicant State Agency shall attach the entire proposed contract or contracts. If the proposed contracts include modifications or additions to the Central Procurement Office’s contract templates or models, the State Agency shall redline the modifications or additions, and include the redlined document as an attachment. An approved Rule Exception Request (“RER”) is required when proposed contracts involve modifications or additions to a template.

**PROCUREMENT PROCEDURES
MANUAL OF THE CPO –
PROCUREMENT FILE AND PROTEST
PERIOD**

REQUEST: Revise the *Procurement Procedures Manual of the Central Procurement Office* at the following sections:

Section 5.11.2.:

(last sentence):

All respondents are deemed to know all facts documented in the State’s Procurement File, as defined in Tenn. Code Ann. § 12-3-201, on the first day of the Protest Period.

Section 5.13.4.:

(penultimate sentence):

In the event the State determines that the selected respondent is nonresponsive, the Solicitation Coordinator shall document the reason for the bypass and include the written justification in the Procurement File.

Table of Contents: 5.14. The Protest Period

Section

5.14. *The Protest Period.*

“Protest Period” means the time during which a protest of a solicitation may be filed with the Chief Procurement Officer, as provided at Tenn. Code Ann. § 12-3-514. In accordance with Tenn. Code Ann. § 1-3-102, Computation of Days, the Protest Period begins at 8:00 a.m. CT on the day after the intent to award a contract is issued, and ends at 4:30 p.m. CT, seven calendar days later, unless the last day is a Saturday, Sunday, or a legal holiday. If the last day of the Protest Period is a Saturday, Sunday, or a legal holiday, the Protest Period shall end at 4:30 p.m. CT on either a Monday or on the day after the legal holiday, as appropriate. The solicitation coordinator shall have the Procurement File available to the public when the notice of intent to award is sent out to the respondents.

5.15.1. *Contract Award.*

Once the Protest Period has passed and if no protests have been received within the Protest Period, the solicitation coordinator may begin the contract process, as provided in the rules of the solicitation, and in the rules, policies, and procedures of CPO and the Procurement Commission.

5.18. *The Procurement File.*

The Procurement File, as defined in Pub. Ch. 634 (2024), and as set forth in the rules, policies, and procedures of the CPO, shall be maintained for every solicitation. The Procurement File shall include, the following documentation, if applicable:

- All evaluated technical proposals, cost proposals, and evaluation sheets (including any completed Proposal Score Summary Matrix);
- The solicitation and all amendments to the solicitation;
- All approved rule exception requests related to the solicitation;
- All conflict of interest disclosure documentation (this includes Organizational Conflict of Interest Disclosure documentation, including all required disclosures under the CPO's Business Conduct and Ethics Policy No. 2013-009; any solicitation development conflict of interest statements and evaluator confidentiality attestations, as provided in the CPO's Business Conduct and Ethics Policy and Procedures Policy No. 2013-009; all determinations of any conflict of interest or organizational conflict of interest made by the Chief Procurement Officer; and any avoidance, mitigation, or waiver plan for a conflict of interest or an organizational conflict of interest that has been approved by the Chief Procurement Officer);
- Evaluator attestations;
- A list of all suppliers solicited to participate in the procurement;
- All correspondence between respondents and this state regarding clarifications or negotiations;
- All subject matter expert reports;
- All decisions to bypass a response as nonresponsive or nonresponsible;
- All pre-proposal conference and site visit sign-in sheets;
- All cost proposal scoring guides, bid abstracts, and bid analyses; and
- The protest procedures and the exact dollar amount of the protest bond required by § 12-3-514.

All files should be maintained, retained, and destroyed in accordance with the applicable Records Disposition Authority (RDA), as published by The Office of the Secretary of State, Records Management Division. Some of the RDAs applicable to procurements are SW12 (Contracts); SW27 (RFP Documents – Not selected); 3063 (Bonds); SW23 and SW 48 (P-Card); and, SW20 (Fiscal Administrative Documents). All Statewide RDAs are available online at: <http://www.tnsos.net/rmd/rda/index.php>.

6.6.13. Response Award (fourth bullet point):

- An apparent low prospective respondent found not to be responsive or responsible shall be notified by the Central Procurement Office of that finding and the reasons for it. Such notification may be given by electronic means and should be provided at the beginning of the Protest Period.

9. *Respondent Debriefing.*

If requested by non-selected respondents, the Central Procurement Office should arrange a debriefing conference after the Protest Period if no protests have been filed by the respondent requesting the debriefing. Evaluation Committee members should participate in the debriefing. Respondents shall be debriefed individually and any debriefing shall only concern the response filed by a respondent and shall not involve any discussions of other responses submitted by respondents not participating in the debriefing.

10.11.2. Process. (second bullet point)

- Notice of Intent to Award and Protest Period: For solicitations designated as “confidential” by STS pursuant to Tenn. Code Ann. § 10-7-504(i), procurement professionals shall, during the Protest Period, take appropriate safeguards to protect confidential information, including the respondents’ identities, such as randomly assigning a numeric value to reference the respondents’ names and identities. Note: the State Agency shall not redact any records concerning the cost of protecting government property or electronic information, pursuant to Tenn. Code Ann. § 10-7-504(i).

**NOTICE OF INTENT TO AWARD
("NOIA") AND PROTEST PROCEDURES**

NOTICE OF INTENT TO AWARD AND PROTEST PROCEDURES

For all solicitation types, procurement professionals should complete this document and send it to respondents after the State has completed evaluation of responses. Procurement professionals should complete form fields and follow, replace, or otherwise address red instructional text (e.g., **State Agency Name, amount, will/will not**) as indicated and with conforming font and color. This paragraph should be deleted before sending the document to respondents.

For purposes of computing the deadline of seven (7) calendar days exclude the first day and include the last, unless the last day is a Saturday, Sunday, or a legal holiday, and then it shall also be excluded. For solicitations that are confidential, as provided by Tenn. Code Ann. § 10-7-504(i), respondents must first have executed a [nondisclosure agreement](#) with the State in order to view the open file.

Appropriate letterhead

Date:

Dear Respondents:

Thank you for your responses to **Solicitation Number or Event Number**. The State has completed its evaluation of all responses, and the subject procurement records are open for public inspection by appointment from **date** through **date** between 8:00AM Central Time and 4:30PM Central Time. If you have any questions, contact the Solicitation Coordinator listed below.

The following respondent is recommended for contract award:

Name

This notification by the State of intent to award **shall NOT create rights, interests, or claims of entitlement in** any respondent. This notification is not an acceptance of any offer, and the State retains the right to reject any response.

As provided in the CPO's Procurement Procedures Manual, the Procurement File for this solicitation consists of the following:

- The solicitation and all amendments to the solicitation;
- All approved rule exception requests related to the solicitation;
- All conflict of interest disclosure documentation (this includes Organizational Conflict of Interest Disclosure documentation, including all required disclosures under the CPO's Business Conduct and Ethics Policy No. 2013-009; any solicitation development conflict of interest statements and evaluator confidentiality attestations, as provided in the CPO's Business Conduct and Ethics Policy and Procedures Policy No. 2013-009; all determinations of any conflict of interest or organizational conflict of interest made by the Chief Procurement Officer; and any avoidance, mitigation, or waiver plan for a conflict of interest or an organizational conflict of interest that has been approved by the Chief Procurement Officer);

- Evaluator attestations;
- A list of all suppliers solicited to participate in the procurement;
- All correspondence between respondents and this state regarding clarifications or negotiations;
- All subject matter expert reports;
- All decisions to bypass a response as nonresponsive or nonresponsible;
- All pre-proposal conference and site visit sign-in sheets;
- All cost proposal scoring guides, bid abstracts, and bid analyses; and
- The protest procedures and the exact dollar amount of the protest bond required by § 12-3-514.

NOTE: Any other records not contained in the open file may be obtained by submitting an Open Records Act Request through the following link:

<https://www.tn.gov/generalservices/about-dgs/public-records-requests.html>

I appreciate your interest in doing business with the State of Tennessee and hope that you will respond to future solicitations.

Appropriate signature

Name and title of signatory

Complete the form fields and follow, replace, or otherwise address red instructional text. Delete this paragraph before distributing the completed document to respondents.

PROTEST PROCEDURES AND PROTEST BOND REQUIREMENTS

The Protest Period for this solicitation begins on [insert date] _____, and ends on [insert date] _____. Any protest of this solicitation is due via mail or hand-delivery by 4:30 p.m. CT on _____ to the Central Procurement Office at the address listed below:

Michael F. Perry
Chief Procurement Officer

-and-

Paul Krivacka
Director of Compliance and Lead Attorney
Central Procurement Office
Dept. of General Services WRS
Tower, 3rd Floor
312 Rosa L. Parks Blvd.
Nashville, TN. 37243-1102
Tele: (615) 741-1035

Any respondent who has submitted a response to **[insert information identifying the solicitation]** and who claims to be aggrieved in connection with the solicitation, award, or proposed award of a contract may submit a protest to the Chief Procurement Officer. Under Tenn. Code Ann. § 12-3-514, any protest of this solicitation must:

- Be submitted electronically to: TN.CPO.Protests@tn.gov or by hard-copy if electronic transmission is unavailable;
- Be submitted within seven (7) calendar days after the day on which the notice of award or notice of intent to award is issued, whichever occurs first;
- Any issues raised by a protesting party after the seven-day period to protest shall not be considered as part of the protest, as required by the rules of the solicitation.
- Include and describe all grounds for the protest; and
- Include a protest bond payable to the State in the amount identified below **unless** the protest bond exemption under Tenn. Code Ann. § 12-3-514(g) applies and the protesting party provides an electronic or hard-copy petition for an exemption for solicitations that are less than \$1 million.

Pursuant to **Pub. Ch. 634 (2024)**, a protesting party “must show by clear and convincing evidence that the facts and grounds set forth in the protest warrant either of the following actions by the chief procurement officer:

- (A) The award of a contract to a protesting party; or
- (B) The cancellation of a solicitation, whether in whole or in part.”

In addition, pursuant to **Pub. Ch. 634 (2024)**, a protest is not actionable if the protest is based upon the following grounds, in whole or in part:

- (A) Variances in scoring, absent proof of prejudice or bias by a member of the evaluation panel;
- (B) Allegations of violations of ethical standards and policies, including conflicts of interest or organizational conflicts of interest, absent proof of an actual violation or proof of an existing conflict of interest or organizational conflict of interest that has not been disclosed to and resolved by the chief procurement officer as set forth in the rules, policies, and procedures of the central procurement office and the procurement commission;
- (C) An objection to a solicitation made prior to the award of a contract or intent to award a contract and based on facts known to a protesting party, unless notice is given to the central procurement office during the procurement process; or
- (D) Clarifications to solicitations, as approved by the chief procurement officer or designee.

Also, pursuant to **Pub. Ch. 634 (2024)**, a protesting party lacks standing to protest the award of a contract or intent to award a contract if the protesting party failed to do any of the following:

- (1) Follow the terms of the solicitation;
- (2) Submit a response or other required documents, samples, descriptive literature, or materials in the manner and by the time and date specified by the solicitation or by the solicitation coordinator;
- (3) Post a protest bond in the amount and form required by the chief procurement officer; or
- (4) State all the facts and grounds supporting a protest of a solicitation authorized under this chapter.

As established by Tenn. Comp. R. & Regs. 0690-03-01-.12(2), the following are the sole grounds for a protest:

- The contract award was arbitrary, capricious, an abuse of discretion, or exceeded the authority of the awarding entity;
- The procurement process violated a constitutional, statutory, or regulatory provision;
- The awarding entity failed to adhere to the rules of the procurement as set forth in the solicitation and this failure materially affected the contract award;
- The procurement process involved responses that were collusive, submitted in bad faith, or not arrived at independently through open competition; and
- The contract award resulted from a technical or mathematical error during the evaluation process.

A protest based upon the cancellation, in whole or in part, of a solicitation is not actionable and will not be considered by the Chief Procurement Officer or designee, pursuant to Pub. Ch. No. 113 (2024).

As determined by the Chief Procurement Officer or designee, the amount of the protest bond shall be:

- Five percent (5%) of the lowest bid or cost proposal evaluated;
- Five percent (5%) of the maximum liability or estimated maximum liability provided in the solicitation;
- Five percent (5%) of the estimated maximum revenue, if the solicitation, award, or proposed award is for a contract in which the State receives revenue; or
- For no-cost contracts, an amount determined by the Chief Procurement Officer.

The protest bond amount required for this solicitation is **Number (\$ #).**

Upon the Chief Procurement Officer's receipt of a protest and protest bond, a stay of the solicitation, proposed award, or award will go into effect until the protest is resolved in accordance with Tenn. Code Ann. § 12-3-514.

The protest bond shall be in form and substance acceptable to the state and shall be surrendered to the state after the protesting party has had an opportunity to oppose the payment of the protest bond and after a finding by the protest committee that:

1. **The protest was signed, before or after appeal to the chief procurement officer or protest committee, in violation of Tenn. Code Ann. § 12-3-514(c);**
2. **The protest has been brought or pursued in bad faith;**
3. **The affected state agency has suffered damages resulting in a loss of funding, increased expenditures, or a disruption in services; the protest was filed in bad faith or in violation of Tenn. Code Ann. § 12-3-514(c); and the protest was not upheld;**
4. **The protest did not state on its face a valid basis for protest;**
5. **For any other reason approved by the protest committee.**

Protest Bond Example

The following is an example of a protest bond that is acceptable in form and substance to the State of Tennessee Central Procurement Office. All statutory grounds enumerated in Tenn. Code Ann. § 12-3-514(e) must be listed in any protest bond.

PROTEST BOND

The surety company issuing this Protest Bond shall be licensed to transact business in the State of Tennessee by the Tennessee Department of Commerce and Insurance. Protest Bonds shall be certified and current Power-of-Authority for the Surety's Attorney-in-Fact attached.

KNOW ALL BY THESE PRESENTS:

That we,

(Name of protesting party)

(Address of protesting party)

as the party filing a protest of the State of Tennessee's determination(s) regarding a solicitation, an award, or a proposed award of a contract, (hereinafter called the "Protesting Party"), and

(Name of surety)

(Address of surety)

as surety, (hereinafter called the "Surety"), do hereby acknowledge ourselves indebted and securely bound and held unto the State of Tennessee ("State") in the penal sum of written amount (\$ number) for payment of which we bond ourselves, our heirs, our personal representatives, our successors and our assignees, jointly and severally.

THE CONDITION OF THIS BOND IS THIS:

WHEREAS, the State has issued [solicitation name] (Solicitation No. #);

AND, the Protesting Party, as an entity that has submitted a response to Solicitation No. #, claims to be aggrieved in connection with the solicitation, award, or proposed award of a contract;

AND, the signature of an attorney or the Protesting Party on a protest or other document constitutes a certificate by the signer that the signer has read the document and to the best of the signer's knowledge, information, and belief, formed after reasonable inquiry, the document is well grounded in fact and is warranted by existing law or a good faith

argument for the extension, modification, or reversal of existing law, and that it is not for any improper purpose, such as to harass, limit competition, or to cause unnecessary delay or needless increase in the cost of the procurement or of the litigation;

AND, neither a protest nor a stay of award shall proceed under the laws of the State of Tennessee unless the Protesting Party posts a protest bond, the Protesting Party does file this protest bond payable to the State with a notice of protest regarding the procurement process;

AND, the State shall hold the protest bond for at least eleven (11) calendar days after the date of the final determination of the protest by the chief procurement officer;

AND, if the Protesting Party appeals the chief procurement officer's determination to the protest committee, the chief procurement officer shall hold the protest bond until instructed by the protest committee to either keep the bond or return it to the Protesting Party.

NOW, THEREFORE, this bond shall remain in full force and effect and shall be immediately payable to the State after the Protesting Party has had an opportunity to oppose the payment of this bond and a finding by the Chief Procurement Officer or the State Protest Committee that:

1. The protest or other document was signed, before or after appeal to the chief procurement officer or protest committee, in violation of Tenn. Code Ann. § 12-3-514(c);
2. The protest has been brought or pursued in bad faith;
3. The affected state agency has suffered damages resulting in loss of funding, increased expenditures, or a disruption in services; the protest was filed in bad faith or in violation of Tenn. Code Ann. § 12-3-514(c); and the protest was not upheld;
4. The protest does not state on its face a valid basis for protest; or
5. For any other reason approved by the Chief Procurement Officer or the State Protest Committee.

Otherwise, this bond shall be null and void.

IN WITNESS WHEREOF, the Protesting Party and Surety have executed this instrument and each has affixed its name and signature by its duly authorized officers, on this

_____ day of _____ in the year _____.

WITNESS:

(Name of Protesting Party)

(Name of Surety)

(Authorized signature of Protesting Party)

(Signature of attorney-in-fact)

(Name of signatory)

(Name of attorney-in-fact)

(Title of signatory)

¹²³
(Surety's Tennessee license number)

RFP AND RFQ TEMPLATES - “PROTEST PERIOD”

REQUEST: Revise the RFP and RFQ Templates references from the “Open File Period” to the “Protest Period.”

1. End of Protest Period		7 CALENDAR DAYS LATER
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**REPORT
CERTIFICATION-RELATED ITEMS
(CMRA)**

November 2023

RE-CERTIFICATION

1. Item No. 763.63

Service: Janitorial Services

Agency/Location: Military Department, Tennessee Army National Guard, Armed Forces Reserve Center, Volunteer Training Site, Building 686, Smyrna, Tennessee 37167

Annual Price: \$89,430.12 for Janitorial Services annually. The building is \$7,452.51 per month or \$1.05 per square foot. The facility has approximately 85,245 square feet.

Price increase requested: This is a 7.8% increase. Price increase requested for wages and increase in cost and supplies.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 12/01/23-11/30/24.

2. Item No. 763.A189

Service: Ground Maintenance Services

Agency/Location: Tennessee Department of Transportation, TDOT Region IV, Boswell Complex, 5334 & 5336 Boswell Ave., Memphis, Tennessee 38120

Annual Price: \$8,760.96 for Ground Maintenance Services annually. Services include mowing, weed eating, edging, and trash removal.

Price increase requested: No price increase requested.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 12/01/23-11/30/24.

3. Item no: 763.A183

Service: Janitorial Services

Agency/Location: Tennessee Department of Transportation, TDOT Region IV, Boswell Complex, 5334 & 5336 Boswell Ave., Memphis, Tennessee 38120

Annual Price: \$42,483.48 annually for three buildings (Regional Transportation Management Center, Engineering Building, Help Building). The average price per

square foot is \$2.34.

Price increase requested: No price increase requested.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 12/01/23-11/30/24.

December 2023

RE-CERTIFICATION

1. Item No. 763.A214

Service: Janitorial Services

Agency/Location: Tennessee Emergency Management Agency (TEMA), 1510 R.E. Baily Bypass, Jackson, Tennessee, 38301

Annual Price: The current certified price is \$979.60 monthly, \$11,755.19 annually, or \$1.81 per square foot.

Price increase requested: No price increase requested.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 01/01/24-12/31/24.

January 2024

RE-CERTIFICATION

1. Item No. 763.A199

Service: Janitorial Services

Agency/Location: Department of Human Services, Dyersburg Office, 1365 Morgan Road, Dyersburg, TN 38024

Annual Price: \$552.12 per month, \$6,625.44 annually, \$2.65 ft².

Price increase requested: No price increase requested.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 02/01/24-1/31/25.

2. Item No. 763.A203

Service: Janitorial Services

Agency/Location: Department of Human Services, Elizabethton Office, 407 Cherokee Park Drive, Elizabethton, Tennessee, 37643

Annual Price: The current certified price is \$502.74 per month, \$6032.88 annually, \$0.97 per ft².

Price increase requested: No price increase requested.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 02/01/24-1/31/25.

3. Item No. 763.A204

Service: Janitorial Services

Agency/Location: Department of Human Services, Cleveland Office, 3069 Overlook Drive, Cleveland, TN 37312

Annual Price: The current certified price is \$656.00 per month, \$7,872.00 annually, \$3.15 per ft².

Price increase requested: No price increase requested.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 02/01/24-1/31/25.

ADDENDUMS

1. Item No. 763.38c

Service: Continuous Forms & Snap Out Forms

Agency/Location: Statewide Contract

Addendum, Continuous Forms & Snap Out Forms, Statewide Contract. CMRA is requesting an amendment to Edison Contract 80869 effective February 1, 2024. This amendment will raise prices on nine-line items in the contract by an average of 5% per item. Total amount of purchases for last year on the contract were \$647,789.47. This packet was contingently approved with the following language added. In section 1.1., "This increase is not expected to have a substantial increase on total annual sales." Also, in section 1.2., "We request to remove the 'Compensation Firm' term in Section C.2 of the contract and have it replaced with the State's standard 'Price Changes' term."

Satisfaction: No complaints have been filed.

Addendum has an effective date of February 1, 2024.

2. Item No. 763.A196
Service: TDOC Uniforms

Agency/Location: Tennessee Department of Correction

Addendum, Corrections Uniforms Contract, Tennessee Department of Correction. Community Rehabilitation Agencies of Tennessee requests certification of long sleeve cotton station shirts effective February 1, 2023, to be added to CMRA Contract #80546 for Tennessee Department of Correction (TDOC) Uniforms, which is dated October 1, 2023, through September 30, 2024. The shirts will be provided by First Tactical, one of the manufacturers of clothing under the contract. Non-defective clothing is not returnable. TDOC plans for TDOC officers to wear these Class A dress shirts when transporting prisoners to court and making court appearances.

Satisfaction: No complaints have been filed.

Addendum has an effective date of February 1, 2024.

February 2024

RE-CERTIFICATION

1. Item No. 763.A209

Service: Grounds Maintenance Services

Agency/Location: Department of Environment and Conversation, Radnor Lake State Natural Area, 1160 Otter Creek Road, Nashville, TN 37220

Annual Price: Total per visit - \$302.10. 16 visits per year, total of \$4,833.60.

Price increase requested: No price increase requested.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 03/01/24-2/28/25.

ADDENDUM

1. Item No.
Service: TOC Uniforms

Agency/Location: Tennessee Department of Corrections

Addendum, Corrections Uniforms Contract, Tennessee Department of Correction. Community Rehabilitation Agencies of Tennessee requests certification of short sleeve cotton station shirts effective March 1, 2024, to be added to CMRA Contract #80546 for Tennessee Department of Correction (TDOC) Uniforms, which is dated October 1, 2023, through September 30, 2024. The shirts will be provided by First Tactical, one of the manufacturers of clothing under the contract. Non-defective clothing is not returnable. TDOC plans for TDOC officers to wear these Class A dress shirts when transporting prisoners to court and making court appearances. A discussion was held prior to the approval of the amendment suggesting that future additions similar to this be done via an MOU rather than an amendment.

Satisfaction: No complaints have been filed.

Addendum has an effective date of March 1, 2024.

March 2024

RE-CERTIFICATION

1. Item No. 763.A210und Maintenance Services

Agency/Location: Department of Intellectual Disabilities, Clover Bottom Developmental Center 275 Stewarts Ferry Pike, Nashville, Tennessee, 37214

Annual Price: \$221,946.81 annually for scheduled services and non-scheduled services.

Price increase requested: This is a 6.4% annual increase in price. This price increase reflects cost increases for labor, maintenance of equipment, and supplies.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 04/01/24-3/31/25.

2. Item No. 763.A211

Service: Janitorial Services

Agency/Location: Department of Environment & Conservation, Bledsoe Creek State Park, 400 Zieglers Fort Road, Gallatin, Tennessee 37066

Annual Price: Janitorial services performed five (5) days per week for a price of \$2,626.74 monthly \$31,520.85 annually. The area serviced contains 13,422 square feet.

Price increase requested: Overall an approximate increase of 22%. The price increase is due to increases for labor and supplies.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 04/01/24-3/31/25.

3. Item No. 763.A181

Service: Janitorial Services

Agency/Location: Long Hunter State Park, 2910 Hobson Pike, Hermitage, Tennessee 37076.

Annual Price: Janitorial services, \$5,411.43 monthly, \$64,937.14 annually.

Price increase requested: This is a 8.36% price increase requested to cover increase in labor and supplies.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 04/01/24-3/31/25.

ADDENDUM

1. Item No. 763.A196

Service: TDOC Uniforms

Agency/Location: Tennessee Department of Corrections

Addendum, Corrections Uniforms Contract, Tennessee Department of Correction. Community Rehabilitation Agencies of Tennessee requests certification of Range Belts and Specialist Backpack 1-Day+, effective April 1, 2024, to be added to CMRA Contract #80546 for Tennessee Department of Correction (TDOC) Uniforms, which is dated October 1, 2023, through September 30, 2024. These items will be provided by First Tactical, one of the manufacturers of clothing under the contract. Non-defective clothing is not returnable. TDOC plans to make the Specialist Backpack 1-Day+ its standard backpack. TDOC requests the addition of the Range Belt because it will carry more weight than the current belt on contract. A discussion was held prior to the approval of the amendment suggesting that future additions similar to this be done via an MOU rather than an amendment.

Satisfaction: No complaints have been filed.

Addendum has an effective date of April 1, 2024.

April 2024

RE-CERTIFICATION

1. Item No. 763.A211

Service: Janitorial Services

Agency/Location: Tennessee Military Department, Tennessee Emergency Management Agency (TEMA), 803 North Concord Street, Knoxville, Tennessee, 37919

Annual Price: \$945.63 per month, \$11,347.56 annually, \$1.13 per square foot

Price increase requested: This is an increase of 6%. This increase is requested due to increases in costs for labor and supplies.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 05/01/24-4/30/25.

CERTIFICATIONS

1. Item No. 763.A300

Service: Janitorial Services

Agency/Location: Department of Environment & Conservation, Bledsoe Creek State Park, 400 Zieglers Fort Road, Gallatin, Tennessee 37066

Annual Price: Janitorial services performed five (5) days per week for a price of \$2,626.74 monthly \$31,520.85 annually. The area serviced contains 13,422 square feet.

Price increase requested: Overall an approximate increase of 22%. The price increase is due to increases for labor and supplies.

This contract had to be certified for two consecutive months because the Park Ranger requested a new subcontractor take over the service.

Satisfaction: No complaints have been filed.

Certification Requested for Period of 05/01/24-4/30/25.

2. Item No. 763.A301

Service: Janitorial Services

Agency/Location: Long Hunter State Park, 2910 Hobson Pike, Hermitage, Tennessee 37076.

Annual Price: Janitorial services, \$5,411.43 monthly, \$64,937.14 annually.

Price increase requested: This is a 8.36% price increase requested to cover increase in labor and supplies.

This contract had to be certified for two consecutive months because the Park Ranger requested a new subcontractor take over the service.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 05/01/24-4/30/25.

MOU

- 1. Item No. 763.A196
Service: TDOC Uniforms

Agency/Location: Tennessee Department of Corrections

Background: Two items were added to the contract via an MOU rather than an amendment as outlined in the Terms and Conditions of the Contract. The items are as follows:

Description	Standard UOM	Price	Total Items	Total Price	Grand Total
<i>Pull Out Panel – Small H (Badge Patch)</i>	EA	\$8.36	300	\$2,508	\$4,305
<i>Badge embroidery</i>	EA	\$5.99	300	\$1,797	

This MOU took effect on April 22, 2024.

May 2024

RE-CERTIFICATION

- 1. 1Item No. 763.A216

Service: Janitorial Services

Agency/Location: Department of Military, Tennessee Emergency Management Agency (TEMA), Southeast Regional Office, 1801 Holtzclaw Avenue, Chattanooga, Tennessee 37404

Annual Price: \$1,170.00 monthly, \$14,040.00 annually, \$4.28 per square foot.

Price increase requested: This is a 17.6% increase requested for increase in labor and supplies.

Satisfaction: No complaints have been filed.

Re-certification Requested for Period of 06/01/24-5/31/25.

**REPORT
LIMITATION OF LIABILITY**

	A	B	C	D	E	F	G	H
1	Limitation of Liability Requests 10.31.23 - 6.3.24							
2	Number	Form	Subject	Description	Status	Submit Date	Owner	Date Approved
3	9474	Limitation_Liability_Request	34301 Starlims	Starlims Consultant Services: Contractor performed software advisory services for configuration, maintenance, and additional licensing for DOH. During the negotiation process, Contractor agreed to the State's optional LOL language but requested that the State include the words "provided that" before the words "in no event." Contractor agreed to the two times the Maximum Liability and the language found in TCA 12-3-701. The State determined that the modification was minor and conformed with TCA 12-3-701 and posed no additional risk or liability to the State.	A	11/7/2023	Tara Roark	11/13/2023
4	9487	Limitation_Liability_Request	34301 CSMD Bridge Contract	Contractor performed software advisory services for configuration, maintenance, and additional licensing for DOH. During the negotiation process, Contractor agreed to the State's optional LOL language, but Contractor insisted on the removal of the last sentence that read "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 of liability set forth in this Section." Contractor agreed to the two times (2xs) the Maximum Liability and the language found in TCA 12-3-701. The State determined that the modification was minor and conformed with TCA 12-3-701 and posed no additional risk or liability to the State. The State was also influenced by the fact that this was a sole source procurement.	A	11/13/2023	Tara Roark	11/15/2023

	A	B	C	D	E	F	G	H
5	9547	Limitation_Liability_Request	32110-3-SWC 777 Commercial Card Services	Contractor was to perform commercial card services for the State. Contractor and State negotiated the removal of the reference to Tennessee law, modification to Estimated Payment Rebates and the elimination of liquidated damages. In previous NASPO agreements, this approach has proven advantageous to the State. At the direction of COT, these changes were recommended before receiving final Contractor signature. The included LOL language and the Estimated Payment Rebates language reflected language in previous iterations of the contract. This language also served as further protection for the State to ensure that a specific amount of Contractor's Liability was established.	A	12/7/2023	Ellen Lipinski	12/7/2023
6	9597	Limitation_Liability_Request	34301-Lab Web Portal, iConnect	DOH Division of Laboratory Services sought to establish a multi-year agreement for expansion of its existing software functionality and maintenance on the current Laboratory Web Portal to facilitate electronic order and results exchanged using a secure cloud-based platform. This was a three (3) year contract with two (2) options to renew. Contractor requested the additional language of "including without limitation any exhibits, schedules, amendments or other attachments to the Contract or otherwise" arising under the contract. The State concluded that the LOL did not change the risk and did not impact TCA 12-3-701 in anyway.	A	12/18/2023	Tori Donahue	12/20/2023
7	9599	Limitation_Liability_Request	32110 - T1 - SWC 3010 Gartner Research and Advisory Services	Gartner Research and Advisory Services. Contractor would not agree to the State's LOL language clause. It was determined that liquidated damages were to be removed because liquidated damages would not be part of the future contract. It was determined that the proposed language modification was minor and in essence conformed to TCA 12-3-701. This result was effectuated through negotiations conducted during discussions with the Contractor.	A	12/20/2023	Josh Gaddy	12/20/2023

	A	B	C	D	E	F	G	H
8	9610	Limitation_Liability_Request	33501 Limitation of Contractor's Liability Req - 78628	This contract was for the provision of processing services to support the State's insurance producer licensing, company licensing and analysis, consumer services, enforcement/fraud, and revenue management responsibilities. The State Based Systems ("SBS") software was essential in supporting the licensing and enforcement functions for which the DOCI is statutorily responsible. The SBS software gives DOCI the ability to manage one or many licenses across multiple jurisdictions and view information. The limitation of liability language did not subject the State to risk, however, the performance of the Contractor over the past fifteen (15) years suggested the risk to be minimal. Further, any risk to the State was outweighed by the utility of the SBS software and the level of support it provides to the insurance licensing and enforcement function of DOCI. The service has been reliable, efficient, and cost-effective and in the State's best interest to continue utilizing the service pursuant to the terms and conditions set forth in the SBS License and Maintenance Agreement.	A	12/27/2023	Nora Chlum	1/3/2024
9	9625	Limitation_Liability_Request	31701 - STS Service Delivery Review	Contractor requested removal of the liquidated damages portion of the LOL since this type of damages were a remote risk. It was determined during negotiations that there was no risk of liquidated damages being applied in any situation and the Contractor's request was approved.	A	1/9/2024	Christopher Benson	1/11/2024

	A	B	C	D	E	F	G	H
10	9626	Limitation_Liability_Request	RFS# 34501-12724 B Equifax	This contract involves employment and income verification services. The State would be potentially liable under the FCRA if it failed to obtain written authorization to receive income data, failed to notify the consumer of an adverse action, or processed information outside of its permitted territory. The liability was directly related to the State's compliance with federal statutes in the receiving of, notifications, and use of the employment information. Under the FCRA, the responsibility for accurate and up to date information would be with the Contractor. If the vendor provided incorrect information to the State, the Contractor would be strictly liable under FCRA. It was determined that the State had an extremely low risk of any consequential liability from the Contractor providing incorrect information to the State.	A	1/9/2024	Rebecca Parker	1/11/2024
11	9676	Limitation_Liability_Request	31786-00177 Third Party Administrator Services for a Tiered Copay Benefit Plan Design	Contractor is an administrator of a self-funded PPO medical benefits using a tiered copayment design with no deductible. The State's maximum liability under this Contract would be two-times (2xs) the total of a per-member per-month administrative fee. It was difficult to reach a more meaningful estimate of maximum liability because it is tied primarily to expected enrollment. However, the potential liability to the state due to the Contractor's performance is much greater than 2xs the maximum liability. The imbalance was discussed with an actuarial consultant with Aon, who agreed that the current clause should be replaced with a clause equal to one times 1xs the total paid claims.	A	2/1/2024	Heather Pease	2/5/2024

	A	B	C	D	E	F	G	H
12	9684	Limitation_Liability_Request	34513-00125 Child Support Voluntary Acknowledgment of Paternity	The service to be provided by Contractor was paternity testing. Contractor provided services under a delegation that was on a voluntary basis and contingent upon the unwed parent's consent to acknowledge paternity. Contractor requested the substitution of the two times (2xs) the total purchase order rather than maximum liability. This change was approved because the revised language was appropriate based on the low risk and upon similar payment terms used in other delegations of a similar nature.	A	2/5/2024	Jonathan Pass	2/6/2024
13	9703	Limitation_Liability_Request	32110-T1 SWC3020 Cloud Managed Service Lumen	This PA added CenturyLink Communications LLC dba Lumen Technologies Group to the statewide contract. This brought the number of suppliers under this statewide to five, to increase sources of supply and increase competition. This PA added new sources of supply to the existing statewide contract and aligned the new PAs with the existing PA for Deloitte, the original supplier under this statewide contract. This contract will be utilized to purchase professional services through statements of work. In case of litigation, the State could receive two times the total paid for an order or \$1,000,000.00, whichever is greater. This contract will be utilized to purchase professional services through SOWs. This proposed change to limitation of contractor liability would align claims with orders and not total estimated liability. This PA is the last of 4 new sources of supply to the existing statewide contract. This LOCL aligns the new PA with the other PAs under this statewide contract. Given past claims history, the likelihood of a claim, and the limitation of liability caps negotiated by the parties, the State is adequately protected from any potential claims it may have against the supplier. In addition, Tenn. Code Ann. § 12-3-701 excludes	A	2/12/2024	Michael Gross	2/15/2024

	A	B	C	D	E	F	G	H
14	9712	Limitation_Liability_Request	31865-00856 National Committee for Quality Assurance	This involved a request to delete the liquidated damages clause. TennCare requested this change to procure these services that will allow the agency to satisfy PCMH Recognition Reviews, Tracking and Custom Reporting. The proposed agreement had been established with National Committee for Quality Assurance with whom TennCare had contracted with for PCMH Recognition services since 2017, the risk associated to this Section change is low considering the Contractor will still be required to abide by Tenn. Code Ann. § 12-3-701.	A	2/15/2024	Donovan G Morgan	2/16/2024
15	9729	Limitation_Liability_Request	34901-01532 AAMVA Limitation of Liability	Contractor will provide network services, program services, and driver services transactions. Contractor requested that the amount of LOL be lowered to changed that is one times (1xs) the Maximum Liability. Contractor would not be responsible to repay the amount of 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 the contract. If there is a situation where losses exceed 1xs, the State shall seek damages covered by the AAMVA's insurance coverages required to be purchased and maintained by the Contractor under other provisions of this Contract.	A	2/22/2024	Marki Mascolo	2/23/2024
16	9744	Limitation_Liability_Request	40100 AASHTO	Contractor requested the deletion of the LOL clause in its entirety. Contractor is a non-profit providing licenses for software for use in the agency. The term was not applicable to the Contract since this was addressed in Contractor's Supplemental and Master Agreements previously negotiated by the State.	A	2/29/2024	Michael Bentheimer	3/6/2024

	A	B	C	D	E	F	G	H
17	9833	Limitation_Liability_Request	34301-Revvity-Oz NBS Software Licenses	Contractor was a supplier of laboratory software licenses and support for the Department of Health Division of Laboratory Services. This service was for support of its end-to-end Newborn screening and management system. This was a sole-source procurement of services. During negotiations, the parties agreed to reduce the amount of the Maximum Liability to Contractor's liability for claims arising under the Contract as outlined in TCA 12-3-701. This reduction in the amount of Maximum Liability allowed Contractor to purchase enhanced software to allow the equipment to be properly operated and exposed the State to no enhanced risk of liability.	A	4/2/2024	Tori Donahue	4/9/2024
18	9838	Limitation_Liability_Request	30901-58424 accompanies RFP for TCRS new pension administration system	Contractor was a provider of computer and software services for the implementation of an enhanced and improved integrated pension administration program for the Tennessee Consolidated Retirement System ("TCRS"). This service will give TCRS and its participants the ability to review and update personal information online. During negotiations, Contractor requested that its indemnification obligations, as set forth in TCA 12-3-701, be reduced from two times (2xs) the Maximum Liability to one and one-half (1 ½) times the Maximum Liability. The State determined that this reduction in the amount was minor, was permitted in the language under TCA 12-3-701 and posed no additional risk or liability to the State. The State was also influenced by the fact that this reduction was necessary based on market conditions.	A	4/3/2024	Belinda D. Rochelle	4/3/2024

	A	B	C	D	E	F	G	H
19	9968	Limitation_Liability_Request	SWC3014 NASPO Hitachi	Contractor was a statewide provider of server equipment and storage devices. As the NASPO participating addendum between the Contractor and the State was principally for the procurement of hardware, and the software evaluation license provisions were only included in the unlikely event that Hitachi software offerings would be purchased under the statewide contract, the State determined that the potential risks of liability to, and anticipated impact on, the State from the limitation of liability provision were low.	A	5/28/2024	Zohreh Hurd	6/3/2024
20	9974	Limitation_Liability_Request	31701-Mainframe Services	Contractor was a provider of mainframe services and managed cloud infrastructure as a service for TN Finance & Administration. During negotiations, the parties agreed to reduce the limitation of Contractor's liability from claims arising under the contract from the default two times the anticipated maximum liability to an amount equal to the anticipated maximum liability. The State determined that the risk of the lowered liability limitation was low based on its course of dealings with the Contractor, and because the lower limitation of liability threshold was within an acceptable risk.	A	5/30/2024	Stephanie Landmark	6/3/2024

**REPORT
MEMORANDUM OF UNDERSTANDING
(MOU)**

	A	B	C	D	E	F	G	H
	Number	SWC# / Edison Contract #	Contract Name	Category Specialist / Sourcing Analyst	Vendor Name	Description	MOU Active Date	Items Added via MOU
1								
411	410	75625	TWRA Uniforms Embroidery, Alterations	Parker Birt	Cms Uniforms & Equipment	MOU to add and update uniform items and delivery locations	10/8/2023	Add 35 uniform items, update 15 uniform items, and add 2 delivery locations
412	411	72976	GH Body Armor	Kyle Villagomez	WW Grainger	MOU for 4.5% price increase	12/1/2023	No items added, price increase only
413	412	78874	TWRA Drone Herbicide Application	Parker Birt	Allen Chase Enterprises Inc	MOU to add line items	12/6/2023	Add 2 herbicide mixes to the Contract
414	413	79131	Supplier Acct Verification	Sharon Pope	PNC	MOU to add a module	12/8/2023	Add an ESI module (Email & Social Intelligence)
415	414	68800	TWRA Access Control System and Support	Parker Birt	Beacon Technologies Inc.	MOU to add line items	12/20/2023	Added Annual Renewal and a line for parts
416	415	61893	Vehicle Leasing	Andrew Martin	Acme Auto Leasing LLC	MOU to add line items	1/22/2024	Added 2024 Model Year Vehicles
417	416	72678	33501-225002 50 Emergency Comm	Karen Conway	AT&T CORP	MOU to add additional ECD site and cybersecurity services	3/6/2024	-New end site address to be connected to the 911 network. -Charges for a variety of cybersecurity service offerings for ECDs/PSAPs. Any costs incurred for cybersecurity services under this agreement will be incurred by the ECD/PSAP and not by the TECB/State
418	417	75625	TWRA Uniforms, Embroidery, Alterations	Parker Birt	CMS Uniforms & Equipment	MOU to add line items	3/5/2024	Add 6 uniform line items needed for TWRA Law Enforcement
419	418	81884	Firearms	Kristine Mitchell	Craigs Firearm Supply, Inc.	MOU to add one core line item	5/6/2024	Glock 45MOS Gen 5, 9x19mm, with AMGLO BLD
420	419	67744	TFACA Educational Books	Karen Conway	Tennessee Firemens Association	MOU for additional books	4/16/2024	To update the curriculum textbooks to newest editions for the required standard changes to support the Firefighting Commission test for certification.
421	420	80546	TDOC Uniforms	Adam Mamula	CMRA/Axis 7	MOU to add line items to catalog contract	4/22/2024	MOU to add velcro badges with embroidery to contract
422	421	73706	MSP Contract for Temp Labor	Andrew Martin	uWork.com Inc. Db a Covendis Technology	MOU to add catalog lines	4/24/2024	MOU to add in-person interpreters to the contract
423	422	62117	Multifunction Devices, Scanners, & Software	Michael Gross	Canon Solutions America	MOU to substitute accessories	1/4/2024	MOU#6 - Micardplus C14 CGS [Item Code: 3575BA71]
424	423	77045	Pest Control Services	Evan Sudduth	Middle Tennessee Exterminating, LLC	Replaces MOU 2	12/19/2023	Made corrections to MOU 2 - adding TDOT locations that were not on the original contract
425	424	77045	Pest Control Services	Evan Sudduth	Middle Tennessee Exterminating, LLC	Added TDOT locations	3/15/2024	Added nine (9) line items for additional TDOT location sand associated monthly pricing
426	425	69302	Electrical, HVAC, Plumbing, Boiler, and Chiller Systems Maintenance & Repair	Evan Sudduth	Acorn Electricial Specialist, Inc.	Fixed clerical error to correct pricing	3/20/2024	Pricing error found during renewal. This MOU fixes the prices to be congruent between the contract and Edison