

Texas Workforce Commission (TWC)

Request for Offer (RFO)

High Speed Scanner Replacement

RFO Number: 3201800056
Date Issued: March 1, 2018

Texas Workforce Commission – Request for Offers No. 3201800056

High Speed Scanner Replacement

1. **PURPOSE:** The purpose of this Request for Offer (RFO) is to solicit offers from vendors for the acquisition of an ImageTrac 3ex High Speed Scanner, or equal. (see Section 5 for detailed specifications).

2. **AUTHORIZED PROCUREMENT CONTACT:** The individual listed below may be telephoned or faxed for clarification of this RFO. No authority is intended or implied that this solicitation may be amended or alternates accepted prior to submission deadline without written approval of Texas Workforce Commission (TWC).

Contact Name: Paul H. Hesser III
Title: Purchaser, CTPM
Street Address: 1117 Trinity Street, Room 316-T, Austin, Texas, 78701
Telephone: (512) 936-3339
Fax: (512) 475-3502
E-mail: paul.hesser@twc.state.tx.us

Other Communication: Communication with any TWC personnel regarding this solicitation other than the Authorized Procurement Contact listed is prohibited. Failure to follow this provision may be grounds for disqualification. Respondents desiring further information or interpretation of this solicitation (including clarification of discrepancies or omissions) must submit questions in writing to the Authorized Procurement Contact.

3. **REQUIREMENTS FOR RESPONDING TO THIS SOLICITATION:** All submitted responses must be in compliance with TWC Terms & Conditions, Attachment I. Vendors should read these terms and conditions carefully prior to submitting a response. Written response shall be the sole means of presenting product and all pricing. Documentation must be complete.

3.1. **Pages/Items to Return:**

- 3.1.1. Submit all pages in the RFO plus all Attachments. Failure to furnish all required documentation when submitting your response may result in the response being deemed incomplete, resulting in rejection;
- 3.1.2. Submit signed original plus one (1) copy on compact disk. The documents must be un-bound (loose leaf covers are acceptable), hole-punched on letter-sized paper;
- 3.1.3. Submit one (1) original of Attachment 2: Cost Worksheet in a separate envelope along with one (1) copy on compact disk;
- 3.1.4. Submit a signed Attachment 3: Vendor Agreement; and
- 3.1.5. Submit a written response to all specifications and any additional items requested.

4. **SUBMITTAL INFORMATION:** Send original of your completed offer in a sealed envelope via US MAIL, FedEx, UPS or any standard carrier to:

Texas Workforce Commission
Procurement & HUB Services
Attn: Paul H. Hesser III, CTPM
101 E. 15th Street, Room 316T
Austin, TX 78778-0001

For hand-deliveries only:
Texas Workforce Commission
Procurement & HUB Services
Attn: Paul H. Hesser III, CTPM
1117 Trinity, Room 316T
Austin, TX 78701

4.1. Write down, on the front, lower left-hand corner of the envelope: "RFO No. 3201800056".

Offers are to be received by 10:00 AM, Thursday, March 21, 2018.

5. **DETAIL SPECIFICATIONS AND EVALUATION CRITERIA:**

5.1 Specifications of Item(s)/Service(s) desired:

5.1.1. **Background**

High Speed Scanner Replacement

TWC currently uses an integrated scanning and data capture solution to intake documents used in administering the Texas Unemployment Compensation Act (TUCA). Documents are received from the public and processed as part of the collection of payroll taxes from employers and the payment of unemployment insurance benefits to workers. The integrated solution converts paper documents to an electronic (image) format and captures data from the image for processing.

The ImageTrac 3ex scanner is the current component in the solution that converts the paper documents to electronic (image) format in various formats and resolutions. It also performs document separation and identification by detecting barcodes, reading magnetic ink character recognition (MICR) information, and identifying characters. The speed and effectiveness of the scanner allows TWC to process the documents within the guidelines set forth by state and federal statutes and administrative regulations.

5.1.2. Current Environment

TWC processes approximately 3.7 million documents annually through an integrated scanning and data capture solution. The paper documents are comprised of single-sided and double-sided structured, semi-structured, and un-structured documents received from the public. Most of the documents received are 8½ inches by 11 inches in size, but can vary significantly in size and paper weight.

5.1.3. Description of product/service

The current scanner component (ImageTrac 3ex) has reached the end of its useful life. In order for TWC to maintain its data capture operations, the current IBML ImageTrac 3ex must be replaced with a new generation scanning device that provides, at a minimum, the same functionality and throughput as the existing scanner.

The specifications and or requirements are being solicited under Section 2155.067, Texas Government Code. TWC has documented justification for the specifications and the reasons why competing products are not satisfactory. If a competing vendor believes it can satisfy the specifications in this RFO, it should respond in writing with its product and explain how the specifications will be adequately met.

TWC will not meet with any vendor to discuss their solution.

5.1.4. Trade-In

Elements of the equipment:

- Age of equipment – 7 years (purchased in 2010)
- Condition of equipment – Very good
- Make (Manufacturer/Brand) - IBML
- Model Number – ImageTrac 3ex
- Serial Number (if applicable) - [REDACTED]

5.1.4.1. The acceptance of the trade-in amount is at the state’s option.

5.1.4.2. Release of trade-in equipment will not be allowed until final delivery and acceptance of the new equipment.

5.1.4.3. Pickup of equipment by awarded vendor will be “where is, as is” and in existing condition. (Equipment is currently located at 1411 Brazos Street, Austin, TX 78701)

5.1.5. Solution Requirements

The Vendor must submit a written proposal for a solution that meets all the following requirements:

- 5.1.5.1. Be new equipment. Used, discontinued, or remanufactured equipment will not be considered;
- 5.1.5.2. Provide a software solution to import scanned images as batches to the Open Text Captiva data capture application;
- 5.1.5.3. Create scan job settings configurations for current scan jobs in our current environment;
- 5.1.5.4. Provide an option for purchase or lease of additional scanners;
- 5.1.5.5. In the event of a disaster, Awarded Vendor must provide disaster recovery services for a maximum period of one hundred and eighty (180) days. Awarded Vendor must ship a replacement scanner that is the same or similar loaded with software and hardware configured to plug and play in the current TWC scanning environment within one hundred and twenty (120) hours of declared disaster. Replacement scanner must

Texas Workforce Commission – Request for Offers No. 3201800056

High Speed Scanner Replacement

be shipped to the designated recovery location, which is currently 4405A Springdale Road, Austin, TX 78723. Professional services, both remote and on-site, must be provided for assistance. TWC will have the option to purchase the replacement scanner or a new scanner prior to the expiration of one hundred and eighty (180) days from receipt of the replacement scanner.

- 5.1.5.6. The replacement scanner must have the option to use for one hundred and eighty (180) days before a purchase decision is made.
- 5.1.5.7. Provide yearly disaster recovery exercise supported by shipping a scanner that is the same or similar loaded with hardware and software configured to plug and play in the current TWC scanning environment. Professional services will be provided for on-site setup, assistance, and breakdown for return shipping.
- 5.1.5.8. Provide all hardware and software necessary for the operation of the proposed solution;
- 5.1.5.9. Scan documents up to 11 ½” to 17” in size;
- 5.1.5.10. Scan documents as small as 2 ½” X 3 ¼” in size;
- 5.1.5.11. Scan documents ranging in thickness from rice paper to card stock;
- 5.1.5.12. Provide feeder capacity of at least 500 sheets of No. 20 bond paper;
- 5.1.5.13. Provide duplex camera imaging;
- 5.1.5.14. Provide Patch Code Reader;
- 5.1.5.15. Deliver 7,000 images to the Open Text Captiva data capture application per hour that allows for expansion to higher rates of scanning;
- 5.1.5.16. Provide a graphical user interface (GUI) that allows the electronic manipulation (Form ID, Deletion, and Rescan) of documents during the scanning and post-scanning phase of document capture;
- 5.1.5.17. Provide more than one (1) method for identifying and extracting data from checks;
- 5.1.5.18. Provide more than one (1) method for identifying envelopes;
- 5.1.5.19. Auto-Feed all documents;
- 5.1.5.20. Provide an auto-feed mechanism that does not require the operation of the scanner be stopped to reload more documents;
- 5.1.5.21. Detect each document and separate them effectively to prevent double-feeding. If a double-feed is detected, the scanner will stop and alert the operator;
- 5.1.5.22. Align each document before capturing an image;
- 5.1.5.23. Detect and read bar code data on the documents;
- 5.1.5.24. Capture the front-side and back-side of each document in a single pass;
- 5.1.5.25. Auto-crop the image created;
- 5.1.5.26. De-skew the image created;
- 5.1.5.27. Drop-out different ink colors from the document image, including red and green;
- 5.1.5.28. Re-order or re-scan images within a batch;
- 5.1.5.29. Create images in multiple file formats, including TIFF, JPEG, and PDF;
- 5.1.5.30. Create images in multiple resolutions, with a minimum of 300 dpi;
- 5.1.5.31. Create multiple images for each document scanned (multi-streaming);
- 5.1.5.32. Detect and read Magnetic Ink Character Recognition (MICR) data;
- 5.1.5.33. Detect and read MICR + Intelligent Character Recognition (ICR) data
- 5.1.5.34. Provide ICR events
- 5.1.5.35. Print up to six (6) lines of information on the document before image capture;
- 5.1.5.36. Perform check endorsement;
- 5.1.5.37. Print an endorsement on a document that consists of a 1” by 1” box with 6-8 lines of text contained within it;
- 5.1.5.38. Print an endorsement that contains the current date;
- 5.1.5.39. Pocket documents separately in at least three (3) different pockets with an option of expansion;
- 5.1.5.40. Contain an easily identifiable emergency stop button;

High Speed Scanner Replacement

- 5.1.5.41. Detect and auto-delete blank pages;
- 5.1.5.42. Provide ultrasonic doubles detection;
- 5.1.5.43. Identify characters optically from both sides of the document;
- 5.1.5.44. Record statistical information for each document that is captured;
- 5.1.5.45. TWC may accept a solution that provides equivalent imaging functionality and with proven integration with the existing Open Text Captiva data capture application that meets TWC’s budget and timeframe expectations.
- 5.1.5.46. Provide four (4) desktop applications providing access to the scanner software to prepare reports, statistics, reimport scanned batches, research scanned batches and research job definitions.
- 5.1.5.47. Document comparable installation and solution experience within last 5 years.

5.1.6. Maintenance / Support Requirements

The Vendor must:

- 5.1.6.1. Provide a *minimum* one (1) year warranty on the scanning solution that will not cause TWC to incur costs for time, material, travel, or product support. The warranty period will begin on the September 1st or on a mutually agreed upon date, following successful implementation of the scanning solution within the TWC production environment and acceptance by TWC thereby aligning the warranty period with the State of Texas fiscal year that runs from September 1 through August 31.
- 5.1.6.2. Provide a renewable annual maintenance and support program. Through this program, TWC will receive support from the Awarded Vendor from 7:00 AM to 4:00 PM Monday through Friday Central Time, excluding vendor holidays. The program will provide TWC with telephone or email support within one (1) hour and require a technician or system engineer on-site within two (2) hours to resolve any reported issues or failures. Failure by the Awarded Vendor to provide the stated level of service will require the Awarded Vendor to pay TWC \$300 for each business hour of non-compliance. Determination by TWC as to the amount to be recovered shall be conclusive. Invoicing for this maintenance and support program will be aligned with the State of Texas fiscal year that runs from September 1 to August 31. The maintenance and support program must also provide for:
 - 5.1.6.2.1. Software updates as needed;
 - 5.1.6.2.2. Onsite regular preventive maintenance as required based on usage;
 - 5.1.6.2.3. Storage of consumables and common replaceable parts for the solution on TWC premises;
 - 5.1.6.2.4. Maintaining a stock of critical parts that is available for overnight shipping; and
 - 5.1.6.2.5. Notification of a product correction notice (PCN).

5.1.7. Technical and Operational Manual(s)

The Awarded Vendor must:

- 5.1.7.1. Provide documentation that instructs on the operation and maintenance of the solution that includes, at a minimum, error codes, troubleshooting tips, physical specifications, and any other information needed by TWC staff.
- 5.1.7.2. Provide one (1) hardcopy of all manuals and provide access to the documentation in electronic format.
- 5.1.7.3. Provide access to customer / user groups, tips and tricks, and knowledge base/helpful hints for TWC staff to review technical support documentation.

5.1.8. Installation and Implementation Requirements

The Awarded Vendor must:

- 5.1.8.1. Negotiate the installation date(s) with TWC immediately following contract award;
- 5.1.8.2. Provide a timeline for completion of Scanner solution and describe plan to complete.
- 5.1.8.3. Request approval from TWC to move forward with each significant task described in the timeline;
- 5.1.8.4. Be paid 90% on Scanner upon completion and acceptance by TWC. The final 10% of Scanner will be retained until final written acceptance by TWC.
- 5.1.8.5. Provide a bi-weekly status report during the planning phase of the project and weekly reports during the implementation phase of the project. The status reports will include, but are not limited to, the percentage completed, an updated milestone chart, and any positive or negative events that management should be aware of since the last report;

Texas Workforce Commission – Request for Offers No. 3201800056

High Speed Scanner Replacement

- 5.1.8.6. De-install existing equipment and remove from TWC's premises;
- 5.1.8.7. Deliver and install all new equipment and software;
- 5.1.8.8. Submit an installation plan with their response;
- 5.1.8.9. Deliver all equipment and software F.O.B. destination installed;
- 5.1.8.10. Remove all packing material and debris from the installation site; and
- 5.1.8.11. Schedule the installation at a time (not at peak times) when it will have the least impact to TWC operations.

5.1.9. Acceptance and Testing Requirements

Each unit of equipment must operate at an effectiveness level of ninety-five percent (95%) for thirty (30) consecutive business days out of a ninety (90) calendar day period immediately following the installation date. During this time, the Awarded Vendor will support the existing and proposed solution until TWC accepts the proposed solution. TWC will deem that the Awarded Vendor has not met the standard of performance criteria if any of the following conditions occur during the acceptance period:

- The Awarded Vendor requires more than fifteen (15) consecutive workdays (120 hours) to install and prepare the components (hardware and software) for Acceptance Testing.
- The system or component availability is calculated to be less than ninety-five percent (95%).
- During the thirty (30) consecutive business day evaluation period, two hundred and forty (240) hours, total maintenance time exceeds sixteen (16) hours.

In the event the Awarded Vendor fails to meet the standard of performance, TWC shall be entitled to take one (1) or more of the following actions:

- Demand and receive a refund of any funds paid to the Awarded Vendor.
- Extend the performance period and recover up to \$1,000 per business day until the acceptable performance criteria is achieved. Determination by TWC as to the amount to be recovered shall reflect actual damages suffered by TWC and shall be conclusive.
- Demand and receive de-installation, returning the Awarded Vendor's equipment, and demand and receive installation of the old system to original function at the Awarded Vendor's expense.
- Declare the Awarded Vendor in material breach/default of the contract.

5.1.10. Training Requirements

The Awarded Vendor must provide on-site training for any TWC staff directly or indirectly involved in the operation and maintenance of the equipment and software. Training of the programmers, supervisors, and operators must be in sufficient detail for smooth conversion and ultimately making TWC staff competent in all aspects of the programming and operation of the equipment and software. The following are a list of items that, at a minimum, must be provided during the training:

- Provide information on capabilities of the solution;
- Provide information on how the solution can be used to develop a more effective process;
- Allow for discussions on how the solution can support other departmental business processes more effectively;
- Provide hands-on training to develop jobs, forms, and programs;
- Provide supervisor-specific training;
- Provide hands-on training for equipment operators;
- Provide instruction on daily preventive maintenance; and
- Provide instruction on identifying and reporting or resolving issues resulting from usage.

5.2. **Screening and Evaluation Criteria:** An award will be made based upon what TWC considers to be the offer providing the Best Value to the agency. In determining the Best Value, TWC will consider factors including, but not limited to, the following.

- 5.2.1. Initial price of product/service, installation cost and overall life-cycle costs.
- 5.2.2. Compatibility with TWC architecture.
- 5.2.3. Capacity for expansion and upgrade.
- 5.2.4. Extent of training/retraining of staff needed.

Texas Workforce Commission – Request for Offers No. 3201800056

High Speed Scanner Replacement

- 5.2.5. Comparable Experience. Experience with similar projects, particularly experience with other government agencies, will be considered.
- 5.2.6 Offerors must include all proposed modifications to Attachment 1 - Texas Workforce Commission - Terms & Conditions, with proposal. All proposals will be screened for inclusion of all required information prior to release to the Evaluation Team. TWC may exclude from further consideration for selection any non-responsive proposal or portion of a proposal.

Any exceptions or deviations by the Offeror to Attachment 1 - TWC’s Terms & Conditions (T&Cs), may make the offer unacceptable for award without discussion. If an Offeror proposes exceptions to the Terms & Conditions, TWC may make an award without discussion to another Offeror that did not take exceptions to the Terms & Conditions.

TWC Purchasing will determine this based upon the following criteria:

- 5% when Vendor will comply with all TWC T&Cs with no exceptions.
- 4% when Vendor will comply with most TWC T&Cs with very few exceptions.
- 3% when Vendor will comply with some TWC T&Cs with moderate exceptions.
- 1% when Vendor will comply with few TWC T&Cs with several critical exceptions.
- 0% when Vendor will not comply with TWC T&Cs.

In compliance with the provisions of Texas Government Code, Title 10, Subtitle D, Section 2155.074, Section 2155.075, Section 2156.007, Section 2157.003 and Section 2157.125, and Texas Administrative Code, Title 1, Chapter 113.6, information obtained from the Texas Comptroller of Public Accounts Vendor Performance Tracking System (VPTS) may be used in evaluating responses to solicitations for goods and services to determine the best value for the state.

The Evaluation Team will evaluate proposals based on the criteria listed below.

- 45% of score: Technical requirements, schedule and methodologies.
- 25% of score: Cost.
- 25% of score: Documented experience for Offeror and information available from the VPTS.
- 5% of score: Exceptions to TWC’s Terms and Conditions as described above.

Texas Workforce Commission – Terms & Conditions (11/1/2017)
ATTACHMENT I

By responding to the solicitation or fulfilling the awarded Purchase Order (PO), the Vendor agrees to the terms and conditions below, which apply to and become a part of every Texas Workforce Commission (TWC) purchase. Only mutual written exceptions will be valid. Where a purchase is made without the Invitation for Bids (IFB); Request for Offers (RFO) or Request for Proposals (RFP) process, “IFB/RFO/RFP” equates to “Purchase Order” and “Bidder/ Offeror/Proposer” equates to “Vendor”. Any specification in the solicitation that is in conflict with these standard terms and conditions takes precedence. All references to “days” shall be calendar days unless specified otherwise.

1. SOLICITATION RESPONSE REQUIREMENTS

- 1.1. **Written Specifications:** TWC will not be bound by any oral statement or representation contrary to the written specifications contained in the solicitation.
- 1.2. **Incomplete Responses:** Late, illegible, incomplete and/or unsigned responses may be deemed non-responsive and may not be considered.
- 1.3. **Freight:** Prices quoted are to include freight prepaid, F.O.B. Destination (Free on Board). Enter unit price on quantity and unit of measure specified - extend and show total. In case of errors in extension, unit prices shall govern.
- 1.4. **Firm Pricing:** Prices submitted are expected to be firm for TWC acceptance for thirty (30) days from the solicitation deadline. "Discount from list" offers are not acceptable unless specifically requested. Cash discounts will not be considered in determining the low offer. All cash discounts submitted will be taken if earned. Prices must remain firm for the duration of the term of the PO/contract.
- 1.5. **Ties:** In the case of tie bids, the award will be made in accordance with the preferences listed under 34 TAC Rule 20.38.
- 1.6. **Preferences:** In making an award, TWC shall apply the preferences listed at 34 Texas Administrative Code (TAC) § 20.38. For purchase or lease of computer equipment TWC shall apply a preference for manufacturers that have a computer recycling program as described in 1 TAC § 217.11.
- 1.7. **Bid Alteration/Withdrawal:** A submitted response to a solicitation cannot be altered or amended after the solicitation deadline, except by formal negotiation via the RFO/RFP processes. Any alteration made before the solicitation deadline is to be initiated by Vendor or the Vendor's authorized agent. Vendors are not allowed to withdraw their submitted response after the solicitation deadline without approval by TWC.
- 1.8. **Rejection of Bids:** In accordance with Texas Government Code § 2156.008, TWC reserves the right to reject a bid in which there is a material failure to comply with specification requirements. TWC may reject all bids or parts of bids if the rejection serves the state's best interest.
- 1.9. **Tax Exempt:** Purchases made for State use are exempt from the State Sales tax and Federal Excise tax. Do not include tax in bid. Excise Tax Exemption Certificates are available upon request.
- 1.10. **Other Entities:** TWC requests that the Vendor extends the same contract prices and conditions to Local Workforce Development Boards (LWDB) and Child Care Management Services (CCMS) entities contractually linked with TWC if awarded the contract.
- 1.11. **Identify All Parties:** TWC requires all business partners, equipment, support or maintenance providers who will perform under an awarded contract to be identified prior to contract award for TWC approval. Substitutions of providers shall be submitted in writing for TWC approval during the term of the agreement.
- 1.12. **No Travel:** TWC will not reimburse a Vendor for travel and expenses unless specifically provided for in the contract documents. In that event, such reimbursement will not exceed the state travel reimbursement rates and limits established by the then current General Appropriations Act.

2. GENERAL CONDITIONS

- 2.1. **Damage to Grounds and Buildings:** Vendor shall be financially responsible for any or all damage done by its employees, agents and subcontractors to the TWC grounds and buildings. Vendor is responsible for the removal of all debris resulting from work performed under the contract.
- 2.2. **Disclosure of Information:** TWC, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records which are directly pertinent to this procurement.
- 2.3. **Texas Public Information Act:**
 - 2.3.1. Information, documentation, and other material in connection with this solicitation or any resulting contract may be subject to public disclosure pursuant to Texas Government Code, Chapter 552 (the “Public Information Act”).
 - 2.3.2. All information submitted in response to the solicitation is subject to public disclosure pursuant to the Public Information Act. In the event of a request for information pertaining to the solicitation, TWC will comply with the provisions of the Public Information Act to protect the interests of the State of Texas. The Public Information Act allows the public to have access to information in the possession of a governmental body. Therefore, the Vendor must clearly identify any confidential or proprietary information on the page on which it appears in the solicitation response and reference the specific exception to disclosure in the Public Information Act. Proprietary information identified by the Vendor in advance will be kept confidential to the extent permitted by state law. Any information not clearly identified as confidential or proprietary shall be deemed to be subject to disclosure pursuant to the Public Information Act.
 - 2.3.3. All information, documentation and other material in connection with the solicitation or any resulting contract will be retained by TWC for the period specified in the Records Retention Schedule created under Texas Government Code, Chapter 441. The information will not be returned to the Vendor who submitted it during the retention period time.
 - 2.3.4. Vendor is required to make any public information created or exchanged with the state pursuant to any contract with TWC, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to TWC.
- 2.4. **Award of Contract:**
 - 2.4.1. Responding to a solicitation is an offer to contract with the State based upon the terms, conditions, and specifications contained in the solicitation. Submitted responses do not become contracts unless and until they are accepted and an award is made by TWC Procurement and Hub-Services and a PO is issued to the Vendor.
 - 2.4.2. TWC reserves the right to negotiate price and terms with any and all Vendors, to accept or reject all or any part of a Vendor's response, waive minor technicalities, to request Best and Final Offers from all or any Vendors, and make an award that represents Best Value to the agency or the State.
 - 2.4.3. Subsequent to award, TWC may, at its sole option, request the Vendor to negotiate contract amendments or renewals as is determined to be in the best interest of the agency or the State.
 - 2.4.4. TWC reserves the right to use a third party to negotiate price related to any Information Technology solicitation or contract.
 - 2.4.5. TWC reserves the right to make an award on the basis of low line item bid, low total of line items, or in any other combination that will serve the best interest of the State and to reject any and all bid items in the sole discretion of the State.
- 2.5. **Vendor Assignments:** No assignment is permitted the Vendor without prior written consent of TWC. Any written request for assignment must be accompanied by written acceptance of the assignment by the assignee. Except where otherwise agreed in writing by TWC, assignment will not release Vendor from its obligations pursuant to the contract.

Texas Workforce Commission – Terms & Conditions (11/1/2017)

ATTACHMENT I

- 2.6. **TWC Assignments:** TWC may sub-lease or assign equipment and related services provided via the contract to other entities which contract with TWC to provide agency support or services.
- 2.7. **INDEMNIFICATION**
- 2.7.1. **Acts or Omissions:** Vendor shall indemnify and hold harmless the State of Texas, TWC, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DISIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, order fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND TWC AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.
- 2.7.2. **Infringements:**
- 2.7.2.1. Vendor shall indemnify and hold harmless the State of Texas, TWC, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND TWC AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.
- 2.7.2.2. Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (1) use of the product or service for a purpose or in a manner for which the product or service was not designed, (2) any modification made to the product without Vendor's written approval, (3) any modifications made to the product by the Vendor pursuant to TWC's specific instructions, (4) any intellectual property right owned by or licensed to TWC, or (5) any use of the product or service by TWC that is not in conformity with the terms of any applicable license agreement.
- 2.7.2.3. If Vendor becomes aware of an actual or potential claim, or TWC provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against TWC, shall), at Vendor's sole option and expense; (1) procure for TWC the right to continue to use the affected portion of the product or service, or (2) modify or replace the affected portion of the product or service with functionality equivalent or superior product or service so that TWC's use is non-infringing
- 2.7.3. **Taxes/Workers' Compensation/Unemployment Insurance – Including Indemnity:**
- 2.7.3.1. VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE STATE OF TEXAS AND/OR TWC SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.
- 2.7.3.2. VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS, TWC, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND TWC AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.
- 2.8. **Vendor Performance:** In accordance with Texas Government Code §§ 2155.074 and 2155.075, Vendor performance may be used as a factor in the award.
- 2.9. **Force Majeure:** TWC may grant relief from performance of an awarded contract or PO, or extend a performance period, if the Vendor is prevented from compliance and performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault of the Vendor. If the Vendor requests the relief, the burden of proof for the need of such relief shall rest upon the Vendor, who must file a written request for such release or extension. If TWC grants such relief due to circumstances known by the agency, the agency must document such reasons in the contract file.
- 2.10. **Dispute Resolution Procedures:**
- 2.10.1. **Procurement Disputes:** Any actual or prospective Vendor who is aggrieved in connection with the solicitation, evaluation, or award of a contract may formally protest to the Deputy Executive Director. Such protests must be made via certified mail and received in the appropriate Director's office within ten (10) business days from the date of the announcement of the award. The written protest must include: the number of the solicitation being protested; the grounds for the protest, including a description of any alleged acts or omissions by TWC that form the basis for the protest; any written information which the protestor believes is relevant to the award; and the basis for the protestor's interest in

Texas Workforce Commission – Terms & Conditions (11/1/2017)

ATTACHMENT I

the procurement. TWC will make available to the protestor all requested documents not exempted from disclosure under Texas and federal law. TWC will provide copies of these documents upon payment of the fees adopted by TWC for record duplication. The protestor will be provided an opportunity for an informal meeting with the Director or his designee, to discuss the protest, however, TWC may limit the amount of time allocated for the meeting. The Director will issue the final written decision to the protestor

- 2.10.2. **Contract Disputes:** TWC follows the dispute resolution process provided for in Texas Government Code, Chapter 2260 to resolve contract disputes.
- 2.11. **Debt to the State:** Vendor agrees that any payments due under this contract will be applied towards any debt including, but not limited to, delinquent taxes and child support that is owed to the State of Texas.
- 2.12. **Hold-Over Provision:** In the event contract renewal negotiations are not completed prior to the contract expiration date, both parties agree that services shall be provided by the Vendor and accepted by TWC, subject to all original terms and conditions of the contract, for a period not to exceed ninety (90) days following the original contract expiration date. The hold-over service costs shall be the pro-rated rates in effect immediately prior to such expiration. Such hold-over agreement shall not be interpreted to extend the term of the original contract. TWC may terminate such hold-over service by providing written notice of cancellation not less than ten (10) business days prior to the cancellation date.
- 2.13. **Supporting Documents, Retention:** Vendor shall maintain and retain supporting fiscal and any other documents relevant to showing that any payments under this Contract were expended in accordance with the laws and regulations of the State of Texas, including but not limited to, requirements of the Comptroller of the State of Texas and the State Auditor. Vendor shall maintain all such documents and other records relating to this Contract and the State's property for a period of seven (7) years after the date of submission of the final invoices or until a resolution of all billing questions, whichever is later. Vendor shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all documents and other information related to this Contract. Vendor and the subcontractors shall provide the State Auditor with any information that the State Auditor deems relevant to any investigation or audit. Vendor must retain all work and other supporting documents pertaining to this Contract, for the purposes of inspecting, monitoring, auditing, or evaluating by TWC and any authorized agency of the State of Texas, including an investigation of audit by the State Auditor.
- 2.14. **State Auditor:** Vendor shall cooperate with any authorized agents of the State of Texas and shall provide them with prompt access to all of such State's work as requested. Vendor's failure to comply with this Section shall constitute a material breach of this Contract and shall authorize TWC and the State of Texas to immediately assess appropriate damages for such failure. Pursuant to Texas Government Code § 2262.154, the acceptance of funds by Vendor or any other entity or person directly under this Contract, or indirectly through a subcontract under this Contract shall constitute acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Vendor acknowledges and understands that the acceptance of funds under this Contract shall constitute consent to an audit by the State Auditor, Comptroller or other agency of the State of Texas. Vendor shall ensure that this paragraph concerning the State's authority to audit funds received indirectly by subcontractors through Vendor and the requirement to cooperate is included in any subcontract it awards. Furthermore, under the director of the legislative audit committee, an entity that is subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit.
- 2.15. **Limitation on TWC's Liability:** TWC will not be liable for any incidental, indirect, special, or consequential damages under contract, Tort, (including negligence), or other legal theory. TWC's liability to Vendor under the contract will not exceed the total charges to be paid by TWC to Vendor under the contract.
- 2.16. **State Ownership:** The Parties agree that TWC will own all right, title and interest in and to the work products including deliverables, source and object code and documentation developed by the Vendor in connection with the contract.
- 2.16.1. All work products including deliverables, source and object code and documentation, in whole or in part, will be deemed works made for hire of TWC for purposes of copyright law and copyright will belong solely to TWC.
- 2.16.2. To the extent that any such work product or deliverable does not qualify as a work made for hire under applicable law, and to the extent that the deliverable or work product includes materials subject to copyright, patent, trade secret, or other proprietary right protection, Vendor agrees to assign, and hereby assigns, all right, title, and interest in and to the work products and deliverables, including without limitation all copyrights, inventions, patents, trade secrets, and other proprietary rights therein (including renewals thereof) to TWC.
- 2.16.3. Vendor will assist TWC or its nominees to obtain copyrights, trademarks, or patents for all such work products or deliverables in the United States and any other countries. Vendor agrees to execute all papers and to give all facts known to it necessary to secure United States or foreign country copyrights and patents, and to transfer to TWC all the right, title, and interest in and to such work products or deliverables. Vendor agrees to not assert any moral rights under applicable copyright law with regard to such work products and deliverables.
- 2.16.4. Vendor agrees to reproduce and include TWC's copyright and other proprietary notices and product identifications provided by Vendor on such copies, in whole or in part, or on any form of the work products or deliverables.
- 2.17. **License:** In accordance with 2 Code of Federal Regulations § 200.315, all appropriate State and Federal agencies will have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, translate or otherwise use, and to authorize others to use for State or Federal purposes all materials, deliverables and work products, including software and modifications thereof, and associated documentation designed, developed, or installed with Federal Financial Participation under the contract, including but not limited to those materials covered by copyright, all source and object code, instructions, files, and documentation composing the system.
- 2.18. **Most Favored Customer:** If during the term of the contract, the Vendor enters into another contract with any customer for substantially similar services at prices more favorable than those provided to TWC, the contract may be amended to provide the more favorable prices to TWC.
- 2.19. **Governing Law and Venue:** The contract shall be executed in and governed, construed and interpreted under the laws of the state of Texas. Vendor agrees that proper venue for a claim arising under the contract shall be brought in a court of competent jurisdiction in Travis County, Texas.
- 2.20. **Severability:** If any provision of the contract is construed to be illegal or invalid, such provision shall be deemed stricken and deleted to the same extent and effect as if never incorporated into the contract, but all other provisions shall remain in full force and effect.
- 2.21. TWC and the Vendor must adhere to the directions in the President's Executive Order (EO) 13224, Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism. This Executive Order prohibits any transaction or dealing by United States persons, including but not limited to the making or receiving of any contribution of funds, goods, or services to or for the benefit of those persons listed in the General Services Administration's Excluded Parties List System (EPLS) which may be viewed on the System for Award Management (SAM) site at <http://www.Sam.gov>
- 2.22. **No Waiver:** Nothing in this contract shall be construed as a waiver of the TWC's or the State's sovereign immunity. This contract shall not constitute

Texas Workforce Commission – Terms & Conditions (11/1/2017)

ATTACHMENT I

or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the TWC or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to TWC or the State of Texas under this contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. TWC does not waive any privileges, rights, defenses, or immunities available to TWC by entering into this contract or by its conduct prior to or subsequent to entering into this contract.

- 2.23. **Redacted Electronic Copy:** Under House Bill 3430, 80th Texas Legislature, (transferring Texas Government Code § 2177.052, to Texas Government Code, Chapter 322, and redesignating it as § 322.020) and as per the following requirements, no later than two (2) business days after Vendor's receipt of notice from TWC, the Vendor must deliver to TWC two (2) electronic copies of its complete proposal. Vendor shall deliver these electronic copies to TWC via overnight delivery in compliance with all of the following requirements:
- 2.23.1. Two (2) compact discs (CDs), each containing a copy of Vendor's response to solicitation, in searchable Portable Document Format (PDF) format, which has excised, blacked out, or otherwise redacted information from its solicitation response that Vendor reasonably considers to be confidential and exempt from public disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code (this should be a de minimis portion, if any, of Vendor's solicitation response, such as social security numbers). Each CD shall also contain an Appendix for Vendor's solicitation response which provides a cross reference for the location of all information redacted by Vendor and a general description of the redacted information. These two (2) identical CDs should be entitled "For Public Release: Redacted Version of [Name of Vendor]'s Proposal and Exhibits. Texas Workforce Commission's RFP/RFO/IFB solicitation No. ____."
- 2.23.2. Per Texas Government Code § 322.020, the Texas Legislative Budget Board (LBB) has now implemented a major contracts database.
- 2.23.3. TWC shall upload to the LBB's contracts database the text of the complete contract (with limited redaction and appendix) no later than ten (10) days after date of contract award. By submitting a response to this solicitation, Vendors acknowledge that they understand and accept this requirement. See the LBB website at <<http://www.lbb.state.tx.us/>>.
- 2.23.4. **American Recovery and Reinvestment Act (ARRA or the Recovery Act)**
- 2.23.4.1. Buy American Requirements for Construction Material prohibits the use of funds appropriated for the Recovery Act for any project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States.
- 2.23.4.2. Whistleblower Protection: Pursuant to Section 1553 of the American Recovery and Reinvestment Act, Vendors shall promptly refer to the U.S. Department of Labor, Office of Inspector General any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving ARRA funds
- 2.24 **Background Check:** Vendors must submit criminal background checks on all key personnel assigned to the services related to this solicitation, as authorized by Texas law, and at Vendor expense. Key personnel are defined as personnel whose oversight and guidance is essential to the subject services. TWC may provide any finalist for a contract position a Contractor Criminal History Report Investigation Request form P33c which contractor must complete and submit back to TWC as required on the form. To obtain a facility access badge, contractor must provide TWC with either a completed form P-33c or a recent criminal background check within fifteen (15) days of contract award. TWC will not issue a Purchase Order until the criminal background check has been completed and passed.
- 2.25 **Privacy:** Vendor who has access to sensitive personally identifiable information ("Sensitive PII"), including anyone who views contracts, collects, uses, maintains, stores or destroys Sensitive PII of TWC employees, job seekers, employers, customers or partners, must safeguard that information.
- 2.25.1 Sensitive PII is anything that alone or in combination with available information can identify an individual, which if lost, compromised, or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience or unfairness to an individual.
- 2.25.2 Awarded Vendor must have a Non-Disclosure Agreement (NDA) on file with TWC prior to handling Sensitive PII.
- 2.25.3 In order to safeguard Sensitive PII, Awarded Vendor must:
- 2.25.3.1 Collect Sensitive PII only as authorized.
- 2.25.3.2 Limit the use of Sensitive PII.
- 2.25.3.3 Minimize the proliferation of Sensitive PII.
- 2.25.3.4 Secure Sensitive PII both physically and in electronic form.
- 2.25.3.5 Report suspected privacy incidents within twenty four (24) hours to the TWC Contract Manager or, email the TWC Information Security Office at CISO@twc.state.tx.us.
- 2.25.4 Awarded Vendor will not transmit Sensitive PII via email or store on CDs, DVDs, thumb drives and the like without prior review and encryption protocol approved by TWC.
- 2.25.5 Failure to follow these requirements may constitute a breach of contract.
- 2.26 **Change in Law:** Any alterations, additions, or deletions to the terms of this Contract which are required by changes in federal or state law or regulations are automatically incorporated into this Contract without written amendment hereto, and shall become effective on the date designated by such law or by regulation.
- 2.27 **Davis-Bacon Act:** Vendors on all prime construction contracts in excess of \$2,000 must comply with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144) as supplemented by the Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction.")
- 2.28 Vendor will comply with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States").
- 2.29 **Contract Work Hours and Safety Standards Act** (40 U.S.C. §§ 3701-3708). For all contracts in excess of \$100,000 that involve the employment of mechanics and laborers, Vendor shall comply with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).
- 2.30 **Environmental Protection:** Vendor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the mandates of the Clean Air Act (42 U.S.C. § 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §1251 et seq.).

3. REQUIRED CERTIFICATIONS

By responding to this solicitation and accepting the award of a contract or purchase order, Vendor certifies to the following:

- 3.1. **All Terms and Conditions Met:** that all terms and conditions listed in the solicitation will be met.

Texas Workforce Commission – Terms & Conditions (11/1/2017)

ATTACHMENT I

- 3.2. **U.S. Department of Homeland Security’s E-Verify System:** By entering into this Contract, the Contractor certifies and ensures that it utilizes and will continue to utilize, for the term of this Contract, the U.S. Department of Homeland Security’s E-Verify system to determine eligibility of:
- 3.2.1. All persons employed to perform duties within Texas, during the term of the Contract; and
 - 3.2.2. All persons (including subcontractors) assigned by the Respondent to perform work pursuant to the Contract, within the United States of America.
 - 3.2.3. The Contractor shall provide, upon request of TWC, an electronic or hardcopy screenshot of the confirmation or tentative non-confirmation screen containing the E-Verify case verification number for attachment to the Form I-9 for the three (3) most recent hires that match the criteria above, by the Contractor, and Contractor’s subcontractors, as proof that this provision is being followed.
 - 3.2.4. **If this certification is falsely made, the Contract may be immediately terminated, at the discretion of TWC and at no fault to TWC, with no prior notification. The Contractor shall also be responsible for the costs of any re-solicitation that TWC must undertake to replace the terminated Contract.**
- 3.3. **Inducements:** that the Vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted solicitation response.
- 3.4. **Lobbying:** it shall not and has not used any federally appropriated funds to pay any person or organization for influencing or attempting to influence any officer or employee of any federal agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Vendor certifies that it shall disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award by completing and submitting Standard Form LLL. Further, Vendor certifies that no funds provided under the contract will be used in any way to attempt to influence in any manner a member of Congress to favor or oppose any legislation or appropriation by Congress, or for lobbying with State or local legislators.
- 3.5. **Not Ineligible:** that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this transaction by any federal department or agency.
- 3.6. **Non-Discrimination:** The Vendor agrees that no person will, on the ground of race, color, religion, sex, national origin, age, disability, political affiliation, or religious belief, be excluded from the participation in, be denied the benefits or, be subjected to discrimination under, or be denied employment in the administration of, or in connection with, any program or activity funded in whole or in part with funds available under this Contract. The Vendor certifies compliance with the Rehabilitation Act of 1998 § 508, 29 U.S.C. § 794d, relating to the use of electronic and information technology for individuals with disabilities; the Housing and Urban Development Act § 3, 12 USC §1701u Sec. 1701u, relating to economic opportunities for low- and very low-income persons; Titles VI and VII of the Civil Rights Act of 1964 (Public Law 88-352); Section 504 of the Rehabilitation Act of 1973 (Public Law 93-112); Executive Order 11246, “Equal Employment Opportunity,” as amended by Executive Order 11375, “Amending Executive Order 11246 relating to Equal Employment Opportunity,” and as supplemented by regulations at 41 C.F.R. Part 60, “Office of Federal contract Compliance Programs, Equal Employment Opportunity Department of Labor.”; the Americans with Disabilities Act of 1990 (Public Law 101-336); and all amendments to each.
- 3.7. **Drug-Free Workplace:** The Vendor agrees to provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 (102 Stat. 4304, P.L. 100-690, Title V, Subtitle D).
- 3.8. **Franchise Tax:** The Vendor is not currently delinquent in the payment of any franchise tax owed to the State of Texas, pursuant to Article 2.45, Texas Business Corporation Act.
- 3.9. **Child Support:** The Vendor is not ineligible to receive the specified grant, loan, or payment under Section 231.006 of the Texas Family Code (relating to child support) and acknowledges that the contract may be terminated and payment may be withheld if certification is inaccurate. Pursuant to Texas Family Code § 231.006(c), Vendor must provide the name and Social Security Number (SSN) of each person with at least 25% ownership of the business. This information must be provided prior to contract award.
- SSN: _____
 - Name: _____
 - SSN: _____
 - Name: _____
 - SSN: _____
 - Name: _____
 - SSN: _____
 - Name: _____
- 3.10. **Certain Bids and Contracts Prohibited:** Under Texas Government Code § 2155.004, Vendor certifies that the individual or business entity named in the solicitation response is not ineligible to receive the specified contract and acknowledges that the contract may be terminated and/or payment withheld if this certification is inaccurate.
- 3.11. **Fair Business Practices:** The Vendor has not been found guilty of unfair business practices in a judicial or state agency administrative proceeding during the preceding year. The Vendor further affirms that no officer of the Vendor has served as an officer of any company found guilty of unfair business practices in a judicial or state agency administrative proceeding during the preceding year.
- 3.12. **Antitrust:** Neither the Vendor or the firm, corporation, partnership, or institution represented by the Vendor, or anyone acting for same, has violated State antitrust laws or the Federal Antitrust Laws.
- 3.13. **No Compensation:** The Vendor has not received compensation for participation in the preparation of the solicitation. This section does not prohibit a Vendor or contract participant from providing free technical assistance.
- 3.14. **Conflict of Interest:** Vendor has disclosed any existing or potential conflict of interest relative to the performance of the contract. Failure to do so will be grounds for contract termination.
- 3.15. **No Collusion:** Vendor has not communicated directly or indirectly the bid made to any competitor or any other person engaged in such line of business.
- 3.16. **Prohibition on Certain Bids and Contracts related to Disasters and Hurricanes Katrina and Rita:** Under Texas Government Code § 2155.006, the Vendor certifies that the individual or business entity named in response to this solicitation is not ineligible to receive the specified contract and acknowledges that any contract resulting from this solicitation may be terminated and payment withheld if this certification is inaccurate.
- 3.17. **Independent Contractor:** Vendor or Vendor’s employees, representatives, agents and any subcontractors shall serve as an independent contractor in providing the services under any contract resulting from this solicitation. Vendor and Vendor’s employees, representatives, agents and any subcontractors shall not be employees of TWC. Should Vendor subcontract any of the services required in this solicitation, Vendor expressly

Texas Workforce Commission – Terms & Conditions (11/1/2017)
ATTACHMENT I

understands and acknowledges that in entering into such subcontract(s), TWC is in no manner liable to any subcontractor(s) of Vendor. In no event shall this provision relieve Vendor of the responsibility for ensuring that the services rendered under all subcontracts are rendered in compliance with this solicitation and any resulting contract.

3.18. Workers' Compensation Insurance. Vendor must maintain Workers' Compensation insurance coverage in accordance with statutory limits.

Workers Compensation: Statutory Limits

Employers Liability: Each Accident \$1,000,000

Disease – Each Employee \$1,000,000

Disease – Policy Limit \$1,000,000

Commercial General Liability:

Occurrence based:

Bodily Injury and Property Damage

Each occurrence limit: \$1,000,000

Aggregate limit: \$2,000,000

Medical Expense each person: \$5,000

Personal Injury and Advertising Liability: \$1,000,000

Products/Completed Operations Aggregate Limit: \$2,000,000

Damage to Premises Rented to You: \$50,000

NOTE: The required coverage is to be with companies licensed in the state of Texas with an "A" rating from A.M. Best, and authorized to provide the corresponding coverage.

3.19. Felony Criminal Convictions: Vendor represents and warrants that Vendor has not and Vendor's employees have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Vendor has fully advised TWC as to the facts and circumstances surrounding the conviction.

3.20. Restricted Employment for Former State Officers or Employees Under Texas Government Code § 572.069: Vendor certifies that it has not employed and will not employ a former TWC or state officer who participated in a procurement or contract negotiations for TWC involving Vendor within two (2) years after the state officer or employee left state agency employment or service. This certification only applies to former state officers or employees whose state service or employment ceased on or after September 1, 2015.

3.21. Vendor certifies that both of the following statements are true and correct and that the Vendor understands that making a false statement is a material breach of the contract and is grounds for termination of contract award:

3.21.1. Vendor is current in Unemployment Insurance taxes, Payday and Child Labor law monetary obligations, and Proprietary School fees and assessments payable to the State of Texas, to the extent applicable.

3.21.2. Vendor has no outstanding Unemployment Insurance overpayment balance payable to the State of Texas.

3.22. State of Israel: Vendor represents and warrants that, pursuant to Texas Government Code § 2270.002, Vendor does not boycott Israel and will not boycott Israel during the term of any contract executed with TWC.

3.23. Executive: Vendor certifies they are in compliance with Texas Government Code § 669.003, relating to contracting with the executive head of a State agency. If applicable, Vendor will complete the following for TWC evaluation:

Former Executive

Name: _____

State Agency Name: _____

Date Separated from _____

Agency: _____

Position with Vendor: _____

Date employed with _____

Vendor: _____

3.24. Texas Bidder Affirmation Clause: By submitting a response to this solicitation, Vendor certifies that if a Texas address is shown as the address of the Vendor, Vendor qualifies as a Texas Bidder as defined in 34 TAC § 20.32(68).

3.25. Vendor agrees to comply with Texas Government Code § 2155.4441, pertaining to purchasing products and materials produced in the State of Texas.

3.26. Pursuant to Texas Family Code § 231.006 (c), Vendor must provide the name and Social Security Number (SSN) of each person with at least 25% ownership of the business. This information must be provided prior to contract award.

SSN: _____

Name: _____

SSN: _____

Name: _____

SSN: _____

Name: _____

SSN: _____

Name: _____

4. SPECIFICATIONS

4.1. Any catalog, brand name or manufacturer's reference used in the solicitation is descriptive only (not restrictive), and is used to indicate type and quality desired. Submitted responses containing other brands that are functionally equivalent will be considered unless TWC has advertised the solicitation as proprietary under Texas Government Code § 2155.067. If Vendor takes an exception to the solicitation's specifications and Vendor's response contains equivalent product, Vendor is required to include additional information such as manufacturer, brand or trade name, illustrations, and specifications

Texas Workforce Commission – Terms & Conditions (11/1/2017)
ATTACHMENT I

for the equivalent product as part of their response to the solicitation. If Vendor takes no exception to the specifications, the Vendor must furnish the item(s) as specified in the solicitation.

- 4.2. Manufacturer's standard warranty shall apply unless otherwise stated in the solicitation. Written warranty is to be provided with product, and is to include the point-of-contact name, phone number, and all information needed to initiate a warranty service call.
- 4.3. **No Substitutions:** Vendor will not make any substitution to the specifications of any solicitation or PO, unless the substitution is (1) proposed to TWC in writing by the Vendor, and (2) supported by the expressed written prior approval of TWC.
- 4.4. **Replacement Parts Available:** The Vendor, in connection with an agreement with the manufacturer of the equipment, warrants that new or reconditioned replacement parts will be available until five (5) calendar years after the date of the award of the contract. All replacement parts must meet or exceed original manufacturer's specifications and be compatible with existing equipment.
- 4.5. All electrical items must meet all applicable OSHA standards and regulations, and bear the appropriate listing from Underwriters Laboratory (UL), Factory Mutual Resource Corporation (FMRC), or National Electrical Manufacturers Association (NEMA).
- 4.6. Vendor guarantees product offered will meet or exceed specifications; that the product is new, in current production, including the manufacturer's standard equipment and accessories; and is qualified for full maintenance coverage, service and support at, or below, the manufacturer's standard maintenance rates.
- 4.7. **Projects Using Iron or Steel Products:** Pursuant to Texas Government Code § 2252.202, iron or steel products produced through a manufacturing process and used in the project must be produced in the United States.

5. DELIVERY

- 5.1. Vendor is to show the number of days required to place material in the receiving location under normal conditions. Failure to state delivery time obligates Vendor to complete delivery within fourteen (14) days. Unrealistically short or long delivery promises may cause Vendor's response to be disregarded. Consistent failure to meet delivery promises will be grounds for termination of the contract.
- 5.2. If delay is foreseen, Vendor shall give written notice to TWC who reserves the right to extend delivery date if reasons appear valid. Vendor must keep TWC advised at all times of status of order. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes TWC to purchase the ordered products elsewhere and charge full increase, if any, in cost and handling to defaulting Vendor. Any damages incurred by TWC as a result of the default may also be assessed to the defaulting Vendor.
- 5.3. Delivery shall be made on State business days between 8:00 am and 5:00 pm, unless prior approval has been obtained from TWC.

6. VALIDATION, INSPECTION & TESTS

- 6.1. Vendor agrees to provide TWC with information necessary to validate any statements made in the Vendor's solicitation response, if requested by TWC. This may include, but is not limited to, allowing access for on-site observation, granting permission for TWC to verify information with third parties, allowing inspection of Vendor's records, and allowing inspection of plans for compliance.
- 6.2. All goods will be subject to inspection and test by TWC to the extent practicable at all times and places. Tests may be performed on samples called for, or on samples taken from regular shipment. In the event products tested fail to meet or exceed all conditions and requirements of the specification, the cost of the sample used and the cost of the testing shall be borne by the supplier. Goods that have been delivered and rejected in whole, or in part may, at TWC's option, be returned to the Vendor or held for disposition at Vendor's risk and expense. Latent defects may result in revocation of acceptance.

7. INVOICING INSTRUCTIONS

- 7.1. Invoices must be submitted to TWC according to the instructions on the PO to the named individual and the address indicated on the PO. Invoice must show TWC as the receiving agency.
- 7.2. Submit invoice in duplicate. Upon request, one copy will be returned when making payment.
- 7.3. Invoices must include the name and address of Vendor, which must be identical to the information stated on the PO.
- 7.4. The TWC PO number and date of the PO must be shown on all invoice copies.
- 7.5. Invoice must have description of each item. Item numbers must be shown to correspond with the item numbers on the PO.
- 7.6. Quantity and date delivered, unit of measure specified and total price of each item must be shown, all prices extended on the invoice, with all extensions on the invoice totaled, and the grand total shown.
- 7.7. Discounts, if applicable, must be stated, extended, and deducted to arrive at a Net Total for the invoice.
- 7.8. Trade-in values must be stated on the invoice.

8. PAYMENT

- 8.1. TWC will incur no penalty for late payment if payment is made within thirty (30) days of acceptance of goods or services, or within thirty (30) days of receipt of an uncontested invoice submitted according to the instructions on the PO, whichever comes last.
- 8.2. In no event shall use of the product by TWC, for any purpose during any phase of the acceptance testing, constitute acceptance of any product by TWC.
- 8.3. Prior to any payment being made, the goods or services being invoiced must have been received and accepted by TWC.

9. PATENT, TRADEMARK, COPYRIGHT AND OTHER INFRINGEMENT CLAIMS

- 9.1. Vendor shall indemnify, save and hold harmless the State of Texas from and against claims of patent, trademark, copyright trade secret or other proprietary rights, violations or infringements arising from the State's or Vendor's use of acquisition of any services or other items provided to the State of Texas by Vendor or otherwise to which the State of Texas has access as a result of Vendor's performance under this Contract, provided that the State shall notify Vendor of any such claim within a reasonable time of the State's receiving notice of any such claim. If Vendor is notified of any claim subject to this section, Vendor shall notify TWC of such claim within five (5) business days of such notice. No settlement of any such claim shall be made by Vendor without TWC prior written approval. Vendor shall reimburse the State of Texas for any claims, damages, losses, costs, expenses, judgments or any other amounts, including but not limited to, attorney's fees and court costs, arising from such claim. Vendor shall pay all reasonable costs of the State's counsel and shall also pay costs of multiple counsel, if required to avoid conflicts of interest.
- 9.2. Should the goods, or use of the goods, become the subject of a claim of infringement of a United States patent, trademark, copyright, trade secret or other proprietary rights, TWC may require the Vendor to procure for TWC the right to continue using the goods, to replace or modify the same to remove the infringement, or to accept return of the goods.
- 9.3. Vendor represents that it has determined what licenses, patents and permits are required under this Contract and has acquired all such licenses, patents and permits.
- 9.4. Vendor agrees that for the exclusive use by TWC for State business, TWC is free to reproduce without royalty, all manuals, publications, maintenance programs, diagnostics and documentation pertaining to any product developed as a result of the contract.

Texas Workforce Commission – Terms & Conditions (11/1/2017)
ATTACHMENT I

10. TERMINATION PROVISIONS

- 10.1.TWC reserves the right to immediately terminate any PO or contract resulting from or connected to this solicitation, in whole or in part, without recourse or penalty for breach of contract by the Vendor.
- 10.2.TWC reserves the right to terminate for convenience any PO or contract resulting from or connected to this solicitation, in whole or in part, without recourse or penalty upon TWC within thirty (30) days written notice, including but not limited to the following reasons:
- 10.2.1. Failure to obtain or sustain funding from either Federal or State funding sources.
- 10.2.2. Amendment or judicial interpretation of State or Federal laws or regulations that render fulfillment of the contract substantially unreasonable, impossible, or unnecessary.
- 10.3.In the event of termination of the contract due to lack of funding or for the convenience of TWC, Vendor must, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. A settlement will be made based on respective interests of the parties as of the date of termination.
- 10.4.TWC expressly reserves any and all legal remedies to which it may be entitled to collect related to any and all damages directly or indirectly resulting from breach of contract, by the Vendor or any of its agents, representatives, subcontractors, employees, or any other party acting on behalf the Vendor.
- 10.5.TWC shall retain ownership of all work products including deliverables, source and object code, and documentation in whatever form that they exist. In addition to any other provision, the Vendor shall transfer title and deliver to the TWC any partially completed work products, deliverables, source and object code, or documentation that the Vendor has produced or acquired in the performance of the contract.

11. INFORMATION TECHNOLOGY (IT) PURCHASES:

- 11.1.During the term of the contract, the Vendor must notify TWC whenever an engineering change is made that may affect TWC's use of the product. It will be the sole option of TWC to accept the change.
- 11.2.Vendor represents that the product and all its elements, including, but not limited to, documentation and source code, meet the standards issued by the American National Standards Institute.
- 11.3.Vendor agrees that TWC owns the source code to any jointly-developed application(s) resulting from the contract.
- 11.4 As required by 1 TAC, Chapter 213:
- 11.4.1 Effective September 1, 2006, state agencies shall procure products which comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC, Chapter 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.
- 11.4.2 Vendor shall provide TWC with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act of 1973, as amended (29 USC § 794d)), or indicate that the product/services accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<http://www.buyaccessible.gov>). Vendors not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide TWC with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.
- 11.4.3 TWC will use either VPAT or the Buy Accessible Wizard to assess the degree of accessibility of a proposed product when making the procurement decision.
- 11.5 Vendor shall follow Web Content and Accessibility Guidelines. (WCAG 2.0) as applicable for new websites, applications or redesigns.
- 11.6 Texas Health and Safety Compliance
- 11.6.1 Vendor hereby certifies its compliance with Subchapter Y, Chapter 361, Texas Health and Safety Code and the Texas Commission on Environmental Quality rules, 30 TAC, Chapter 328.
- 11.6.2 Failure of a Vendor to provide this certification shall render the Vendor ineligible to participate in the bidding process. TWC shall reject the related bid and not evaluate it.
- 11.7 Vendor agrees that all products and/or services equipped with hard disk drives (i.e. computers, telephones, printers, fax machines, scanners, multifunction devices, etc.) shall have the capability to securely erase data written to the hard drive prior to final disposition of such products and/or services, either at the end of the Customer's Managed Services product's useful life or the end of the related Customer Managed Services Agreement for such products and/ services, in accordance with 1 TAC, Chapter 202.
- 11.8 As required by 1 TAC § 217.12, Vendors of network hardware or software, as applicable, procured or leased by a state agency must certify that the network hardware or software has undergone independent certification testing for known and relevant vulnerabilities in accordance with Section 2059.060 of the Texas Government Code. When the TWC Executive Director or his or her designated representative(s) determines that it is in the best interests of the agency to proceed with a purchase or lease of network hardware or software, he or she will grant an exemption to the required certification. Each exemption will provide a justification for the exemption, including relevant cost avoidance, reduction of undue burden, the intended usage or risk assessment of potential vulnerabilities.

12 *NOTE TO VENDORS: Any terms and conditions attached to a Vendor's solicitation response will not be considered unless the Vendor specifically refers to them on the face of the first page of their response.**

13. *WARNING: Such terms and conditions may result in disqualification of the submitted Vendor's response. (e.g. responses with the laws of a State other than Texas, requirements for prepayment, limitations on remedies, etc.)**

Texas Workforce Commission - Request for Offers No. 3201800056
ATTACHMENT 2: COST WORKSHEET

Item #	Item Description	Cost Per Unit	Number of Units	Total Cost
	Detail component lines for each item			
1	Scanner			
2	Maintenance-initial year			
3	Training			
4	Less Trade in Value			
5	Sub Total Cost			
6	Annual Maintenance – Year 1 (2019)			
7	Annual Maintenance – Year 2 (2020)			
8	Annual Maintenance – Year 3 (2021)			
	Total Cost			

Additional Information as requested:

