



**TEXAS GENERAL LAND OFFICE  
AND  
VETERANS LAND BOARD**

is

**REQUESTING PROPOSALS**

for

**Pharmaceutical Services for the Texas State Veterans Homes**

**REQUEST FOR PROPOSALS NO. X0023829B-KM**

**Class 269 / All Items; Class 948 / Item 72; Class 958 / Item 56**

**Release Date: June 24, 2021**

**Deadline for Submission: July 23, 2021 at 2:00 p.m. CDT**

**Solicitation Point of Contact: Kenneth Maze, CTCD**

**[Kenneth.Maze@GLO.Texas.Gov](mailto:Kenneth.Maze@GLO.Texas.Gov)**

You are responsible for checking the Electronic State Business Daily (ESBD) website, <http://www.txsmartbuy.com/esbd>, for any addenda to this Solicitation. Please search under Agency Code 305 (General Land Office and Veterans Land Board). The Respondent's failure to periodically check the ESBD will in no way release that Respondent from addenda or additional information resulting in additional requirements of the Solicitation.

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## **ARTICLE I. EXECUTIVE SUMMARY, DEFINITIONS, AND AUTHORITY**

### **1.1 EXECUTIVE SUMMARY**

**Any event in this solicitation that is scheduled to be in person may be cancelled or held electronically due to Covid-19. GLO/VLB shall issue an addendum to the solicitation with the applicable information related to any event cancellations or modifications.**

The General Land Office (“GLO”) and the Veterans Land Board (“VLB”), are requesting proposals from pharmaceutical service provider(s) for the provision of generic and brand name pharmaceuticals for the Texas State Veterans Home Program (the “Program”). The VLB, with the assistance of privately contracted operators, operates nine Texas State Veterans Homes (“Veterans Homes”) within Texas. The Veterans Homes are located in Amarillo, Big Spring, Bonham, El Paso, Floresville, Houston, McAllen, Temple, and Tyler. A tenth Veterans Home is scheduled to begin construction in Fort Worth and may open during the term of any contract resulting from this Solicitation.

<b>Veterans Home</b>	<b>Total Number of Beds</b>	<b>Alzheimer’s Beds</b>
Amarillo	120	30
Big Spring	160	32
Bonham	160	32
El Paso	160	60
Floresville	160	32
Houston	120	30
McAllen	160	60
Temple	160	32
Tyler	100	20

The Veterans Homes are for the benefit and recognition of Texas Veterans who have served in the United States Armed Forces and who now require skilled nursing care. During normal operating periods, the VLB’s average occupancy rate is 95%, of which approximately 70% require pharmaceutical services. The average resident has approximately ten prescriptions that need to be filled on a monthly basis.

The GLO/VLB will consider proposals from business entities that demonstrate the ability to supply pharmaceuticals to the Veterans Homes within the guidelines of this Solicitation and in accordance with all GLO/VLB, state, and federal drug regulations, including those relating to narcotics.

Respondents must execute **Exhibit A**, *Affirmations and Solicitation Acceptance*, **Exhibit B**, *Federal Affirmations*, and complete other items listed on the *Submission Checklist* to be considered. Additional information on the GLO/VLB and its programs can be found at <https://vlb.texas.gov/>.

## 1.2 DEFINITIONS

“Addendum” means a written clarification or revision to the Request for Proposals issued by the GLO/VLB. Respondents must acknowledge receipt of any addenda in the submission of the Solicitation Response.

“Affiliate” means any individual or entity that, directly or indirectly, controls, is controlled by, or is under common control with, Respondent. “Control” means the ability to directly or indirectly direct the management and policies of an entity, whether through the ownership of voting securities or membership interests, by contract, or otherwise.

“Aid and Attendance Resident” or “A&A Residents” means a veteran Resident or their surviving spouse that receives a VA pension because the veteran Resident or surviving spouse requires the aid and attendance of another person.

“BAFO” means Best and Final Offer.

“Brand Drug” means a drug so reported by First DataBank®, Medi-Span®, or other third-party source or as otherwise agreed upon by Respondent and GLO/VLB.

“Business Associate Agreement” or “BAA” means a written agreement between the GLO/VLB and Provider that meets the requirements outlined in 45 C.F.R § 164.504(e).

“CMBL” means Centralized Masters Bidders List.

“CMS” means the Centers for Medicare & Medicaid Services.

“Contract Documents” means all documents which govern this Solicitation and any resulting contract including, without limitation, this Solicitation and all bonds and insurance.

“CPA” means Comptroller of Public Accounts.

“ESBD” means the Electronic State Business Daily, <http://www.txsmartbuy.com/esbd>.

“Generic Drug” means drug, whether identified by its chemical, proprietary, or non-proprietary name, that (a) is substitutable for a drug under state law; or (b) if not addressed by state law, is accepted by the U.S. Food and Drug Administration as therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient, and (s) is readily available to Pharmacy for dispensing from three or more of the non-affiliated top ten national manufacturers.

“GLO” means the Texas General Land Office.

“Global Authorization” means a doctor’s authorization for a therapeutically equivalent substitute drug.

“HIPAA” means the Health Insurance Portability and Accountability Act, Public Law 104–191, and its associated statutes, regulations, and rules including, Title 45 Parts 160 and 164 of the C.F.R.

“HUB” means Historically Underutilized Business as defined by Chapter 2161 of the Texas Government Code.

“HUB Subcontracting Plan” or “HSP” means the form required by Texas Government Code §2161.252 and 34 Texas Administrative Code §20.285 for each contract with an expected value of \$100,000 or more, in which Respondent must demonstrate a Good Faith Effort to subcontract with HUBs. The HSP is included in this Solicitation as Exhibit D and must be included with the Solicitation Response.

“Medication” means prescription and non-prescription drugs, biological and parenteral nutrition, and intravenous solutions.

“Mentor Protégé Program” means The State of Texas Program designed to foster relationships between prime contractors and HUBs.

“Operator” means the entity contracted by the GLO/VLB to manage and operate a Veterans Home.

“OTC” means an over-the-counter or stock Medication.

“OSR” means the GLO/VLB’s designated on-site representative at each Veterans Home.

“Pharmaceutical” means a prescription signed by a physician prescribing a drug that is not an OTC (over the counter) or a stock medication, to treat a Resident’s medical condition.

“PIA” means the Public Information Act, Chapter 552 of the Texas Government Code.

“Provider” means the Respondent awarded a contract under this Solicitation.

“Respondent” means the entity responding to this Solicitation.

“RFP” means Request for Proposals.

“Service-Connected” has the meaning prescribed by 38 C.F.R. § 3.1.

“Service-Connected Veteran” means any veteran with a service-connected disability rating by the VA. Determination of a service-connected disability rating at 70% or more should be determined by the hospital inquiry or the Service Connected rating letter provided by the VA.

“Solicitation” means this RFP.

“Solicitation Response” means the Respondent’s entire response to this Solicitation, including all documents requested in Articles III and V.

“State” means the State of Texas and any state agency; the GLO/VLB or state agency identified in this Solicitation, its officers, employees, or authorized agents.

“TAC” means Texas Administrative Code.

“VA” means the United States Department of Veterans Affairs.

“VA Formulary” means the National Formulary for medications as listed by the VA’s Pharmacy Benefits Management Services, as updated by the VA and located at <http://www.pbm.va.gov/nationalformulary.asp>.

“Veterans Home” means a skilled long-term nursing care facility under the control of the VLB.

“Veterans Land Board” or “VLB” means the Veterans Land Board of the State of Texas.

“VPN” means a virtual private network.

“WAC” means Wholesale Acquisition Cost of prescription and non-prescription Medications and items as reported by First DataBank®, Medi-Span®, or other third-party source.

### **1.3 AUTHORITY**

The GLO/VLB is soliciting the services listed herein under Texas Government Code, Chapter 2155.149, Texas Natural Resources Code, Chapter 164.005 and 38 C.F.R. § 51.180.

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## **ARTICLE II. SCOPE OF WORK**

### **2.1 SCOPE OF SERVICES REQUESTED**

Respondent must demonstrate the ability to provide pharmaceutical services as described in this Solicitation and specifically enumerated under this Section in its Solicitation Response. In addition to these requirements, the selected Provider shall be bound to specific terms and conditions similar to those found in the GLO/VLB's Sample Contract, attached hereto and incorporated herein by reference for all purposes as **Exhibit C**. The terms and conditions in **Exhibit C** are subject to change prior to the execution of any contract that may result from this Solicitation.

### **2.2 DESCRIPTION OF SERVICES**

#### **2.2.1. Resident Classification**

Provider shall be responsible for providing pharmaceutical services to residents of all Veterans Homes, including A&A Residents. However, Provider shall only be required to fill prescriptions for A&A Residents in emergency or extraordinary circumstances. A&A Residents are entitled to VA prescription benefits; therefore, their prescriptions are filled at a VA facility. Notwithstanding the preceding, if the VA is unable to fill a prescription for an A&A Resident, Provider must fill such prescription.

The GLO/VLB will furnish Provider with a list of A&A Residents in each respective Veterans Home. Provider must perform screen checks for A&A Residents to avoid inadvertently filling their prescriptions. In an emergency case, if requested by the GLO/VLB through its Operator, Provider must fill A&A Resident prescriptions on a temporary basis in quantities sufficient to allow the Operator to fill the prescription through the VA.

The GLO/VLB is also responsible for providing pharmaceuticals prescribed for Veteran and Non-Veteran Medicare A residents who reside in a skilled facility. Provider must treat charges for these residents separately to comply with CMS consolidated billing requirements. In addition, the VA has developed a payor source for the Service-Connected Veterans which mirrors the Medicare A consolidated billing payor source. Provider shall set up separate payor sources for tracking these resident categories in addition to the A&A Residents category.

Provider shall furnish an internet portal that allows each Veterans Home to project the cost of pharmaceutical services prior to a prospective resident's actual admission to the home. The portal must recognize the payor sources listed above. This portal will assist the GLO/VLB in ongoing cost containment efforts.

### 2.2.2. Co-Located Pharmacies and Distribution Processes

For handling emergency prescriptions, Provider must have regional satellite facilities or pharmacies (“pharmacies”) co-located in close proximity to those Veterans Homes listed in Section 1.1, as well as the ability to open or locate pharmacies near future Veterans Homes, including without limitation, a planned Veterans Home in Fort Worth, Texas. Respondent must describe in detail its distribution plan to serve the Veterans Homes. Respondent must indicate whether the pharmaceutical services performed by these pharmacies or centralized distribution centers will be performed in-house, by an Affiliate, or outsourced.

The GLO/VLB strongly prefers for pharmaceutical services to be provided in-house or through an Affiliate. However, a Respondent will not be disqualified if it is not capable of providing the pharmaceutical services in-house or through an Affiliate. **Respondents that elect to outsource Pharmaceutical services must submit and include in the Solicitation Response proposed procedures or detail processes for the security and handling of protected health information in compliance with HIPAA.**

### 2.2.3. Hours of Operation

At a minimum, Provider must provide pharmaceutical services during normal business hours (8:00 am to 5:00 pm, Monday through Friday). In addition, Provider must also provide emergency after-hours, weekend, and holiday service. Emergency service must be available 24 hours a day, 7 days a week; time is of the essence for emergency orders.

### 2.2.4. Pick Up and Delivery/Shipping

Respondent shall explain in detail its proposed delivery and shipping plan to service the Veterans Homes. Pharmaceuticals must be shipped or physically delivered to the Veterans Homes. Respondent must propose a delivery or shipping schedule. At a minimum, routine orders must be available to be delivered three times a week. Respondent shall also describe its ability to deliver emergency orders and to make after hours, weekend, and holiday deliveries.

### 2.2.5. Packaging

In accordance with VA requirements, Provider must package pharmaceuticals in blister packaging, unless the medication is a liquid, in which case the pharmaceutical shall be provided in plastic or glass disposable containers. The GLO/VLB shall consider other packaging and/or dispensing methods or systems, providing they are in compliance CMS/HHSC regulatory guidelines, ensure resident safety, and are cost effective. Respondent must cite the CMS/HHSC guidelines applicable to any proposed alternate packaging and/or dispensing methods or systems to demonstrate compliance. Respondent must describe its

ability to provide the aforementioned packaging locally and/or from a centralized location. Provider must provide a secure medication cart for organizing and storing medications and for transporting medications to resident beds.

#### 2.2.6. Emergency Kits and Travel Packs

Provider shall supply emergency medication kits with the Pharmaceuticals necessary for resident care, as well as travel packs for residents. Travel packs shall be customized for each resident based on individual needs and duration of travel. The type and quantity of kits and packs will be determined in consultation with the GLO/VLB and its Operator(s). Provider will be responsible for monitoring these kits and packs, as well as restocking them as appropriate.

#### 2.2.7. Formulary Management

Respondent should discuss its expertise in formulary management, particularly Respondent's ability to identify usage and quality, and to substitute (when appropriate) generic medications with their brand name equivalents. Unless otherwise specified by a physician, Provider(s) shall follow the VA formulary and provide a specialty medication drug list with updates as available.

For generic medications that are not therapeutically equivalent (as determined by the prescribing physician), the Provider will be responsible for finding the next clinically appropriate, lowest cost item in a given therapeutic category.

#### 2.2.8. Electronic Ordering, Billing, and Web Interface

The GLO/VLB requires all ordering and invoicing to be done electronically. This system should allow the GLO/VLB's operator to place orders through a web-interface, such as a virtual private network (VPN), twenty-four (24) hours a day, seven (7) days a week. Respondent should discuss in detail any electronic ordering and billing capabilities it possesses.

Respondents must submit proposed procedures or detail processes for the security and handling of protected health information compliant with HIPAA and associated security standards. Further, such a system must have safeguards to prevent inadvertent ordering of A&A Resident medications, unless on an emergency basis as noted in Section 2.2.1.

#### 2.2.9. Reporting and Analysis

Respondent should describe its reporting capabilities in detail and whether it possesses web-based reporting capabilities. The selected Provider(s) shall provide HIPAA compliant Internet-based reporting. The GLO/VLB generally may require the following:

- a) A cost analysis on pre-admitted residents;
- b) A PointClickCare®, or compatible, data management program capable of tracking cost history, automated drug utilization review (in total for all Veterans Homes or per each individual Veterans Home), and formulary compliance;
- c) An automated electronic daily census extract and payer status change;
- d) A profile of each resident, physician, payer source, pharmacy, and Veterans Home facility;
- e) A list of high-cost drugs, per facility; and
- f) Reports in Microsoft® Excel®, or compatible, format containing all of the data fields and ordered in a substantially similar manner as the example included in **Exhibit F**.

#### 2.2.10. Quarterly Meetings

Provider shall organize quarterly meetings with Provider's Pharmacist(s), Provider's staff, and GLO/VLB staff or OSR to discuss drug utilization, billing, cost containment, and Global Authorizations.

#### 2.2.11. HIPAA and Texas Medical Records Privacy Act Compliance

Provider must ensure compliance with HIPAA and the Texas Medical Records Privacy Act, Tex. Health & Safety Code Chapter 181. The selected Respondent will be required to execute a Business Associate Agreement at the time of contract execution.

The GLO/VLB may perform a risk analysis in accordance with 45 C.F.R. § 164.308 to ensure compliance with the HIPAA and Texas Medical Records Privacy Act. The Provider shall be required to provide the following, but not limited to, reports: SSAE18, ISO/ICE 27001 Certification, FedRAMP Certification, PCI Compliance Report. At the GLO/VLB's request, Provider shall promptly and accurately complete a written information security questionnaire provided by the GLO/VLB regarding Provider's business practices and information technology environment in relation to HIPAA compliance.

#### 2.2.12. Additional Services

Respondent should describe any additional services it may be able to provide to the GLO/VLB, such as electronic drug-dispensing equipment.

### **2.3 CONTRACT TERM**

The GLO/VLB intends to award one contract for the services requested under this Solicitation. Any contract resulting from this Solicitation shall be from September 1, 2021 until August 31, 2024. The GLO/VLB, at its own discretion and subject to applicable limitations in the General Appropriations Act and other law, may extend any contract awarded pursuant to this Solicitation for up to one (1) additional three (3) year term, subject to terms and conditions mutually agreeable to both parties. If renewed, any renewal period shall begin on September 1 and end on August 31, always coinciding with the State's fiscal year.

### **2.4 NO GUARANTEE OF VOLUME OR USAGE**

The GLO/VLB makes no guarantee of volume or usage under any contract resulting from this Solicitation.

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## ARTICLE III. ADMINISTRATIVE INFORMATION

### 3.1 SCHEDULE OF EVENTS

EVENT	DATE/TIME
Issue Solicitation	June 24, 2021
Deadline for Submitting Questions	July 5, 2021 at 5:00 p.m. CDT
Anticipated Release Date of Answers to Questions	July 9, 2021
<b>Deadline for Submission of Solicitation Responses</b>	<b>July 23, 2021 at 2:00 p.m. CDT</b>
Evaluation Period	July 26, 2021 to August 6, 2021
Best and Final Offers	August 9, 2021 to August 11, 2021
Contractor Selection and Notice of Intent to Award	August 16, 2021
Contract Negotiation, VLB Approval, & Execution (Estimated)	August 17, 2021 to October 31, 2021
Performance Begins (Estimated)	November 1, 2021
Transition Period from Prior Provider (if applicable)	November 1, 2021 to December 31, 2021

**NOTE:** These dates represent a tentative schedule of events. The GLO/VLB reserves the right to modify these dates at any time prior to the deadline for submission of Solicitation Responses upon notice posted on the Electronic State Business Daily (ESBD) website at: <http://www.txsmartbuy.com/esbd>. Please search under Agency Code 305 (General Land Office and Veterans Land Board). Any modification of dates after the deadline for submission of Solicitation Responses will not be posted.

## 3.2 INQUIRIES

### 3.2.1 Contact

All requests, questions, or other communications about this Solicitation must be made **in writing** to the GLO/VLB's Purchasing Department, addressed to the person listed below.

Name: Kenneth Maze, CTCD  
Address: 1700 N. Congress Ave., Austin, Texas 78701  
Phone: 800.998.4456 or 512.475.3504  
Email: [Kenneth.Maze@GLO.Texas.Gov](mailto:Kenneth.Maze@GLO.Texas.Gov)

Notwithstanding the above, Respondents may direct questions about the state's Historically Underutilized Businesses (HUB) Program or HUB Subcontracting Plans (HSPs) to the GLO/VLB HUB Team contacts listed in Section 5.6 of this Solicitation.

### 3.2.2 Clarifications

The GLO/VLB will allow written requests for clarification of this Solicitation. Questions may be e-mailed to the point-of-contact listed in Section 3.2.1 above. Respondents' names shall be removed from questions in the responses released. Submissions that deviate from the format prescribed below may not be accepted. Questions must be submitted in the following format:

- a) Identifying Solicitation number
- b) Section number
- c) Text of passage being questioned
- d) Question

**NOTE: The deadline for submitting questions is noted in Section 3.1 above. Please provide company name, address, phone number, e-mail address, and name of contact person when submitting questions.**

### 3.2.3 Responses

The GLO/VLB will respond to accepted questions in writing, posted to the ESBD at: <http://www.txsmartbuy.com/esbd>. Responses shall be posted as an Addendum to the Solicitation. It is Respondent's responsibility to check the ESBD for updated responses.

### 3.2.4 Prohibited Communications

On issuance of this Solicitation, except for the written inquiries described in Section 3.2.1 above, the GLO/VLB, its representative(s), or partners will not answer

questions or otherwise discuss the contents of this Solicitation with any potential Respondent or their representative(s). Attempts to ask questions by phone or in person will not be allowed or recognized as valid. Failure to observe this restriction may disqualify the Respondent. Respondent shall rely only on written statements issued through or by the GLO/VLB's purchasing staff. This restriction does not preclude discussions between affected parties for the purposes of conducting business unrelated to this Solicitation.

### 3.3 SOLICITATION RESPONSE COMPOSITION

#### 3.3.1 General Requirements

Respondent shall complete and upload the documents listed below to the Box™ link provided in Section 3.4.3:

- a) One Proposal, including all documents requested in Part 1 of the Submission Checklist, submitted as one Portable Document Format (.pdf) file;
- b) One HUB subcontracting plan, submitted as one .pdf file;
- c) One Annual Report, submitted as one .pdf file; and
- d) One Financial Statement Components Worksheet, submitted as a Microsoft Excel (.xlsx) file.

Respondent shall prepare a clear and concise Solicitation Response that focuses on the instructions and requirements of the Solicitation. Respondent is responsible for all costs related to the preparation of their Solicitation Response.

Any terms and conditions attached by the Respondent to a Solicitation Response will not be considered unless specifically referred to in this solicitation and may result in disqualification.

#### 3.3.2 Solicitation Response Format

For ease of evaluation, Respondent must present its Solicitation Response in a format that corresponds to the order requested in Article VIII, *Submission Checklist*. Responses to each section and subsection shall be labeled clearly to indicate the item being addressed. Exceptions to this will be considered during the evaluation process.

#### 3.3.3 Page Limit and Supporting Documentation

Proposals shall not exceed 40 pages in length. **Exhibit A**, **Exhibit B**, the HUB Subcontracting Plan, signed acknowledgments of addenda, references, résumés, Annual Report, and the Financial Statement Components Worksheet are considered



supporting documentation and are not included in the page limit. The Solicitation Response should be formatted using 12-point or larger font, except for charts, graphs, or other graphical representations of data.

### **3.4 SOLICITATION RESPONSE SUBMISSION AND DELIVERY**

#### **3.4.1 Deadline**

**Solicitation Responses must be uploaded to Box.com using the Box™ link provided in Section 3.4.3 no later than as specified in Section 3.1.** Respondents may submit their Solicitation Responses any time prior to that deadline. Box™ will time stamp all uploaded Solicitation Responses; any other documentation of timely submission in lieu of the Box™ time stamp WILL NOT be accepted.

#### **3.4.2 Labeling**

Each file uploaded to Box™ shall include Respondent's company name and the title of the document; for example: "Company X: Proposal."

#### **3.4.3 Delivery**

Respondents must upload Solicitation Responses to Box.com using the following Box™ link:

<https://txglo.app.box.com/f/c12530a8eef0462083e43114641996b3>

The GLO/VLB shall not accept Solicitation Responses submitted by any other means. Please contact the point-of-contact listed in section 3.2.1 above for assistance with Box™.

#### **3.4.4 Alterations, Modifications, and Withdrawals**

Solicitation Responses may be modified, altered, or withdrawn by notifying the point-of-contact listed in Section 3.2.1 above, provided such notice is received prior to the deadline for submission of Solicitation Responses. The GLO/VLB may request proof of authorization before accepting modifications, alterations, or withdrawal requests.

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## **ARTICLE IV. SOLICITATION RESPONSE EVALUATION & AWARD PROCESS**

### **4.1 EVALUATION CRITERIA**

#### **4.1.1 Conformance with State Law**

Solicitation Responses shall be evaluated in accordance with Chapters 2155-2156 of the Texas Government Code. The GLO/VLB shall not be obligated to accept the lowest priced proposal, but shall make an award to the Respondent that provides the “Best Value” to the State of Texas. “Best Value” shall be determined using the evaluation criteria listed in Section 4.1.3 below, in accordance with Texas Government Code, Sections 2155.074 and 2156.007.

#### **4.1.2 Minimum Qualifications**

Respondents must meet the minimum qualifications listed below. Furthermore, Solicitation Responses that appear unrealistic in terms of technical commitment, that show a lack of technical competence, or that indicate a failure to comprehend the risk and complexity of a potential contract may be rejected.

Respondent shall submit a summary (not to exceed two pages) that provides specific support for meeting the minimum qualifications outlined in this Section. This support can specifically state how the Respondent meets each minimum qualification or can direct the evaluators to the appropriate section of the Solicitation Response that provides support for the Respondent satisfying each minimum qualification.

- 4.1.2.1 Respondent must have recently been in business providing long-term care pharmaceutical services for a minimum of ten (10) years for contracts of similar size and scope to the services requested in this Solicitation, or the principals/owners must have had recent ownership/executive management experience in a previous company that provided long-term care pharmaceutical services for a minimum of ten (10) years for contracts of similar size and scope to the services requested in this Solicitation;
- 4.1.2.2 Respondent must have at least one Texas Board of Pharmacy licensed pharmacist (geriatric certified preferred) on staff; and
- 4.1.2.3 Respondent must be financially solvent and adequately capitalized, as demonstrated by the Annual Report requested in Article V of this Solicitation.

#### 4.1.3 Selection Criteria

The GLO/VLB will evaluate and score Solicitation Responses consistently in accordance with the following criteria:

- 4.1.3.1 Cost (45%);
- 4.1.3.2 Demonstrated relevant experience, qualifications and past performance of Respondent's company and key personnel, as demonstrated by the Solicitation Response, any returned references, and the Texas Comptroller of Public Accounts Vendor Performance Tracking System (30%);
- 4.1.3.3 Proposed methodology and schedule for provision of the services (20%); and
- 4.1.3.4 Overall responsiveness, clarity, and organization of Solicitation Response (5%).

**NOTE: To clarify any response, the Solicitation evaluation committee may contact references provided in response to this Solicitation, contact Respondent's clients, or solicit information from any available source concerning any aspect of the Solicitation deemed pertinent to the evaluation process.**

#### 4.1.4 Detailed Scoring Methodology

The GLO/VLB assembles an evaluation committee to evaluate each responsive Solicitation Response. Each evaluator completes one evaluation worksheet for each response. The evaluator evaluates each proposal individually against the requirements of the Solicitation, and not against other Solicitation Responses. The evaluator assigns the number of points he or she believes each Solicitation Response merits out of the possible points indicated on the evaluation worksheet for each selection criterion. Cost proposals are scored based on a reasonableness assessment of the proposed price, considering various factors such as: the appropriateness of the cost metric chosen by the Respondent; the impact of any identified assumptions or constraints on the proposed price; and whether the proposed price includes payment for goods and/or services that exceed the scope of GLO's needs as specified in the Solicitation. Each evaluator scores Solicitation Responses independently and impartially. Scores are not divulged between committee members until after they have been finalized, submitted, and compiled by the purchaser. Members may ask questions of the purchaser, GLO/VLB legal counsel, and designated technical experts if they are unable to find information, do not understand information in a Solicitation Response, or require technical assistance.

The purchaser averages all evaluators' total scores for each Respondent to determine Respondent rankings.

#### **4.2 SHORT LIST**

The GLO/VLB may develop a short list of finalists after an initial evaluation of the Solicitation Responses. However, the GLO/VLB is not obligated to develop this list. If a list is developed, all Respondents will be notified in writing whether or not they are finalists.

#### **4.3 INTERVIEWS**

The GLO/VLB may, but is not required to, conduct oral interviews with some or all Respondents for the purpose of obtaining the best value to the State of Texas. If oral interviews are conducted, the interviews will be evaluated and scored for a possible 20 points. The score received for the oral interview will be added to the score received from the evaluation of a Respondent's written proposal.

Respondents will be provided with notice of any such interview and are responsible for their own presentation equipment. Failure to participate in the requested interview may eliminate a Respondent from further consideration. The GLO/VLB is not responsible for any costs incurred by the Respondent associated with the interview.

#### **4.4 BEST AND FINAL OFFER**

Clarification discussions, at the GLO/VLB's sole option, may be conducted with Respondents who submit Solicitation Responses determined to be acceptable and competitive. Respondents shall be accorded fair and equal treatment with respect to any opportunity for discussion and/or written revisions of the Solicitation Responses. Such revisions may be permitted after submissions and prior to award solely for the purpose of obtaining BAFOs. In conducting discussions, the GLO/VLB shall not disclose any information derived from the Solicitation Responses submitted by competing Respondents.

The GLO/VLB evaluation committee shall score BAFO responses in a manner consistent with the scoring of original solicitation responses. The criteria to be re-evaluated following a BAFO shall depend on the type of clarification requested by the GLO/VLB from Respondent. Scores for any of the applicable selection criteria included in the GLO/VLB's request for BAFO shall be replaced by the BAFO scores.

#### **4.5 CONTRACT AWARD**

It is the intent of the GLO/VLB to award one contract under this Solicitation. An award notice will be sent to the selected Respondent. Any award is contingent upon the successful

negotiation of final contract terms and upon approval of the Chief Clerk/Executive Secretary of the GLO/VLB. Negotiations shall be confidential and not subject to disclosure to competing Respondents unless and until an agreement is reached. If contract negotiations cannot be concluded successfully, the GLO/VLB may negotiate a contract with the next highest scoring Respondent or may withdraw this Solicitation.

**NOTE: Solicitation Responses are subject to the Texas Public Information Act, Chapter 552 of the Texas Government Code, and will be withheld from or released to the public only in accordance therewith.**

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## **ARTICLE V. REQUIRED RESPONDENT INFORMATION**

### **5.1 RESPONDENT INFORMATION**

Respondent must provide satisfactory evidence of its ability to manage and coordinate the types of activities described in this Solicitation and to produce the specified services on time. In accordance with this requirement, Respondent shall provide the following information:

#### **5.1.1 Company Narrative**

Provide a detailed narrative explaining why Respondent is qualified to provide the services enumerated in Article II, focusing on its company's key strengths and competitive advantages.

#### **5.1.2 Company Profile**

Provide a company profile to include:

- a) The company ownership structure (e.g., corporation, partnership, LLC, sole proprietorship, etc.), including any wholly owned subsidiaries, affiliated companies, or joint ventures. (*Please provide this information in a narrative and as a graphical representation*). If Respondent is an Affiliate of, or has a joint venture or strategic alliance with, another company, please identify the percentage of ownership and the percentage of the parent's ownership. Finally, please provide your proposed operating structure for the services requested under this Solicitation and which entities (i.e. parent company, Affiliate, Joint Venture, subcontractor) will be performing them;
- b) The year the company was founded and/or legally organized. If organized as a business entity other than a sole proprietorship (e.g., corporation, LLC, LLP, etc.), please indicate the type of entity, the state under whose laws the company is organized and the date of organization;
- c) The location of the company headquarters and any field office(s) that may provide services for any resulting contract under this Solicitation, including subcontractors;
- d) The number of employees in the company, both locally and nationally, and the location(s) from which employees may be assigned;
- e) The name, title, mailing address, e-mail address, telephone number, and fax number of Respondent's point of contact for any resulting contract under this Solicitation; and

- f) Indicate whether the company has ever been engaged under a contract by any Texas state agency. If “Yes,” specify contract number, dates of award and service, describe the duties, and for which agency.

**NOTE: A Respondent that is not organized under the laws of the state of Texas must register with the Texas Secretary of State before it may transact business in Texas. Respondent must provide proof of registration before the GLO/VLB may award a contract under this Solicitation.**

### 5.1.3 Key Staffing Profile

Respondent must provide a key staffing profile and résumés for key staff that will be responsible for the performance of the services requested under this Solicitation.

“Key staff” is defined as experienced, professional and/or technical personnel who will have major responsibilities under a contract and/or provide unusual or unique expertise essential for successful completion of the work performed. Provider shall ensure key staff remain available for the entire term of a contract. If key staff become unavailable for work, Provider shall promptly notify the GLO/VLB and assign alternative staff of equal ability and qualifications. The GLO/VLB reserves the right to approve changes to key staff.

Staff members listed in the Key Staffing Profile who are independent contractors, and not employees, of Respondent may also qualify as subcontractors. Please evaluate your Key Staffing Profile and HUB Subcontracting Plan accordingly.

## 5.2 TECHNICAL PROPOSAL

Respondent must describe clearly, specifically, and as completely as possible, its proposed methodology and schedule for achieving the objectives and requirements of this Solicitation. Respondent should identify all tasks to be performed to be responsive to Article II, Scope of Work, including Project activities, materials, major equipment Respondent plans to utilize, and other products, services, and reports to be generated during the contract period and relate them to the stated purposes and specifications described in this Solicitation.

## 5.3 REFERENCES

Respondent shall provide a minimum of three **non-GLO/VLB** references for projects of similar type and size performed within the last three years, preferably for state and/or local government entities. The GLO/VLB reserves the right to check references prior to award. Any negative responses received may be grounds for disqualification of the proposal.

Respondent must verify current contacts. Information provided shall include:

- a) Client name;
- b) Project description;
- c) Total dollar amount of project;
- d) Total project duration;
- e) Key staff assigned to the referenced project that will be designated for work under this Solicitation; and
- f) Client project manager name, telephone number, and e-mail address.

**The GLO/VLB checks references by e-mail. Respondents who do not provide accurate e-mail addresses waive the right to have those references considered in the evaluation of their Solicitation Responses.**

#### **5.4 MAJOR SUBCONTRACTOR INFORMATION**

In addition to the requirements of Article II, Respondent must identify any major subcontractors whom Respondent intends to utilize in performing 15% or more of the Project. Respondent must indicate whether or not Respondent holds any financial interest in any major subcontractor. It may be required as a condition of award that an authorized officer or agent of each proposed major subcontractor sign a statement to the effect that the subcontractor has read, and will agree to abide by, Respondent's obligations under any contract awarded pursuant to this Solicitation.

Any major subcontractor the Respondent intends to utilize in performance of the work must also be included in the Respondent's HUB Subcontracting Plan. If a major subcontractor will not be utilized for this Project, so indicate in the appropriate section of the Solicitation Response.

#### **5.5 LITIGATION HISTORY**

Respondent must include in its Solicitation Response a complete disclosure of any actual or alleged breaches of contract it has engaged in. In addition, Respondent must disclose any civil or criminal litigation or investigation pending at any time during the last three years that involves Respondent or in which Respondent has been judged guilty or liable. For each instance of litigation or investigation, Respondent shall list: basic case information (e.g., cause number/case number, venue information, names of parties, name of investigating entity); a description of claims alleged by or against Respondent or its parent, subsidiary, or other affiliate; for each resolved case, a description of the disposition of Respondent's involvement (e.g., settled, dismissed, judgment entered, etc.).

Failure to comply with the terms of this provision may disqualify any Respondent. Solicitation Responses may be rejected based upon Respondent's prior history with the state of Texas or with any other party that demonstrates, without limitation, unsatisfactory performance, adversarial or contentious demeanor, or significant failure(s) to meet contractual obligations.



If Respondent has no litigation history, as described above, so indicate in the appropriate section of the Solicitation Response.

## 5.6 HISTORICALLY UNDERUTILIZED BUSINESS (HUB)

The GLO/VLB is committed to promoting full and equal business opportunities for businesses in state contracting in accordance with the goals specified in 34 TAC § 20.284, the State of Texas Disparity Study. The GLO/VLB encourages the use of Historically Underutilized Businesses (HUBs) through race, ethnic and gender-neutral means. Pursuant to Texas Government Code §2161.181 and §2161.182, and the GLO/VLB's HUB policy and rules, the GLO/VLB makes a good-faith effort to increase HUB participation in its contracts. The GLO/VLB does this by contracting directly with HUBs or indirectly through subcontracting.

The State of Texas HUB Subcontracting Plan form is included with this Solicitation as **Exhibit D**. A Solicitation Response that does not contain a HUB Subcontracting Plan ("HSP") is not responsive and will be rejected without further evaluation. A Solicitation Response will also be rejected if the GLO/VLB determines that the HSP was not developed in good faith.

Please refer to the cover letter included with **Exhibit D** for specific instructions for locating potential HUB subcontractors utilizing the state's Centralized Master Bidders List ("CMBL").

Respondents may direct questions about HSPs or the HUB program to the HUB Team contacts listed below. All other questions about this Solicitation must be directed to the single point of contact listed in section 3.2.1.

Vonda White  
[Vonda.White@GLO.Texas.Gov](mailto:Vonda.White@GLO.Texas.Gov)  
512.947.6441

Daphne Grantham  
[Daphne.Grantham@GLO.Texas.Gov](mailto:Daphne.Grantham@GLO.Texas.Gov)  
512.914.7777

## 5.7 CONFLICTS

Respondent must disclose any potential conflict of interest it may have in providing the services described in this Solicitation, including all existing or prior arrangements. Please include any activities of affiliated or parent organizations and individuals who may be assigned to manage this account. If Respondent has no conflicts, as described above, so indicate in the appropriate section of the Solicitation Response.

## 5.8 ANNUAL REPORT

If Respondent is an entity that is required to prepare audited financial statements, Respondent shall submit an annual report that includes:

- a) Last two years of audited accrual-basis financial statements, including an income statement, cash flow statement, and balance sheet;
- b) If applicable, last two years of consolidated statements for any holding companies or affiliates;
- c) An audited or un-audited accrual-basis financial statement of the most recent quarter of operation; and
- d) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this contract.

If Respondent is a privately-owned entity or sole proprietorship for which audited financial statements are not required, Respondent shall submit an annual report that includes:

- a) Last two years of un-audited accrual-basis financial statements, including an income statement, cash flow statement, and balance sheet;
- b) An audited or un-audited accrual-basis financial statement of the most recent quarter of operation; and
- c) A full disclosure of any events, liabilities, or contingent liabilities that could affect Respondent's financial ability to perform this contract;

OR

- d) Other financial information sufficient for the GLO/VLB, in its sole judgement, to determine if Respondent is financially solvent and adequately capitalized.

Respondent shall also complete and submit the Financial Statement Components Worksheet, posted to the ESBD as an Excel workbook (.xlsx format). Any Respondent that fails to comply with this Section 5.8 or that is not financially solvent or adequately capitalized, as determined by the GLO's Procurement Financial Analysis process, as affirmed by the GLO Chief Financial Officer, shall be deemed to not have met the minimum qualification stated in Section 4.1.2.3 of this Solicitation.

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## **ARTICLE VI. COST PROPOSAL**

### **6.1 COST PROPOSAL**

Respondent must submit a cost proposal for the services listed in Article II, Scope of Work. Respondent's cost proposal must contain the completed cost proposal worksheet for brand name and generic medication, included with the Solicitation as **Exhibit G**. Respondent must list a dispensing fee, if any, for each prescription filled. The dispensing fee must encompass any ancillary costs such as overhead, equipment, training, shipping, and billing. The GLO/VLB will pay no additional charges and fees beyond the cost of the medication and the dispensing fee, if any. Respondent may propose a tiered dispensing fee or a reduction in fee if a particular number of prescriptions is filled in any predetermined period.

Any drug not specifically listed in **Exhibit G** will be purchased at WAC + Provider's markup charge. Respondent must represent its markup charge as a percentage of the WAC (e.g.,  $WAC + X\% = \text{Cost to the GLO/VLB}$ ) where indicated on the **Exhibit G** worksheet.

Beyond the cost proposal requested above, Respondent should also indicate any volume discounts, special pricing, or purchase discounts, as applicable, that it may make available to the Board for any brand name, generic, or OTC medications but only to the extent that such discounts are in compliance with any and all applicable federal (42 USC 1320a-7b(b)) and State of Texas (Tex. Hum. Res. Code 36.002) anti-kickback laws or meet the requirements of any applicable federal (42 C.F.R. § 1001.152) safe harbor regulations.

The cost proposal provided is for the products and/or services as specified in this Solicitation and shall include all labor, materials, tools, supplies, equipment, and personnel, including, but not limited to, travel expenses, associated costs and incidental costs necessary to provide the products and services per the minimum specifications, requirements, provisions, terms, and conditions set forth in this Solicitation.

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## ARTICLE VII. TERMS AND CONDITIONS

### 7.1 GENERAL CONDITIONS

#### 7.1.1 Amendment

The GLO/VLB reserves the right to alter, amend, or modify any provision of this Solicitation, or to withdraw this Solicitation, at any time prior to the award, if it is in the best interest of the GLO/VLB.

#### 7.1.2 Informalities

The GLO/VLB reserves the right to waive minor informalities, errors, and irregularities in any Solicitation Response received.

#### 7.1.3 Rejection

The GLO/VLB reserves the right to reject any or all Solicitation Responses received prior to contract award.

#### 7.1.4 Irregularities in Solicitation

Any irregularities or lack of clarity in this Solicitation should be brought to the attention of the point-of-contact listed in Section 3.2.1 as soon as possible, so that corrective addenda may be furnished to prospective Respondents via the ESBDD.

#### 7.1.5 Offer Period

Solicitation Responses shall be binding for a period of 160 days after they are opened. Respondents may extend the time for which their Solicitation Response will be honored. Upon contract execution, prices agreed upon by the Respondent(s) are an irrevocable offer for the term of the contract and any contract extension(s). No other costs, rates, or fees shall be payable to the Respondent unless expressly agreed upon in writing by the GLO/VLB.

#### 7.1.6 Open Records

The GLO/VLB is a government agency subject to the Texas Public Information Act (PIA), Chapter 552, Texas Government Code. The Solicitation Response and other information submitted to the GLO/VLB by the Respondent are subject to release as public information. The Solicitation Response and other submitted information shall be presumed to be subject to disclosure unless a specific exception to disclosure under the PIA applies. If it is necessary for the Respondent to include proprietary or otherwise confidential information in its Solicitation Response or other submitted information, the Respondent must clearly label that

proprietary or confidential information and identify the specific exception to disclosure of that information in the PIA. Merely making a blanket claim that the entire Solicitation Response is protected from disclosure because it contains some proprietary information is not acceptable and shall make the entire Solicitation Response subject to release under the PIA. In order to trigger the process of seeking an Attorney General opinion on the release of proprietary or confidential information, the specific provisions of the Solicitation Response the Respondent considers proprietary or confidential must be clearly labeled as described above. Any information which is not clearly identified as proprietary or confidential shall be deemed to be subject to disclosure pursuant to the PIA, except as provided by law.

Information related to the performance of this contract may be subject to the PIA and will be withheld from public disclosure or released only in accordance therewith. Respondent shall make any information created or exchanged with the State/GLO/VLB, and not otherwise excepted from disclosure under the PIA, available in a format that is accessible by the public at no additional charge to the State/GLO/VLB. Respondent shall make any information required under the PIA available to the GLO/VLB in Portable Document Format (PDF) or any other format agreed between the parties. The original copy of each Solicitation Response shall be retained in the official files of the agency as a public record.

Solicitation Responses and all other documents associated with this Solicitation will be withheld or released upon written request only in accordance with the PIA. To the extent that a Respondent wishes to prevent the disclosure of portions of its Solicitation Response to the public, Respondent shall demonstrate the applicability of any exception to disclosure provided under the PIA in accordance with the procedures prescribed by the PIA. Respondent may clearly label individual documents “confidential” or “trade secret” to demonstrate that it believes certain information is excepted from disclosure and may legally be withheld from the public. Respondent thereby agrees to indemnify and defend the GLO/VLB for honoring such a designation. The failure of Respondent to clearly label such documents shall constitute a complete waiver of any and all claims for damages caused by the GLO/VLB’s release of these records.

Pursuant to Texas Government Code Chapter 2261, any contract that results from this Solicitation, including selected Respondent’s Solicitation Response, shall be posted to the GLO/VLB’s website.

#### 7.1.7 Contract Responsibility

Respondent shall be solely responsible for the performance of all contractual obligations that may result from an award based on this Solicitation. Respondent shall not be relieved of its obligations for any nonperformance by its subcontractors.

### 7.1.8 Public Disclosure

Respondent will not advertise that it is doing business with the GLO/VLB or use a contract resulting from this Solicitation as a marketing or sales tool without prior written consent of the GLO/VLB. Furthermore, Respondent may not distribute or disclose this Solicitation to any other vendors or companies without permission from the GLO/VLB.

### 7.1.9 Remedies

All remedies available to the GLO/VLB for breach or anticipatory breach of any contract that results from this Solicitation are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies. Liquidated damages, actual damages, cost projections, and/or injunctive relief may also be invoked either separately or combined with any other remedy in accordance with applicable law.

## 7.2 INSURANCE

### 7.2.1 Required Coverages

For the duration of any contract resulting from this Solicitation, Contractor shall carry insurance for the duration of the contract, in accordance with and in the types and amounts indicated in Attachment C of the *Sample Contract*. The GLO/VLB, its officers, employees, and authorized agents shall be named additional insureds for all liability arising under the contract, except on Worker's Compensation and Professional Liability policies. The required coverage is to be written with companies licensed in the State of Texas, with an "A-" rating or better from A.M. Best, and authorized to provide the corresponding coverage. Work on any contract shall not begin until after Respondent has submitted acceptable evidence of insurance. Failure to maintain insurance coverage or acceptable alternative methods of insurance shall be deemed a breach of contract.

### 7.2.2 Alternative Insurability

Notwithstanding the preceding, the GLO/VLB reserves the right to consider reasonable alternative methods of insuring the contract in lieu of the insurance policies customarily required. It will be Respondent's responsibility to recommend to the GLO/VLB alternative methods of insuring the contract. Any alternatives proposed by Respondent should be accompanied by a detailed explanation regarding Respondent's inability to obtain the required insurance and/or bonds. The GLO/VLB shall be the sole and final judge as to the adequacy of any substitute form of insurance coverage.

### 7.3 PROTEST

Any Respondent unsuccessful or aggrieved in connection with this Solicitation may file a protest in accordance with Title 31, Section 3.50 of the Texas Administrative Code.

### 7.4 CONTRACT TERMS AND SOLICITATION ACCEPTANCE

**Exhibit C**, *Sample Contract*, is the standard contract form used by the GLO/VLB and includes the terms and conditions to which each Provider must substantially agree for the GLO/VLB to enter into a contract with Provider; please carefully review the terms and conditions therein. The terms and conditions in **Exhibit C** are subject to change by the GLO/VLB prior to the execution of any contract that may result from this Solicitation. The GLO/VLB may, in its sole discretion, engage in good-faith negotiation of terms and conditions with Providers but has limited discretion to do so.

The final contract must substantially conform to the terms and conditions shown in **Exhibit C**. The final contract must also include all contract provisions required by applicable laws and regulations, which may include, without limitation, all contract provisions prescribed in Title 10, Subtitles D and F of the Texas Government Code and all contract provisions prescribed in the Texas Comptroller of Public Accounts' "State of Texas Procurement and Contract Management Guide." Substantial contract revision requests or unreasonably protracted contract negotiations may result in a termination of negotiations with Provider and rescission of a contract award.

Execution of **Exhibit A** of this Solicitation, *Affirmations and Solicitation Acceptance*, shall constitute an agreement to all terms and conditions specified in this Solicitation, including, but not limited to, **Exhibit C**, *Sample Contract*, and all terms and conditions therein.

### 7.5 VENDOR PERFORMANCE REPORTING

The GLO/VLB is required by rule (34 TAC §20.509) to report vendor performance through the Vendor Performance Tracking System (VPTS). Additional information on this system can be found on the Texas Comptroller of Public Accounts website through this link:

<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/>

As of January 24, 2017, the VPTS reporting methodology was revised so that vendors are assigned a letter grade (A-F) rather than the historic satisfactory/unsatisfactory ratings. The report grades for historic reports will be displayed as "Legacy Satisfactory" or "Legacy Unsatisfactory." New reports will be graded on the A-F scale as now required by statute. A Respondent's past performance shall be measured in the VPTS by a letter grade that combines any historic ratings with ratings using the new letter grade system in the method described in [34 TAC §20.115](#).

The GLO/VLB is required to consider past performance when determining contract award as part of the “Best Value” standard, in compliance with applicable provisions of Texas Government Code §§2155.074, 2155.075 and 2156.125. The GLO/VLB may conduct reference checks with other entities regarding past performance. In addition to evaluating performance through the VPTS, the GLO/VLB may examine other sources of vendor performance including, but not limited to, notices of termination, cure notices, assessments of liquidated damages, litigation, audit reports, and non-renewals of contracts. Any such investigations shall be at the sole discretion of the GLO/VLB, and any negative findings, as determined by the GLO/VLB, may result in non-award to the Respondent.

## **7.6 CERTIFICATE OF INTERESTED PARTIES**

Pursuant to Section 2252.908 of the Texas Government Code, a state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties (Form 1295 Certificate of Interested Parties – “Form 1295”) to the state agency at the time of contracting.

To complete Form 1295, a business entity will visit the Texas Ethics Commission’s website and access the Form 1295 Certificate of Interested Parties Electronic Filing Application. An authorized agent of the business entity must sign the printed copy of the form affirming under the penalty of perjury that the completed form is true and correct. Form 1295, bearing the unique certification of filing number, must be filed with the Texas General Land Office. Form 1295 is not required at the time of submission of the Solicitation Response; the GLO/VLB shall request the form concurrent with issuance of a notice of contract award.

Additional information about Form 1295, including frequently asked questions and instructional videos for business entities, may be found on the Texas Ethics Commission’s website: <https://www.ethics.state.tx.us/filinginfo/1295/>.

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**ARTICLE VIII. SUBMISSION CHECKLIST**

This checklist is provided for Respondent’s convenience only and identifies documents that must be submitted with this Solicitation to be considered responsive. Any Solicitation Responses received without these requisite documents may be deemed nonresponsive and may not be considered for contract award.

**A COMPLETE SOLICITATION PACKAGE SHALL INCLUDE:**

- 1. Part 1 – Proposal (one .pdf file)
- 2. Part 2 – HUB Subcontracting Plan (one .pdf file)
- 3. Part 3 – Annual Report (one .pdf file)
- 4. Part 4 – Financial Statement Components Worksheet (one .xlsx file)

**PART 1 – PROPOSAL**

**Please present documents in the following order:**

- 1. **Exhibit A**, Affirmations and Solicitation Acceptance \_\_\_\_\_
- 2. **Exhibit B**, Federal Affirmations \_\_\_\_\_
- 3. Signed Acknowledgments of Addenda (if applicable) \_\_\_\_\_
- 4. Summary of Minimum Qualifications (Section 4.1.2) \_\_\_\_\_
- 5. Company Narrative (Section 5.1.1) \_\_\_\_\_
- 6. Company Profile (Section 5.1.2) \_\_\_\_\_
- 7. Key Staffing Profile (Section 5.1.3) \_\_\_\_\_
- 8. Technical Proposal (Section 5.2) \_\_\_\_\_
- 9. References (Section 5.3) \_\_\_\_\_
- 10. Major Subcontractor Information (if applicable) (Section 5.4) \_\_\_\_\_
- 11. Litigation History (if applicable) (Section 5.5) \_\_\_\_\_
- 12. Conflicts (if applicable) (Section 5.7) \_\_\_\_\_
- 13. Cost Proposal (Section 6.1) \_\_\_\_\_

**PART 2 – HUB SUBCONTRACTING PLAN**

- 1. HUB Subcontracting Plan and supporting documents (Exhibit C) \_\_\_\_\_

**PART 3 – ANNUAL REPORT**

1. Annual Report (Section 5.8) \_\_\_\_\_

**PART 4 – FINANCIAL STATEMENT COMPONENTS WORKSHEET**

1. Financial Statement Components Worksheet (Section 5.8) \_\_\_\_\_

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**EXHIBIT A. AFFIRMATIONS AND SOLICITATION ACCEPTANCE**

### **GENERAL AFFIRMATIONS AND SOLICITATION ACCEPTANCE**

Execution of this **Exhibit A**, constitutes an agreement to all terms and conditions in the Solicitation, including, without limitation, this **Exhibit A**. If Respondent fails to sign this **Exhibit A** or signs it with a false statement, Respondent's Solicitation Response and any resulting contract(s) shall be void. Respondent agrees without exception to the following general affirmations and acknowledges that any contract resulting from this Solicitation may be terminated and payment withheld if any of the following affirmations or certifications are inaccurate:

1. Respondent represents and warrants that all statements and information prepared and submitted in its Solicitation Response are current, complete, true, and accurate. Submitting a Solicitation Response with a false statement or making a material misrepresentation during the performance of a contract is a material breach of contract and may void the Solicitation Response and any resulting contract.
2. Pursuant to Section 2155.003 of the Texas Government Code, Respondent represents and warrants that it 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. Pursuant to Section 2155.004(a) of the Texas Government Code, Respondent certifies that neither Respondent nor any person or entity represented by Respondent has received compensation from the GLO to participate in the preparation of the specifications or solicitation on which its Solicitation Response is based. Under Section 2155.004(b) of the Texas Government Code, Respondent certifies that the individual or business entity named in its Solicitation Response is not ineligible to receive the specified contract and acknowledges that the contract may be terminated and payment withheld if this certification is inaccurate. This Section does not prohibit a Respondent from providing free technical assistance.
4. Under the Texas Family Code, Section 231.006, a child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to receive payments from state funds under a contract to provide property, materials, or services. Under Section 231.006, Texas Family Code, the vendor or applicant [Respondent] certifies that the individual or business entity named in this contract, bid, or application [Solicitation Response] is not ineligible to receive the specified grant, loan, or payment. The Solicitation Response must include the name and social security number of any individual or sole proprietor and each partner, shareholder, or owner with an ownership interest of at least 25 percent of the business entity submitting the bid or application. This information must be provided prior to execution of any contract resulting from this Solicitation.
5. The GLO is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism and any subsequent changes made to it. The GLO will cross-reference Respondents/vendors with the federal System for Award Management (<https://www.sam.gov/>), which includes the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list. Respondent certifies: 1) that Respondent and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, proposed debarment, or similar ineligibility or exclusion by any federal, state, or local governmental entity; 2) that Respondent is in compliance with the State of Texas statutes and rules relating to procurement; and 3) that Respondent is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov/>. This provision shall be included in its entirety in all subcontracts to contracts resulting from this Solicitation.
6. Respondent agrees that any payments due under any contract resulting from this Solicitation will be applied towards any debt or delinquency Respondent owes to the State of Texas including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support.
7. In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Respondent certifies that it is not (1) the executive head of the GLO, (2) a person who at any time during the four years before the date of the contract was the executive head of the GLO, or (3) a person who employs a current or former executive head of a state agency.

8. If any contract resulting from this Solicitation is for services, Respondent shall comply with Section 2155.4441 of the Texas Government Code, requiring the purchase of products and materials produced in the State of Texas in performing service contracts.
9. Respondent shall retain in its records the Solicitation and its Solicitation Response and all documents related to this Solicitation or any contract resulting from this Solicitation. Unless a longer retention period is specified by applicable federal law or regulation, Respondent may destroy such records only after the seventh anniversary of the date: the contract is completed or expires; or all issues that arise from any litigation, claim, negotiation, audit, open records request, administrative review, or other action involving the Solicitation, Solicitation Response, contract, or related documents are resolved. Respondent acknowledges that the State has a right of access to information in Respondent's possession relating to State property and agrees to make such information reasonably available upon request of the GLO.
10. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under a contract resulting from this Solicitation or indirectly through a subcontract under such contract. The acceptance of funds directly under such contract or indirectly through a subcontract under such contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the 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. Respondent shall ensure that this paragraph concerning the authority to audit funds received indirectly by subcontractors through a contract and the requirement to cooperate is included in any subcontract it awards. Any contract resulting from this Solicitation may be amended unilaterally by the GLO to comply with any rules and procedures of the state auditor in the implementation and enforcement of Section 2262.154 of the Texas Government Code.
11. In accordance with Section 2252.901 of the Texas Government Code, for the categories of contracts listed in that section, Respondent represents and warrants that none of its employees including, but not limited to, those authorized to provide services under the contract, were employees of the GLO during the twelve (12) month period immediately prior to the date of execution of the contract. Solely for professional services contracts as described by Chapter 2254 of the Texas Government Code, Respondent further represents and warrants that if a former employee of the GLO was employed by Respondent within one year of the employee's leaving the GLO, then such employee will not perform services on projects with Respondent that the employee worked on while employed by the GLO.
12. The Respondent shall not discriminate against any employee or applicant for employment because of race, disability, color, religion, sex, age, or national origin. The Respondent shall take affirmative action to ensure that applicants are employed and that employees are treated without regard to their race, disability, color, sex, religion, age, or national origin. Such action includes, but is not limited to: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Respondent shall post notices, setting forth the provisions of this non-discrimination article, in conspicuous places available to employees or applicants for employment. Respondent shall include the above provisions in all subcontracts to any contract resulting from this Solicitation.
13. Respondent represents and warrants that, in accordance with Section 2155.005 of the Texas Government Code, neither Respondent nor the firm, corporation, partnership, or institution represented by Respondent, or anyone acting for such a firm, corporation, partnership, or institution has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15 of the Texas Business and Commerce Code, or the federal antitrust laws, or (2) communicated directly or indirectly the contents of its Solicitation Response to any competitor or any other person engaged in the same line of business as Respondent.
14. By signing this Solicitation Response, Respondent certifies that if a Texas address is shown as the address of the Respondent, Respondent qualifies as a "Texas Bidder" as defined in Section 2155.444(c) of the Texas Government Code.
15. Respondent understands that the GLO does not tolerate any type of fraud. The GLO's policy is to promote consistent, legal, and ethical organizational behavior by assigning responsibilities and providing guidelines to enforce controls. Any violations of law, GLO policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. Respondents are expected to report any possible fraudulent or dishonest acts, waste, or abuse to the GLO's Internal Audit Director at 512.463.6078 or [Tracey.Hall@glo.texas.gov](mailto:Tracey.Hall@glo.texas.gov).

16. Respondent certifies that it will comply with the federal Immigration Reform and Control Act of 1986, the Immigration Act of 1990, and the Immigration Act of 1996 regarding employment, employment verification, and retention of verification forms of individuals who will prospectively perform work described in this proposal.
17. Sections 2155.006 and 2261.053 of the Texas Government Code, prohibit state agencies from accepting a Solicitation Response or awarding a contract that includes proposed financial participation by a person who, in the past five years, has been convicted of violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by Section 418.004 of the Texas Government Code, occurring after September 24, 2005. Under Sections 2155.006 and 2261.053 of the Texas Government Code, Respondent certifies that the individual or business entity named in this Response is not ineligible to receive the specified contract and acknowledges that such contract may be terminated, and payment withheld if this certification is inaccurate.
18. Respondent represents and warrants that it shall comply with the applicable provisions of and rules and regulations related to the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).
19. The Respondent represents that payment to the Respondent and the Respondent's receipt of appropriated or other funds under any contract resulting from this Solicitation are not prohibited by Section 556.005 or Section 556.008 of the Texas Government Code.
20. If the Solicitation is for completion of a "project" (as defined by Texas Government Code §2252.201) in which iron or steel products will be used, Respondent agrees any iron or steel product produced through a "manufacturing process" (as defined by Texas Government Code §2252.201) and used in the project shall be produced in the United States.
21. If Texas Government Code Chapter 2270 prohibiting state contracts with companies boycotting Israel applies to Respondent and any contract awarded to Respondent pursuant to this Solicitation, then Respondent verifies it does not boycott Israel and will not boycott Israel during the term of any contract awarded to Respondent pursuant to this Solicitation.
22. If Respondent is submitting a Solicitation Response for the purchase or lease of computer equipment, then Respondent certifies it is in compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code related to the Computer Equipment Recycling Program and the Texas Commission on Environmental Quality rules in Title 30 Texas Administrative Code, Chapter 328.
23. Upon the GLO's request, Respondent shall provide copies of its most recent business continuity and disaster recovery plans.
24. If the Solicitation is for consulting services, as defined in Texas Government Code Chapter 2254, in accordance with Section 2254.033 of the Texas Government Code, Respondent certifies it does not employ an individual who has been employed by the GLO or another agency at any time during the two years preceding the submission of the Solicitation Response or, in the alternative, Respondent has disclosed in its Solicitation Response the following: (i) the nature of the previous employment with the GLO or the other agency; (ii) the date the employment was terminated; and (iii) the annual rate of compensation for the employment at the time of its termination.
25. Respondent must use the dispute resolution process provided for in Chapter 2260 of the Texas Government Code to attempt to resolve any dispute arising under any contract resulting from this Solicitation.
26. Any contract resulting from this Solicitation is contingent upon the continued availability of lawful appropriations by the Texas Legislature. Respondent understands that all obligations of the GLO under a contract resulting from this Solicitation are subject to the availability of state funds. If such funds are not appropriated or become unavailable, the GLO may terminate such contract. Any contract resulting from this Solicitation shall not be construed as creating a debt on behalf of the GLO in violation of Article III, Section 49a of the Texas Constitution.
27. Respondent represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.
28. Any contract resulting from this Solicitation shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the GLO.

29. Respondent has disclosed in writing to the GLO all existing or potential conflicts of interest relative to the performance of any contract resulting from this Solicitation.
30. The GLO will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material associated with this Solicitation or any resulting contract may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Respondent shall make any information created or exchanged with the State pursuant to the Solicitation and any resulting contract, 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 the State.
31. The person signing this Solicitation Response represents and warrants that he/she is duly authorized and legally empowered to submit this Solicitation Response, execute a contract on behalf of Respondent, and contractually bind the Respondent.
32. Respondent expressly acknowledges that state funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, Respondent represents and warrants that any technology provided to the GLO for purchase under this Solicitation is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology, of: providing equivalent access for effective use by both visual and non-visual means; presenting information, including prompts used for interactive communications, in formats intended for non-visual use; and being integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired. For purposes of this Section, the phrase "equivalent access" means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans With Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays, and customizable display appearance.
33. If any contract resulting from this Solicitation is for the purchase or lease of covered television equipment as defined by Section 361.91(3) of the Texas Health and Safety Code, Respondent certifies its compliance with Subchapter Z, Chapter 361 of the Texas Health and Safety Code, related to the Television Equipment Recycling Program.
34. The requirements of Subchapter J, Chapter 552, Government Code, may apply to a contract awarded under this Solicitation and Respondent agrees that the contract can be terminated if Respondent knowingly or intentionally fails to comply with a requirement of that subchapter.
35. If Respondent, in its performance of a contract awarded under this Solicitation, has access to a state computer system or database, Respondent must complete a cybersecurity training program certified under Texas Government Code Section 2054.519, as selected by the GLO. Respondent must complete the cybersecurity training program during the initial term of the contract and during any renewal period. If awarded a contract, Respondent must verify in writing to the GLO its completion of the cybersecurity training program.
36. Under Section 2155.0061, Government Code, the Respondent certifies that the individual or business entity named in this bid (Solicitation Response) or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated, and payment withheld if this certification is inaccurate.

Check below if preference claimed under Title 34 Texas Administrative Code § 20.306.

- Supplies, materials, equipment, or services produced in Texas/offered by Texas bidders or Texas bidder that is owned by a service-disabled veteran
- Agricultural products produced/grown in Texas
- Agricultural products and services offered by Texas bidders
- Texas vegetation native to the region for landscaping purposes
- USA produced supplies, materials, or equipment
- Products of persons with mental or physical disabilities
- Products made of recycled, remanufactured, or environmentally sensitive materials, including recycled steel
- Covered television equipment
- Energy efficient products

- Rubberized asphalt paving material
- Recycled motor oil and lubricants
- Products and services from economically depressed or blighted areas
- Products produced at facilities located on formerly contaminated property
- Vendors that meet or exceed air quality standards
- Paper containing recycled fibers
- Recycled Computer Equipment of other manufacturers
- Foods of Higher Nutritional Value
- Travel agents residing in Texas

I have read, understand, and agree to comply with the terms and conditions specified in this Solicitation Response. Checking "YES" indicates acceptance, while checking "NO" denotes non-acceptance.

YES \_\_\_\_\_ NO \_\_\_\_\_

**SIGNATURE PAGE FOLLOWS**



**RESPECTFULLY SUBMITTED:**

**Authorized Signature of the person authorized to bind Respondent to any contract that may result from this Solicitation<sup>1</sup>**

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**Date**

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**Printed Name and Title of Signatory  
Full Legal Name of Respondent's company as registered with the Texas Secretary of State, and as it should appear on any Contract resulting from this Solicitation<sup>2</sup>**

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**Respondent's Employer Identification Number (must match IRS Letter)<sup>3</sup>**

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**Telephone**

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**Email**

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**Address**

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**City/State/Zip**

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<sup>1</sup> If Respondent is a Corporation or other legal entity, attach a corporate resolution or other appropriate official documentation, which states that the person signing this Solicitation Response is an authorized person that can legally bind the corporation or entity.

<sup>2</sup> Attach proof of registration with the Texas Secretary of State.

<sup>3</sup> Attach a copy of IRS Letter 147C, Verification of Employer Identification Number, or any IRS document listing both the EIN and Entity name on IRS letterhead.

**EXHIBIT B. FEDERAL AFFIRMATIONS**

## **FEDERAL AFFIRMATIONS AND SOLICITATION ACCEPTANCE**

In the event federal funds are used for payment of part or all of the consideration due under any contract resulting from this Solicitation Response, Respondent must execute this **Exhibit B**, which shall constitute an agreement, without exception, to the following affirmations:

### **1. Debarment and Suspension**

Respondent certifies, by signing this Attachment, that neither it nor any of its principals or subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made in accordance with the OMB guidelines at 2 C.F.R. 180 that implement Executive Orders 12549 (3 C.F.R. Part 1986 Comp., p. 189) and 12689 (3 C.F.R. Part 1989 Comp., p. 235), “Debarment and Suspension” Respondent understands that it must not make any award or permit any award (or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, “Debarment and Suspension.”

### **2. Americans with Disabilities Act**

Respondent and any potential subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program- specific regulations.

### **3. Discrimination**

Respondent and any potential subcontractors shall comply with all Federal statutes relating to nondiscrimination as applicable. These may include, but are not limited to:

- a) Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d *et seq.*), which prohibits discrimination on the basis of race, color, or national origin;
- b) Title VIII of the Civil Rights Act of 1968, as amended (42 U.S.C. §§3601 *et seq.*), as amended, relating to nondiscrimination in the sale, rental, or financing of housing against any person on the basis of race, color, religion, sex, national origin, familial status, or handicap;
- c) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex;
- d) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps;
- e) The Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101- 6107), which prohibits discrimination on the basis of age;
- f) Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, which prohibits discrimination on the basis of race, color, national origin, disability, age, religion, and sex within community development programs or activities;

- g) Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA), which prohibits genetic information discrimination in employment;
- h) The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;
- i) The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
- j) Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-2 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;
- k) Any other nondiscrimination provisions in the specific statute(s) or federal regulation(s) under which application for Federal assistance is being made; and
- l) The requirements of any other nondiscrimination statute(s) that may apply to the application.

#### **4. Wages**

Respondent and any potential subcontractors have a duty to and shall pay the prevailing wage rate under the Davis Bacon Act, 40 U.S.C. 276a – 276a-5, as amended, and the regulations adopted thereunder contained in 29 C.F.R. pt. 1 and 5.

#### **5. Lobbying**

If Respondent, in connection with any resulting contract from this Solicitation, is a recipient of a Federal contract, grant, or cooperative agreement exceeding \$100,000 or a Federal loan or loan guarantee exceeding \$150,000, the Contractor shall comply with the requirements of the new restrictions on lobbying contained in Section 1352, Title 31 of the U.S. Code, which are implemented in 15 C.F.R. Part 28. Respondent shall require that the certification language of Section 1352, Title 31 of the U.S. Code be included in the award documents for all subcontracts and require that all subcontractors submit certification and disclosure forms accordingly.

#### **6. Minority and Women's Businesses**

Respondent and any potential subcontractors shall take affirmative steps to assure that minority and women's businesses are utilized when possible as sources of supplies, equipment, construction, and services, as detailed in the federal requirements relating to minority and women's business enterprises: Executive Order 11625 of October 13, 1971, 36 Fed. Reg. 19967, as amended by Executive Order No. 12007 of August 22, 1977, 42 Fed. Reg. 42839; Executive Order No. 12432 of July 14, 1983, 48 Fed. Reg., 32551; and Executive Order No. 12138 of May 18, 1979, 44 Fed. Reg. 29637.

#### **7. Environmental Standards**

Respondent and any potential subcontractors shall comply with environmental standards that may be prescribed pursuant to the following:

- a) Institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514;

- b) Notification of violating facilities pursuant to EO 11738;
- c) Protection of wetlands pursuant to EO 11990;
- d) Evaluation of flood hazards in floodplains in accordance with EO 11988;
- e) Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.);
- f) Conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.);
- g) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and
- h) Protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

**8. Historic Properties**

Respondent and any potential subcontractors shall assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

**9. All Other Federal Laws**

Respondent and any potential subcontractors shall comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing the Solicitation.

I have read, understand, and agree to comply with the Federal Affirmations specified above. Checking “YES” indicates acceptance, while checking “NO” denotes non-acceptance.

YES \_\_\_\_\_ NO \_\_\_\_\_

**RESPECTFULLY SUBMITTED:**

**Authorized Signature:** \_\_\_\_\_

**Printed Name and Title:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Respondent’s Tax I.D.:** \_\_\_\_\_

**DUNS Number:** \_\_\_\_\_

**CAGE Code:** \_\_\_\_\_

If Respondent is a Corporation or other legal entity, please attach a corporate resolution or other appropriate official documentation that states that the person signing this Solicitation Response is an authorized person to sign for and legally bind the corporation or entity.

**EXHIBIT C. SAMPLE CONTRACT**



**SAMPLE CONTRACT  
PHARMACEUTICAL SERVICES CONTRACT  
GLO CONTRACT NO. 22-008-000-C938**

THE GENERAL LAND OFFICE (the “GLO”) and the VETERANS LAND BOARD (“VLB”) (collectively the “Board”) and VENDOR, Texas Identification Number (TIN) TBD (“Provider”), each a “Party” and collectively “the Parties,” enter into the following contract for services (the “Contract”) pursuant to applicable provisions of Texas Government Code, Chapter 2155.149, Texas Natural Resources Code, Chapter 164.005 and 38 CFR Part 51, as applicable.

**I. DEFINITIONS, INTERPRETIVE PROVISIONS, AND PROJECT DESCRIPTION**

**1.01 DEFINITIONS**

[“Additional Services” means all services to be provided by Provider specifically listed in **Attachment B.**]

“[Administrative and Audit Regulations](#)” means all applicable statutes, regulations, and other laws governing administration or audit of this Contract, which may include Title 2, Part 200 and Title 38 Part 51, Code of Federal Regulations and Chapter 321 and Title 10, Subtitles D and F of the Texas Government Code.

“[Aid and Attendance Resident](#)” or “[A&A Resident](#)” means a veteran Resident that receives a VA pension because the veteran Resident requires the aid and attendance of another person.

“[Amendment](#)” means a written agreement, executed by the Parties’ authorized representatives, that documents changes to the Contract.

“[Attachment](#)” means documents, terms, conditions, or additional information physically attached to this Contract after the execution page or incorporated by reference herein.

“[Brand Drug](#)” means a drug so reported by First DataBank®, Medi-Span®, or other third-party source or as otherwise agreed upon by the Provider and the Board.

“[Business Associate Agreement](#)” means a written agreement between the Board and the Provider as required by 45 C.F.R. § 164.504(e).

“[Census Information](#)” means certain biographical and medical information pertaining to the Resident.

“[C.F.R.](#)” means the Code of Federal Regulations.

“[Charges](#)” means the fees and charges for Medications and services for which the Board is the Payer or is otherwise responsible for payment to Provider.

“[Comptroller](#)” means the Texas Comptroller of Public Accounts.

“[Contract](#)” means this entire document, its Attachments and Amendments, and documents expressly incorporated by reference herein.

“[Deliverables](#)” means a unit or increment of work—including any item, report, data, document, photograph, drawing, process, computer program or code, or other submission—that is required to be delivered, in whatever form, under the terms of this Contract.

“[Equipment](#)” means mobile medication carts appropriate for the packaging system in use by Provider, facsimile machines, and such other equipment as Provider deems necessary for provision of the services to the Board.

“[Fiscal Year](#)” means the period beginning September 1 and ending August 31 each year, which is the annual accounting period for the State of Texas.

“[GAAP](#)” means generally accepted accounting principles.

“[GASB](#)” means the Governmental Accounting Standards Board.

“[General Affirmations](#)” means the terms and conditions in [Attachment C](#), attached hereto and incorporated herein for all purposes, that Provider affirms and agrees to by executing this Contract.

“[Generic Drug](#)” means drug, whether identified by its chemical, proprietary, or non-proprietary name, that (a) is substitutable for a drug under state law; or (b) if not addressed by state law, is accepted by the U.S. Food and Drug Administration as therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient, and (s) is readily available to Pharmacy for dispensing from three or more of the non-affiliated top ten national manufacturers.

“[GLO](#)” means the Texas General Land Office and its officers, employees, and designees, acting in their official capacities.

“[HHSC](#)” means the Texas Health and Human Services Commission.

“[HIPAA](#)” means the Health Insurance Portability and Accountability Act of 1996 and associated statutes, regulations, and rules, including, Title 45 Parts 160 and 164 of the C.F.R.

“[HITECH](#)” means the Health Information Technology for Economic and Clinical Health Act, and associated statutes, regulations, and rules.

“[HSP](#)” means historically underutilized business subcontracting plan, as described by Chapter 2161 of the Texas Government Code.

“[HUB](#)” means historically underutilized business, as defined by Chapter 2161 of the Texas Government Code.

“[Inclusion](#)” means a Medication that is covered under the Per Diem Rate.

“[Intellectual Property](#)” means patents, rights to apply for patents, trademarks, trade names, service marks, domain names, copyrights and all applications and worldwide registration of such, schematics, industrial models, inventions, know-how, trade secrets, computer software programs, intangible proprietary information, other commercially valuable products of the human intellect, and all federal, state, or international registrations or applications for any of the foregoing.

“[Medicaid Pending Resident](#)” means a resident who has submitted an application for assistance to a state Medicaid program and is awaiting a determination as to whether the Resident is Medicaid eligible.



“Medication” means prescription and non-prescription drugs, biological and parenteral nutrition, and intravenous solutions.

“Mentor Protégé” means the Comptroller’s leadership program found at <https://comptroller.texas.gov/purchasing/vendor/hub/mentor.php>.

“Operator” means the entity contracted to manage and operate the Veteran(s) Homes.

“Order” means those Medications, equipment and services so requested by the Board of Provider in accordance with the procedures set forth by Provider for placing such orders.

“OTC” means over-the-counter or stock Medication.

“Payer” means a Person responsible for the payment of Medications and services for a Resident.

“Person” means any natural person, corporation, partnership, limited liability company, trust, government entity and any other type of legal entity.

“Pharmaceutical” means a Prescription signed by a physician prescribing a drug that is not an OTC or a stock medication, to treat a Resident’s medical condition.

“Prior Authorization” means an intervention by a third-party Payer that denies or delays payment to Provider for a Medication or service ordered by the Board through its Operator until such time as the third-party Payer investigates the medical necessity of that Order or until such time as the Order is modified to qualify for payment by the third-party Payer.

“Private Pay Resident” means a Resident who has authorized Provider to be their provider of pharmaceutical services and who is not eligible for coverage under a third-party program accepted by Provider.

“Project” means all products and/or services described in **Section 1.03** of this Contract and Attachment A to be provided by Provider.

“Project Manager” means the Board representative responsible for the day-to-day management of the Project and the direction of Board staff and independent contractors performing work relating thereto.

“Prompt Pay Act” means Chapter 2251 of the Texas Government Code.

“Public Information Act” means Chapter 552 of the Texas Government Code.

“Resident” means a person who meets the eligibility requirements and is admitted to the Veterans Home to receive skilled nursing care.

“Resident Day” means any portion of any day, except day of discharge, or residence at the facility for a Medicare A and Managed Care Resident, whether or not Provider provided any Medications or services to that Resident.

“Service-Connected” has the meaning prescribed by 38 C.F.R. § 3.1.

“Service-Connected Veteran” means any veteran with a Service-Connected disability rating by the VA. Determination of a service-connected disability rating at 70% or more should be determined by the hospital inquiry or the Service-Connected rating letter provided by the VA.

“Solicitation” means GLO RFP X0023829-KM (including any Attachments and addenda), which is incorporated herein by reference for all purposes in its entirety.

“Solicitation Response” means Provider’s full and complete response to the Solicitation. The Solicitation Response is incorporated herein by reference for all purposes in its entirety, including any attachments and addenda.

“Stat” means any Order that is received after the established cut-off time and that must be delivered prior to the next cut off time and/or corresponding regularly scheduled delivery time.

“Subcontractor” means a person or entity that contracts with Provider to perform part or all of Provider’s obligations under this Contract.

“Travel Regulations” means all applicable statutes, regulations, laws, and Comptroller guidance related to reimbursement for Provider’s travel expenses, including: Title 34, Section 5.22, of the Texas Administrative Code; Chapter 660 of the Texas Government Code; the General Appropriations Act; and *Textravel*, the Comptroller’s travel regulation guidance available on the Comptroller’s website.

“VA” means the United States Department of Veterans Affairs.

“VA Eligible Resident” means A&A Residents, veteran Residents with a Service Connected disability rating between 50% and 60%.

“VA Formulary” means the National Formulary for medications as listed by the VA’s Pharmacy Benefits Management Services, as updated by the VA and located at <http://www.pbm.va.gov/nationalformulary.asp>.

“Veterans Home(s)” means each of the Texas State Veterans Homes located in Amarillo, Big Spring, Bonham, El Paso, Floresville, Houston, McAllen, Temple, and Tyler Texas.

“VLB” means the Veterans Land Board and its officers, employees, and designees, acting in their official capacities.

“WAC” means the Wholesale Acquisition Cost of prescription and non-prescription Medications and items as reported by First DataBank®, MediSpan®, or other third-party source.

## **1.02 INTERPRETIVE PROVISIONS**

- (a) The meaning of a defined term applies to its singular and plural forms.
- (b) The words “hereof,” “herein,” “hereunder,” and similar words refer to this Contract as a whole and not to any particular provision, section, Attachment, or schedule of this Contract unless otherwise specified.
- (c) The word “including” means “including, without limitation.”
- (d) Unless otherwise expressly provided, a reference to a contract includes subsequent amendments and other modifications thereto executed according to the contract’s terms, and a reference to a statute, regulation, ordinance, or other law includes subsequent amendments, renumbering, recodification, and other modifications thereto by the enacting authority.
- (e) The captions and headings of this Contract are for convenience of reference only and shall not affect interpretation of this Contract.
- (f) The limitations, regulations, and policies contained herein are cumulative, and each must be performed in accordance with its terms without regard to other limitations, regulations, and policies affecting the same matter.

- (g) Unless otherwise expressly provided, reference to any Board action by way of consent, approval, or waiver is deemed modified by the phrase “in its sole discretion.” Notwithstanding the preceding, the Board shall not unreasonably withhold or delay any such consent, approval, or waiver.
- (h) Time is of the essence in this Contract.
- (i) If this Contract and any Attachments conflict, such conflicts shall be resolved in the following order of precedence: first, the Contract, then Attachments to the Contract in this order: **Attachment A, Attachment B, Attachment C, Attachment D, Attachment E, Attachment F**, the Solicitation, and the Solicitation Response.

### **1.03 PROJECT**

- (a) Provider shall provide pharmaceutical services including generic and brand name pharmaceuticals to the =Veterans Homes owned by the VLB)and a tenth Veterans Home that may open during the term of this Contract in strict accordance with the Scope of Work and Fee Schedule each attached hereto as **Attachment A** and **Attachment B**, respectively.
- (b) Provider must perform the Project in accordance with this Contract and all Attachments, the Solicitation, and the Solicitation Response; and all applicable federal, state, and local laws, ordinances and regulations.

### **1.04 REPORTING REQUIREMENTS**

Provider must timely submit monthly, quarterly, annual, and final reports in portable document format (.pdf) to GLO Project Manager John Berkely via email at [John.Berkely@glo.texas.gov](mailto:John.Berkely@glo.texas.gov). Quarterly reports are due within two (2) weeks of the end of each quarter; the final report is due within sixty (60) days of expiration or termination of the Contract or completion of the Project.

## **II. TERM**

### **2.01 DURATION**

- (a) This Contract is effective as of the September 1, 2021 (the “Effective Date”) and shall terminate on August 31, 2024. The Board, at its own discretion and subject to applicable limitations in the General Appropriations Act and other law, may extend this Contract for up to one (1) additional three-year term, subject to terms and conditions mutually agreeable to both parties. If renewed, any renewal period shall begin on September 1 and end on August 31, always coinciding with the Board’s fiscal year.
- (b) This Contract is effective for the term specified herein. Any services Provider performs before the Effective Date or after the Contract’s termination or expiration are performed at Provider’s sole risk and the Board may choose not to compensate Provider for such services.
- (c) Notwithstanding the Effective Date of this Contract, Provider must not incur charges or begin work prior to the Effective Date.

### **2.02 EARLY TERMINATION**

The Board may terminate this Contract by giving Provider written notice specifying a termination date at least thirty (30) days after the date of the notice. Upon receipt of a termination notice, Provider must immediately cease work, terminate all subcontracts,

and incur no further expense related to this Contract. Early termination shall be subject to the equitable settlement of the Parties' interests accrued up to the date of termination.

### 2.03 ABANDONMENT OR DEFAULT

If Provider abandons work or defaults on the Contract, the Board may terminate the Contract without notice. Provider will not be considered in any re-solicitation of the services described herein and may not be considered in future solicitations for similar services, unless the specification or scope of work changes significantly. The Board will determine the period of suspension based on the seriousness of the abandonment or default.

## III. CONSIDERATION

### 3.01 COMPENSATION

The GLO will compensate Provider, in accordance with **Attachment B, Fee Schedule**, in an amount not to exceed \$(VALUE).

### 3.02 TRAVEL EXPENSES

- (a) The Board will not reimburse Provider for travel expenses of any kind without prior written Board approval. The Board will only reimburse travel expenses directly attributable to Provider's performance of this Contract at the rates established or adopted by the Comptroller of the State of Texas, as outlined in the Travel Regulations.
- (b) Subject to the maximum Contract amount authorized herein and upon specific, prior, written approval by the Board, lodging, travel, and other incidental direct expenses may be reimbursed under this Contract for professional or technical personnel who are working away from the cities in which they are permanently assigned and conducting business specifically authorized in the scope of services in **Attachment A**.
- (c) The limits for reimbursements are the rates established or adopted by the Comptroller, as outlined in the Travel Regulations. **Provider understands and acknowledges that any travel-expense reimbursement by the Board is not a per diem. The Board will only reimburse actual, allowable expenses in accordance with the Travel Regulations. Provider must submit itemized receipts to support any request for travel-expense reimbursement.**

### 3.03 INVOICES

Invoices must:

- (a) be submitted to [vendorinvoices@glo.texas.gov](mailto:vendorinvoices@glo.texas.gov)
- (b) be supported by documentation (including itemized receipts) that, in the judgment of the Board, allows for full substantiation of the costs incurred; and
- (c) **prominently display GLO Contract Number 22-008-000-C938.**

### 3.04 PAYMENT

The Prompt Pay Act generally applies to payments to Provider. **However, the Prompt Pay Act does not apply if Provider does not send invoices that comply with this Contract to [vendorinvoices@glo.texas.gov](mailto:vendorinvoices@glo.texas.gov).** If Provider does not submit invoices in strict accordance with the instructions in this Contract, payment of invoices may be significantly delayed. The Board will not pay interest, fees, or other penalties for late

payments resulting from Provider's failure to submit invoices in strict accordance with the instructions in this Contract.

#### **IV. PERFORMANCE, AFFIRMATIONS, AND ASSURANCES**

##### **4.01 PERFORMANCE WARRANTY**

- (a) Provider warrants that it will perform all services under this Contract in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.
- (b) Provider warrants that all Deliverables it completes under this Contract will meet or exceed the standards of Provider's trade, profession, or industry; meet or exceed the specifications set forth in the Attachments; and be fit for ordinary use, of good quality, and with no material defects.
- (c) If Provider submits Deliverables that do not meet specifications, fails to complete Deliverables timely, or fails to perform its obligations under this Contract, the Board may require Provider, at its sole expense, to:
  - (i) repair or replace Deliverables that do not meet specifications,
  - (ii) refund payment for Deliverables that do not meet specifications and accept the return of such Deliverables, and
  - (iii) take necessary action to ensure that future performance and Deliverables meet specifications and conform to the Contract.

##### **4.02 GENERAL AFFIRMATIONS**

Provider certifies it has reviewed the **General Affirmations** in **Attachment C** and that Provider is in compliance with all applicable requirements contained therein. Provider affirms and agrees to all conditions contained in **Attachment C**.

##### **4.03 FEDERAL ASSURANCES AND CERTIFICATIONS**

To the extent they apply, Provider certifies it has reviewed the Federal Assurances and Certifications in **Attachment D**, and that Provider is in compliance with all the applicable requirements contained therein. **Provider certifies it is in compliance with all other applicable federal laws, rules, or regulations, pertaining to this Contract.**

#### **V. STATE FUNDING**

##### **5.01 STATE FUNDING**

- (a) This Contract shall not be construed as creating any debt on behalf of the State of Texas or the Board in violation of Article III, Section 49, of the Texas Constitution. The Board's obligations hereunder are subject to the availability of state funds. If adequate funds are not appropriated or become unavailable, the Board may terminate this Contract. In that event, the Parties shall be discharged from further obligations, subject to the equitable settlement of their interests accrued up to the date of termination.
- (b) Any claim by Provider for damages under this Contract may not exceed the amount of payment due and owing Provider or the amount of funds appropriated for payment but not yet paid to Provider. **NOTHING IN THIS PROVISION SHALL BE CONSTRUED AS A WAIVER OF THE BOARD'S SOVEREIGN IMMUNITY.**

## **5.02 RECAPTURE OF FUNDS**

The Board may recapture payments, including those for any unapproved expenditures, that it makes to Provider that exceed the maximum allowable rates; are not allowed under applicable laws, rules, or regulations; or are otherwise inconsistent with this Contract. Provider must refund such recaptured payments within 30 days after the Board issues notice of recapture to Provider.

## **5.03 OVERPAYMENT**

Provider shall be liable to the Board for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Contract. Provider shall reimburse such disallowed costs from funds other than those that Provider received under this Contract. Provider must refund disallowed costs and overpayments of funds received under this Contract to the Board within 30 days after the Board issues notice of overpayment to Provider.

# **VI. OWNERSHIP AND INTELLECTUAL PROPERTY**

## **6.01 OWNERSHIP AND INTELLECTUAL PROPERTY**

- (a) The Board shall own, and Provider hereby irrevocably assigns to the Board, all ownership rights, title, and interest in and to all Intellectual Property acquired or developed by Provider pursuant to this Contract, including, without limitation, all Intellectual Property in and to reports, drafts of reports, data, drawings, computer programs and codes, and/or any other information or materials acquired or developed by Provider under this Contract. The Board may obtain and hold in its name any and all patents, copyrights, trademarks, service marks, registrations, or such other protections, including extensions and renewals thereof, as may be appropriate to the subject matter.
- (b) Provider must give the and the State of Texas, as well as any person designated by the Board or the State of Texas, all assistance and execute documents required to perfect the rights granted to the Board herein, without any charge or expense beyond the stated amount payable to Provider for the services authorized under this Contract.

## **6.02 COPYRIGHT**

- (a) Provider agrees and acknowledges that all expressive content subject to copyright protection, including, without limitation, all reports, drafts of reports, drawings, artwork, photographs, video, computer programs and codes, and/or any other expressive content acquired or developed by Provider pursuant to this Contract (individually a “Work” and collectively the “Works”) will be made the exclusive property of the Board. Provider acknowledges that each Work is a “work made for hire” under the United States Copyright Act of 1976. All rights in and to each Work, including the copyright to the Work, shall be and remain the sole and exclusive property of the Board.
- (b) If, for any reason, any Work or any portion of a Work is not a work made for hire, Provider hereby irrevocably assigns to the Board ownership of all rights, title and interest in and to the Works or such portion of any Work. Such rights, title, and interest include, without limitation, the entire and exclusive copyright in the Works and all rights associated with the copyright, including reproduction rights, distribution rights, the right to prepare translations and other derivative works,

and the right to display the Works in all formats and media now known or developed in the future.

- (c) Provider must give the Board and the State of Texas, as well as any person designated by the Board or the State of Texas, all assistance required to perfect the rights defined herein that were granted to the Board, without any charge or expense beyond the stated amount payable to Provider for the services authorized under this Contract.

### **6.03 INTELLECTUAL PROPERTY**

- (a) The Board shall own, and Provider hereby assigns to the Board, all right, title, and interest in all tangible Works or products acquired for or created by Provider under this Contract and all rights, titles, and interest to all Intellectual Property embodied within or associated with such Work or product. The Board may obtain and hold in its name any and all patents, copyrights, trademarks, service marks, registrations, or such other protections, including extensions and renewals thereof, as may be appropriate to the subject matter.
- (b) The Board and Provider retain, both during and after the term of this Contract, exclusive ownership of all rights, title, and interest in and to their respective pre-existing Intellectual Property as of the effective date of this Contract.
- (c) Provider must give the Board, as well as any person designated by the Board, all assistance and execute documents required by the Board to perfect any Intellectual Property rights assigned to the Board under this Contract without any charge or expense beyond the stated amount payable to Provider for performance under this Contract.
- (d) Provider grants to the Board a worldwide, royalty-free, fully paid-up, perpetual, non-exclusive, and irrevocable license to any pre-existing Intellectual Property it has right, title, or interest in, to the extent such license is required to reproduce, publish, publicly display, distribute, or create derivative or new works and otherwise use, exploit, or authorize others to use and exploit any Work or product created under this Contract.
- (e) Provider agrees and acknowledges that all Work or product acquired for or created by Provider pursuant to this Contract will be the exclusive property of the Board. To the extent any Work or product created by Provider under this Contract results in the creation of Intellectual Property, all right, title, and interest in and to such Intellectual Property shall vest in the Board upon creation, and such Intellectual Property shall be deemed to be a “work made for hire” and made in the course of the performance pursuant to this Contract.
- (f) To the extent that title to any such Intellectual Property may not by law vest in the Board, or such Intellectual Property may not be considered a “work made for hire,” all rights, title, and interest therein are hereby irrevocably assigned to the Board.
- (g) Provider must not use any Work, product, or Intellectual Property acquired for or created pursuant to this Contract for any other purpose than performance of this Contract without the prior written approval of the Board.

## 6.04 PUBLICATION

Reports, publications, presentations, and all other materials produced by Provider with funding provided in whole or in part under this Contract must carry on the front cover or title page of such items appropriate acknowledgement of financial or other support by the Board and, if applicable, all federal entities providing funds or other support for the Project.

## VII. MISCELLANEOUS PROVISIONS

### 7.01 INSURANCE

For the duration of this Contract, Provider must acquire and maintain insurance and bonds with financially sound and reputable insurers licensed by the Texas Department of Insurance in the type, amount, and form required by **Attachment F** of this Contract, **Required Insurance**. Provider must submit to the Board certificates of insurance and other documents necessary to establish to the Board's satisfaction that Provider carries the types and amounts of insurance specified in this Contract. If the insurance needs change or the Board determines any policy does not comply with the terms of this Contract, Provider must secure such additional policies or coverage that the Board may reasonably request or that are required by law or regulation. If coverage expires during the term of this Contract, Provider must submit renewal certificates to the Board evidencing continuity of coverage.

### 7.02 TAXES, WORKERS' COMPENSATION, AND UNEMPLOYMENT INSURANCE

- (a) Provider shall be solely liable and responsible for payment of Provider's and Provider's employees' taxes of whatever kind, arising out of the execution or performance of the Contract. Provider must comply with all state and federal laws—including laws regarding wages, taxes, insurance, and workers' compensation—that apply to Provider or its employees. The Board and the State of Texas shall not be liable to Provider or its officers, agents, employees, representatives, contractors, assignees, designees, or others for the payment of taxes or the provision of unemployment insurance, workers' compensation, or any benefit available to a state employee or employee of another governmental entity.
- (b) Provider shall indemnify, defend, and hold harmless the State of Texas, the Board, and/or their officers, agents, employees, representatives, contractors, assignees, and/or designees from and against any and all liability, actions, claims, demands, damages, proceedings, or suits and all related costs, attorney fees, and expenses arising out of, connected with, or resulting from tax liability, unemployment insurance, or workers' compensation in the execution or performance of the Contract and any purchase orders issued under the Contract. Provider shall be liable to pay all costs of defense, including attorneys' fees. Provider must coordinate its defense with the Board and the Office of the Texas Attorney General or other Board legal counsel if the Board is a named defendant in any lawsuit arising out of the execution or performance of the Contract. Provider may not agree to the settlement of any such lawsuit or other claim without first obtaining the written consent of the Board and, if applicable, the Office of the Attorney General or other Board legal counsel. The Parties must furnish timely written notice to each other of any action, claim, demand, or suit described herein.



### **7.03 LEGAL OBLIGATIONS**

For the duration of this Contract, Provider must procure and maintain any license, authorization, insurance policy, waiver, permit, qualification, or certification that a federal, state, county, or city statute, ordinance, law, or regulation requires Provider to hold to provide the goods or services required by this Contract. Provider must pay all taxes, assessments, fees, premiums, permit fees, and license fees required by law. Provider must pay any such government obligations not paid by its Subcontractors during performance of this Contract.

### **7.04 INDEMNITY**

Provider shall indemnify, defend, and hold harmless the State of Texas, the Board, and their officers, agents, employees, representatives, contractors, assignees, and designees from any liability, actions, claims, demands, damage, or suits and all related costs, attorney fees, and expenses arising out of, or resulting from any acts or omissions of Provider or its agents, employees, Subcontractors, order fulfillers, or Subcontractors' suppliers in the execution or performance of the Contract and any purchase orders issued under the Contract. Provider must coordinate its defense with the Board and the Office of the Texas Attorney General or other Board legal counsel if the Board is a named defendant in any lawsuit arising out of the execution or performance of the Contract. Provider may not agree to settle any such lawsuit without the concurrence of the Office of the Texas Attorney General or other Board legal counsel. The Parties must furnish timely written notice to each other of any action, claim, demand, or suit described herein.

### **7.05 INTELLECTUAL PROPERTY INFRINGEMENT**

- (a) Provider shall indemnify, defend, and hold harmless the State of Texas, the Board, and/or their officers, agents, employees, representatives, contractors, assignees, and/or designees from and against any and all liability, actions, claims, demands, damages, proceedings, or suits and all related costs, attorney fees, and expenses arising out of, connected with, or resulting from infringement of any United States patent, copyright, trade or service mark, or any other intellectual or intangible property right that occurs in the execution or performance of the Contract and any purchase orders issued under the Contract. Provider shall be liable to pay all costs of defense, including attorney fees. Provider must coordinate its defense with the Board and the Office of the Texas Attorney General or other Board legal counsel if the Board is a named defendant in any lawsuit arising out of the execution or performance of the Contract. Provider may not agree to settle any such lawsuit without the concurrence of the Board and, if applicable, the Office of the Texas Attorney General or other Board legal counsel. The Parties must furnish timely written notice to each other of any action, claim, demand, or suit described herein.
- (b) If Provider becomes aware of an actual or potential claim of Intellectual Property infringement caused by or resulting from Provider's performance of this Contract or the Board provides Provider with notice of such claim, Provider must, at Provider's sole expense: (i) procure for the Board the right to continue to use the affected portion of the product or service or (ii) modify or replace the affected portion of the product or service with a functionally equivalent or superior product or service so that the Board's use is non-infringing.

## **7.06 ASSIGNMENT AND SUBCONTRACTS**

Provider must not assign, transfer, or delegate any rights, obligations, or duties under this Contract without the prior written consent of the Board. Any attempted assignment, transfer, or delegation in violation of this provision is void and without effect. Notwithstanding this provision, it is mutually understood and agreed that Provider may subcontract with others for some or all of the services to be performed. In any approved subcontracts, Provider must legally bind such Subcontractor to perform and make such Subcontractor subject to all the duties, requirements, and obligations of Provider as specified in this Contract. Nothing in this Contract shall be construed to relieve Provider of the responsibility for ensuring that the goods delivered and/or the services rendered by Provider and/or any of its Subcontractors comply with all the terms and provisions of this Contract. Provider will provide written notification to the Board of any such Subcontractor performing fifteen percent (15%) or more of the work under this Contract. Such notification must include the name and Texas Identification Number of Subcontractor, the task(s) being performed, and the number of Subcontractor employees expected to work on the task.

## **7.07 HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS) / MENTOR PROTÉGÉ PROGRAM**

Provider must notify the Board of HUB Subcontractors performing under this Contract through the submission of an HSP to the Board for approval. During the term of the Contract, Provider must submit monthly compliance reports (Prime Contractor Progress Assessment Report) to [HUB@glo.texas.gov](mailto:HUB@glo.texas.gov) detailing any HUB Subcontractor participation. Provider must submit proposed modifications to its HSP to the Board for prior approval through an HSP Change Order. Provider may not modify its HSP without the Board's prior written approval. If Provider modifies its HSP without the Board's prior written approval, the Board may initiate remedial action as provided in Chapter 2161 of the Texas Government Code.

## **7.08 RELATIONSHIP OF THE PARTIES**

Provider is associated with the Board only for the purposes and to the extent specified in this Contract. Provider is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract creates a partnership or joint venture, employer-employee or principal-agent relationships, or any liability whatsoever with respect to the indebtedness, liabilities, or obligations of Provider or any other party. Provider shall be solely responsible for, and the Board shall have no obligation with respect to: withholding of income taxes, FICA, or any other taxes or fees; industrial or workers' compensation insurance coverage; accumulation of vacation leave or sick leave; or unemployment compensation coverage provided by the State.

## **7.09 COMPLIANCE WITH OTHER LAWS**

In its performance of this Contract, Provider must comply with all applicable federal, state, and local laws, statutes, ordinances, and regulations, including federal and state anti-kickback statutes and safe harbors to such statutes and associated rules and regulations. Provider is deemed to know of and understand all applicable laws, statutes, ordinances, and regulations.

## **7.10 NOTICES**

Any notices required under this Contract shall be deemed delivered when deposited either in the United States mail (postage paid, certified, return receipt requested) or with a common carrier (overnight, signature required) to the appropriate address below:

### **GLO**

Texas General Land Office & Texas Veterans Land Board  
1700 N. Congress Avenue, 7<sup>th</sup> Floor  
Austin, Texas 78701  
Attention: Contract Management Division

### **Provider**

Name  
Street Address  
City, Texas Zip  
Attention: TBD

Notice given in any other manner shall be deemed effective only upon receipt by the Party to be notified. Either Party may change its address for notice by written notice to the other Party as herein provided.

## **7.11 SEVERABILITY**

If a court of competent jurisdiction determines any provision of this Contract is invalid, void, or unenforceable, the remaining terms, provisions, covenants, and conditions of this Contract shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

## **7.12 FORCE MAJEURE**

Except with respect to the obligation of payments under this Contract, if either of the Parties, after a good faith effort, is prevented from complying with any express or implied covenant of this Contract by reason of war; terrorism; rebellion; riots; strikes; acts of God; any valid order, rule, or regulation of governmental authority; or similar events that are beyond the control of the affected Party (collectively referred to as a “Force Majeure”), then, while so prevented, the affected Party’s obligation to comply with such covenant shall be suspended, and the affected Party shall not be liable for damages for failure to comply with such covenant. In any such event, the Party claiming Force Majeure must promptly notify the other Party of the Force Majeure event in writing, and, if possible, such notice must set forth the extent and duration thereof. The Party claiming Force Majeure must exercise due diligence to prevent, eliminate, or overcome such Force Majeure event when it is possible to do so and must resume performance at the earliest possible date. However, if nonperformance continues for more than thirty (30) days, the Board may terminate this Contract immediately upon written notification to Provider.

## **7.13 ENTIRE CONTRACT AND MODIFICATION**

This Contract, its Attachments, its Amendments, and any purchase order issued in conjunction with this Contract constitute the entire agreement of the Parties and are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements made in connection with the subject matter hereof. Any additional or conflicting terms in any Attachment, Amendment, or purchase order shall be harmonized with this Contract to the extent possible. Except as provided herein, this Contract may be amended only by a mutual, written agreement executed by authorized representatives of the Parties.

#### **7.14 COUNTERPARTS**

This Contract may be executed in any number of counterparts, each of which shall be an original, and all such counterparts shall together constitute one and the same Contract.

#### **7.15 DISPUTE RESOLUTION**

Except as otherwise provided by statute, rule, or regulation, Provider must use the dispute resolution process provided for in Chapter 2260 of the Texas Government Code to attempt to resolve any dispute arising under the Contract. **NOTHING IN THIS SECTION SHALL BE CONSTRUED AS A WAIVER OF SOVEREIGN IMMUNITY BY THE BOARD.**

#### **7.16 GOVERNING LAW, VENUE, AND SOVEREIGN IMMUNITY**

The Contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the Contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless a specific venue is otherwise identified in a statute that directly names or otherwise identifies its applicability to the Board. Provider irrevocably waives any objection—including any objection to personal jurisdiction—it has or may have to the bringing of any action or proceeding in such jurisdiction in respect of this Contract or any related document. **NOTHING IN THE CONTRACT SHALL BE CONSTRUED AS A WAIVER OF SOVEREIGN IMMUNITY BY THE BOARD OR THE STATE OF TEXAS.**

#### **7.17 BOOKS AND RECORDS**

Provider shall keep and maintain under GAAP or GASB, as applicable, full, true, and complete records necessary to fully disclose to the GLO/VLB, the Texas State Auditor's Office, the United States Government, and/or their authorized representatives sufficient information to determine Provider's compliance with this Contract and all applicable state, federal, and local laws, rules, regulations, and statutes.

#### **7.18 INSPECTION AND AUDIT**

- (a) All records related to this Contract, including records of Provider and its Subcontractors, shall be subject to the Administrative and Audit Regulations.
- (b) The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the Contract or indirectly through a subcontract under the Contract. Acceptance of funds directly under the Contract or indirectly through a subcontract under the Contract acts as acceptance of the authority of the state auditor, under the direction of the Legislative Audit Committee, to conduct an audit or investigation in connection with those funds. Under the direction of the Legislative Audit Committee, an entity that is the 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. If work performed under this Contract is federally funded, the Office of the Comptroller General of the United States, the Government Accountability Office, the Office of Inspector General, or any authorized representative of the U.S. Government shall also have this right of inspection. Provider shall ensure that this clause concerning the authority to audit funds received indirectly by Subcontractors through Provider and the requirement to cooperate is included in any subcontract it awards.

- (c) State agencies authorized to audit and inspect Provider and its records, Subcontractors, and Subcontractors' records include the GLO/VLB, the GLO/VLB's contracted examiners, the State Auditor's Office, the Texas Attorney General's Office, the Texas Comptroller of Public Accounts, and their authorized designees. With regard to any federal funding, federal agencies authorized to audit and inspect Provider and its records, Subcontractors, and Subcontractors' records include any relevant federal agency, the Office of the Comptroller General of the United States, the Government Accountability Office, the Office of Inspector General, and their authorized designees.

#### **7.19 RECORDS RETENTION**

Each Party must retain in its records the Contract and all documents related to the Contract. Unless a longer retention period is specified by applicable law or regulation, the Parties may destroy the Contract and related documents only after the seventh anniversary of the date: the Contract is completed, terminates, or expires; or the date when all issues that arise from any litigation, claim, negotiation, audit, open records request, administrative review, or other action involving the Contract or related documents are resolved.

#### **7.20 CONFIDENTIALITY/HIPAA & TEXAS MEDICAL RECORDS PRIVACY ACT COMPLIANCE**

To the extent permitted by law, Provider and the Board shall keep all information, in whatever form produced, prepared, observed, or received by Provider or the Board, confidential to the extent that such information is: (a) confidential by law; (b) marked or designated "confidential" (or words to that effect) by Provider or the Board; or (c) information that Provider or the Board is otherwise required to keep confidential by this Contract. Provider must not advertise that it is doing business with the Board, use this Contract as a marketing or sales tool, or make any communications or announcements relating to this Contract through press releases, social media, or other public relations efforts without the prior written consent of the Board.

Provider shall comply with HIPAA, HITECH, the Texas Medical Records Privacy Act, Tex. Health & Safety Code Chapter 181, and any associated statutes, regulations, and rules. Provider shall execute and abide by the terms of the Business Associate Agreement attached hereto as **Attachment E** and incorporated herein.

#### **7.21 PUBLIC RECORDS**

The Board shall post this Contract to the Board's website. understands that the Board will comply with the Texas Public Information Act (Texas Government Code Chapter 552, the "PIA"), as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas (the "Attorney General"). Information, documentation, and other material in connection with this Contract may be subject to public disclosure pursuant to the PIA. In accordance with Section 2252.907 of the Texas Government Code, is required to make any information created or exchanged with the Board or the State of Texas pursuant to the Contract, and not otherwise excepted from disclosure under the PIA, available to the Board in portable document file (".pdf") format or any other format agreed upon between the Parties that is accessible by the public at no additional charge to the Board or the State of Texas. By failing to mark any information that believes to be excepted from disclosure as "confidential" or a "trade secret," waives any and all claims it may make against the Board for releasing such information without prior notice to. The Attorney General will ultimately determine whether any information may be withheld from release under the PIA. shall notify the Board's Office of General Counsel within twenty-

four (24) hours of receipt of any third-party written requests for information and forward a copy of said written requests to [PIALegal@glo.texas.gov](mailto:PIALegal@glo.texas.gov). If a request for information was not written, shall forward the third party's contact information to the above-designated e-mail address.

## **7.22 SURVIVAL OF TERMS AND CONDITIONS**

The terms and conditions of this Contract related to the following subjects shall survive the termination of this Contract: definitions; interpretive provisions; consideration; warranties; General Affirmations, Federal Assurances; state funding, prohibition on debts created on behalf of the State of Texas and/or the Board, recapture of state funds, and overpayment of state funds; limitation of any Provider claim for damages to the amount of funds appropriated for payment but not yet paid to Provider; ownership, Intellectual Property, and copyright; records retention requirements; inspection and audit; confidentiality; public records; insurance; taxes; workers' compensation; unemployment insurance; Provider's obligation to procure and maintain, at its sole expense, all government licenses, authorizations, insurance, waivers, permits, and/or qualifications necessary for Provider or any Subcontractors to provide the goods or services described in this Contract; indemnification and liability; infringement of Intellectual Property rights; assignment and subcontracting; relationship of the Parties; compliance with laws; notices; governing law and venue; severability; dispute resolution; merger and integration; invoice and fee verification; property rights; default; and amendment. Terms and conditions that, explicitly or by their nature, evidence the Parties' intent that they should survive the termination or expiration of this Contract shall so survive.

**SIGNATURE PAGE FOLLOWS**

**SIGNATURE PAGE FOR GLO CONTRACT NO. 22-008-000-C938  
SERVICES CONTRACT**

**GENERAL LAND OFFICE &  
VETERANS LAND BOARD**

**VENDOR**

\_\_\_\_\_  
Mark A. Havens, Chief Clerk/  
Deputy Land Commissioner  
Executive Secretary, VLB

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date of execution: \_\_\_\_\_

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**ATTACHED TO THIS CONTRACT:**

- ATTACHMENT A – Scope of Services**
- ATTACHMENT B – Fee Schedule**
- ATTACHMENT C – General Affirmations**
- ATTACHMENT D – Federal Assurances and Certifications**
- ATTACHMENT E – Business Associate Agreement**
- ATTACHMENT F – Required Insurance**

**INCORPORATED BY REFERENCE:**

- SOLICITATION**
- SOLICITATION RESPONSE**

**ATTACHMENTS FOLLOW**

## REVISED DESCRIPTION OF SERVICES AND SPECIAL CONDITIONS

### 1.1 Resident Classification

Provider shall provide Pharmaceutical Services to all Residents as directed by Operator staff. Primary Resident Classifications are as follows:

- Veteran Residents
  - Veteran Residents not eligible for A&A coverage and have no Service-Connected disability rating;
  - Veteran A&A Residents;
  - Veteran Residents with an Service-Connected disability rating less than 50%;
  - Veteran Residents with an Service-Connected disability rating between 50% and 60%; and
  - Veteran Residents with an Service-Connected disability rating of 70% or above.
- Medicare Part A Residents
  - Veteran Residents (all classifications except veterans with an SCD rating of 70% or above); and
  - Non-veteran Residents.
- Non-veteran Residents (Resident is responsible for medication costs).

Certain Veteran Residents, listed below, are entitled to VA prescription benefits; therefore, their prescriptions are filled at a VA facility. Provider shall only be required to fill prescriptions for the following Resident Classifications (collectively “VA Eligible Veteran Residents”) for new orders or under emergency or extraordinary circumstances.

- Veteran A&A Residents - All prescriptions should be filled by the VA;
- Veteran Residents with an Service-Connected disability rating between 50% and 60% - All prescriptions should be filled by the VA; and
- Veteran Residents with an Service-Connected disability rating less than 50% - the VA should fill those prescriptions for medications needed to treat the disability, or disabilities, responsible for the Service-Connected disability rating.

Notwithstanding the preceding, if the VA is unable to fill a prescription for VA Eligible Veteran Residents, Provider must fill the prescription.

The GLO/VLB or the Operator will provide Provider with a list of VA Eligible Veteran Residents in each respective Veterans Home. Provider shall perform screen checks for VA Eligible Veteran Residents to avoid inadvertently filling their prescriptions. In an emergency case, if requested by the GLO/VLB through its Operator, Provider must fill VA Eligible Veteran Resident prescriptions on a temporary basis in quantities sufficient to allow the Operator to fill the prescription through the VA.



Provider shall treat charges for Veteran and Non-Veteran Medicare A residents separately in order to comply with CMS consolidated billing requirements. Provider will follow the VA's developed payor source for the seventy percent (70%) Service-Connected Veterans which mirrors the Medicare A consolidated billing payor source. Provider shall set up separate payor sources for tracking these resident categories in addition to the VA Eligible Residents.

## **1.2 Co-Located Pharmacies and Distribution Processes**

For handling emergency prescriptions, Providers shall make use of its pharmacies located throughout the State of Texas (each a "Pharmacy" and collectively the "Pharmacies") co-located in close proximity to Texas State Veterans Homes. Provider shall utilize, to the extent possible, its pharmacy nearest to each home for distribution to each individual home.

## **1.3 Hours of Operation**

At a minimum Provider must provide pharmaceutical services during normal business hours (8:00 a.m. to 5:00 pm CST, Monday through Friday) In addition, Provider must also provide emergency after-hours, weekend, and holiday service. Emergency service must be available twenty-four (24) hours per day, seven (7) days per week. For "emergency service" orders, time is of the essence.

## **1.4 Pick-up and Delivery/Shipping**

- a) Provider shall make routine deliveries to each Texas State Veterans Home in accordance with Provider's Solicitation Response, but at a minimum of three times per week. The regular schedule and delivery locations are to be determined after consultation with the GLO/VLB and with the Operator. Routine deliveries shall be made within reasonable times and without unreasonable delay. For routine deliveries, "reasonable time" means that the orders will be delivered within seventy-two (72) hours of receipt of the order.
- b) All Stat and emergency deliveries will be in addition to Provider's routine deliveries. Provider agrees that for Stat and emergency orders time is of the essence. Provider may utilize local contracted pharmacies for emergency prescription orders.
- c) Upon delivery, all delivery containers shall contain a delivery receipt which shall be reviewed and signed by the Operator's designated licensed nurse. Provider's delivery agent will, at a minimum, request signatures for the following documents:
  - Delivery receipts for non-controlled substances;
  - Delivery receipts for controlled substances; and
  - Signature sheets for Stat and emergency deliveries.
- d) Provider shall maintain all medications in the proper manufacturer's recommended environmental climate control levels. Refrigerated medications shall be delivered in insulated containers with "cold packs" to keep the medications at the required temperatures. The insulated containers will be placed within the delivery container and will be signed for by Operator staff.

- e) Provider shall advise the Operator immediately of any delays or deviations from the above-specified delivery and shipping requirements. If Provider anticipates or encounters a medication delay lasting longer than forty-eight (48) hours, Provider's pharmacist shall contact the Operator or the prescribing physician to arrange for an alternative therapy.
- f) If special conditions occur, such as manufacturer drug allotments, Provider is responsible for making every effort to obtain the requested drug from the manufacturer or from any other source. In the event that a drug is not available, Provider's pharmacist shall contact the Operator or the prescribing physician to arrange for an alternative therapy.

## **1.5 Packaging**

Provider shall utilize a thirty-day (30) blister card system for the packaging of medication. The blister card packaging shall conform with federal, state, and local law. The thirty-day blister cards will be dispensed with the amount of medication as prescribed by the physician, whether it is a thirty-day supply or a lesser amount. Provider shall utilize the thirty-day blister card system for both prescription and over-the-counter medications.

Dispensing quantities of prescription medications shall not exceed a thirty (30) day supply, unless specifically requested by the ordering clinician.

## **1.6 Returns**

- a) As permitted by federal and state law, Operator or the GLO/VLB may return eligible medications for credit.
- b) Unused medications may be returned to Provider in the event of discharge, death, or discontinuation, with the following exceptions:
  - If the safety seal is broken on ointments, creams, liquids, or eye drops;
  - Inhalers not in the original safety packaging;
  - Reconstituted products;
  - Flu vaccines;
  - Refrigerated items that are not returned in a cooler;
  - Soiled, damaged, or manipulated products/blister cards;
  - Self-administration and teaching medications;
  - TPN or pre-mixed medications;
  - IV supplies;
  - Syringed medications prepared at Provider's pharmacy;
  - Medications dispensed more than 60 days before being returned;
  - Compounded medications;
  - Controlled substances (except as allowed by federal regulations); and
  - Medications that are written upon or defaced by facility staff.

For controlled substances that may not be returned, Provider shall assist Operator in completing the forms required for the destruction of controlled substances.

- c) If a medication is eligible for credit, credit will be issued upon the following criteria:
- All return medications will be returned and handled according to federal rules and regulations; and
  - Return medication forms will be provided to the Operator or to the GLO/VLB for documentation purposes.

Credit (in the amount initially charged) will be issued for properly returned medications.

### **1.7 Medication Carts and Equipment**

- a) Provider shall provide medication and treatment carts as required to provide pharmacy services at the Texas State Veterans Homes.
- b) Any and all equipment provided by Provider for use at any Texas State Veterans Home, including without limitation, medication carts, fax machines, and any other equipment necessary for the provision of pharmacy services, shall remain the property of Provider, which ownership shall be marked accordingly. The equipment shall be used for pharmacy services only.
- c) In the event that any Provider provided medication cart, fax machine, or other equipment requires maintenance, and upon notification from the Operator or from the GLO/VLB, Provider will deploy staff to the facility to perform the required maintenance on-site. If the maintenance cannot be performed on-site, Provider will provide interim equipment and will transport the equipment off-site for maintenance or replacement. Replacement equipment shall be of the same type and style as that which was removed.

### **1.8 Emergency Kits, and Travel Packs**

- a) Subject to negotiations with the successful respondent.

### **1.9 Formulary Management**

- a) VA Formulary and Generics First Approach. Provider shall match the VA Formulary and substitute generic drugs when available unless directed by the physician to “Dispense as Written.” Provider will work, on an ongoing basis, with Operator or with the GLO/VLB to be certain formulary medications are clinically suitable and represent the lowest cost alternative to Texas State Veterans Homes. Provider shall utilize generics with at least an AB rating and the manufacturer will remain consistent whenever possible. When brand-name medications become generically available, Provider shall use its best efforts to generically substitute these new generic items, whenever possible, within 7-10 days from that brand-named medication becoming generically available.
- b) Rx Clinical Edits. Where clinically appropriate, branded medications may have a pharmacy operating system edit in place to prompt for a short supply, length of therapy limit or require a Prior Authorization to dispense the medication.
- c) Focus on Cost. Provider shall address utilization of specific, high cost, high utilization agents through quantity limits (e.g., Low Molecular Weight Heparins, blood Modifiers);

Prior Authorizations (e.g., appetite stimulants); and dosage form modifications (e.g., Vancomycin capsules to compounded oral solution).

- d) Therapeutic Interchange Program. Provider shall develop specific interchange protocols built upon the principles of evidenced based medicine, clinical integrity, and financial transparency. Provider will utilize a centralized process for developing therapeutic interchange programs that will consider the relative therapeutic interchange programs that will consider the relative therapeutic or pharmaceutical attributes of the drugs subject to the therapeutic interchange and, secondarily, to the relative prices of the drugs subject to the therapeutic interchange. Provider will collaborate with the Operator or with the GLO/VLB to implement formulary management for drugs paid for by GLO/VLB as part of Medicare A or managed care stays.
- e) Preview Pre-Admission Screening Tool. Provider shall assist the Operator with therapeutic interchange opportunities, prior to Resident admission, to a clinically superior or equivalent medication.
- f) Facility Specific Formulary. Where allowed by law, Provider will implement a Facility Specific Formulary.

#### **1.10 Pharmacist Consulting Services**

Subject to negotiations with the successful respondent.

#### **1.11 Billing and Charges**

- a) The GLO/VLB is responsible for the cost of Medications for all Veteran Residents except for VA Eligible Residents.
- b) Medicare Part D and other third-party Payer Formulary management. For residents with coverage under a third-party prescription benefit plan, such as Medicare Part D, Medicaid, or a commercial insurer, Provider will coordinate with its dispensing pharmacy to:
  - Recommend a covered alternative when a Resident is prescribed a non-covered drug (these recommendations are made on a Resident/situation specific basis);
  - Work with the Operator or with the GLO/VLB to submit the appropriate documentation to the Medicare Part D plan to allow payment when a Resident is prescribed a drug subject to a prior authorization (“PA”) or medical exceptions for clinical reasons; and
  - Assist in resolving claims that are rejected for clinical reasons.

Where applicable, Provider will provide the prescribing physician all necessary forms mandated for the payer to seek a PA, an exception to a non-formulary status, an exception to a quantity limit or any other applicable exception to the coverage restriction.

- c) Prior Authorization. Prescriptions that are rejected by the Payer which necessitate a Prior Authorization and medical exceptions shall primarily processed by Provider. Provider will generate a form that will provide the prescriber with covered alternatives for the payer. In

the event that the prescriber wishes to pursue a Prior Authorization or a medical exception, Provider will provide the prescriber with any necessary forms for the process as mandated by the payer to seek a Prior Authorization, an exception to a non-formulary status, an exception to a quantity limit, or any other applicable exception to the coverage restriction.

- d) Medicaid Pending. For Medicaid Pending Residents, Provider shall identify and appropriately bill Residents or the Resident's responsible party with pending Medicaid applications. When the Medicaid application is approved, the charges will be re-billed for the appropriate retroactive coverage date. At that time, any Medicaid non-covered charges, both retroactive and future, may be billed to the GLO/VLB. Provider will attempt to find coverage for Residents upon admission as well as monthly for any outstanding balance accounts.
- e) Automatic Split Billing. When a Medicare Part A Resident is discharged from a Texas State Veterans Home for a stay consisting of less than thirty (30) days, Provider's system will act automatically halt the dispensing of medication and will issue a credit memo to the GLO/VLB for the unused portion of the Medicare Part A prescription. The Provider will then generate a charge to the new payer for the unused portion.
- f) Non-Covered Medications. Non-covered Medications will be billed to Residents directly by Provider. To the extent that the non-covered Residents later obtain some type of third-party coverage, Provider will work with the Residents to have any newly-covered items re-billed to the appropriate third-party pay source. For a dual-eligible resident who has both Medicare and Medicaid coverage, a non-covered Medication will be billed to the GLO/VLB.

#### **1.12 Electronic Ordering, Electronic Invoicing, and Web-Interface**

For electronic ordering, electronic invoicing, and web-interface, Provider will utilize its internal pharmacy dispensing system as described in Provider's Solicitation Response and in accordance with updated industry encryption standards.

#### **1.13 Additional Services**

Subject to negotiations with the successful respondent.

#### **1.14 Reporting and Analysis**

Provider shall develop custom reports, as may be requested by the GLO/VLB. The reports shall contain, at a minimum, the following data:

- A cost analysis on pre-admitted residents;
- An automated electronic daily census extract and payer status change;
- A profile of each resident, physician, payer source, pharmacy, and Texas State Veterans Home;
- A list of high-cost drugs, per facility;
- A summary invoice and detail billing file to support orders filled and charges billed for each home;

Reports shall be provided to the GLO/VLB in Microsoft® Excel®, or compatible, format containing the data fields reasonably requested by the GLO/VLB.

In addition, the following reports are for the GLO/VLB to review at any time.

- Total orders filled in the prior month (new and refills);
- Total number of doses dispensed for formulary brand, non-formulary brand, and generics;
- Total cost for non-formulary vs. formulary orders;
- Percentage of residents on medication by gender;
- Number of prescriptions, per resident, by gender;
- Prescriber profile for each prescriber;
- Top non-formulary prescriptions by prescriber;
- Detail of orders written by class of drug;
- Summary of orders by therapeutic class;
- Percentage of total orders for each prescriber by class of drug;
- Non-formulary orders by class of drug;
- Breakdown of total drug cost by class;
- Top ten psychotropic drugs by cost;
- Top ten non-psychotropic drugs by cost;
- Top OTC medications by cost;
- Quarterly graphs that illustrate utilization patterns;
- Drug history and physician prescribing reports; and
- Any and all other reports requested by the GLO/VLB.

#### **1.15 Quarterly Meetings**

Provider shall conduct a quarterly business meeting. In attendance at the quarterly meeting shall be the Provider's pharmacist, designated provider staff, and the designated GLO/VLB staff or the GLO/VLB's On-Site Representative. At the quarterly meeting, Provider will present a Quarterly Business Meeting Report. The Quarterly Business Meeting Report shall consist of, at a minimum, six (6) components: (i) Service and Financial Overview; (ii) Clinical Utilization Review; (iii) Infusion Updates; (iv) Industry Updates and Business Plan Update; and (vi) Open Discussion. The Quarterly Business Meeting will be in addition to the standard quarterly consultant pharmacist meeting.

#### **1.16 HIPAA and Texas Medical Records Privacy Act Compliance**

Provider shall comply with the HIPAA, HITECH, and the Texas Medical Records Privacy Act, TEX. HEALTH & SAFETY CODE 181. Provider is required to execute the Business Associate Agreement, incorporated herein as **Attachment E**.

### **1.17 Drug Discount Coupons**

Subject to Provider's participation in the coupon program, the patient's eligibility, and compliance with all applicable terms, conditions, laws and regulations, including the all state and federal anti-kickback laws, Provider will honor commonly available pharmacy drug discount coupons when doing so will result in cost savings for the GLO/VLB.

**Fee Schedules**

**Cost Proposal**

1. **Calculations of Charges:** TBD
  
2. **General Terms and Conditions:** The following terms and conditions apply:

**[Consulting Services and Pricing**

1. **Pharmacist Consulting Services:** TBD
2. **Standard Services:** TBD
3. **Additional Services:** TBD]

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**General Affirmations**

Provider affirms and agrees to the following provisions:

1. Provider represents and warrants that, in accordance with Section 2155.005 of the Texas Government Code, neither Provider; the firm, corporation, partnership, or institution represented by Provider; nor anyone acting for such a firm, corporation, partnership, or institution has (a) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983—Chapter 15 of the Texas Business and Commerce Code—or the federal antitrust laws or (b) directly or indirectly communicated the contents of the Contract or any solicitation response upon which the Contract is based to any competitor or any other person engaged in the same line of business as Provider.
2. Under Section 231.006, Family Code, the vendor or applicant [Provider] certifies that the individual or business entity named in this Contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.
3. A bid or an application for a contract, grant, or loan paid from state funds must include the name and social security number of the bidder/applicant or each partner, shareholder, or owner with an ownership interest of at least 25% of the business entity submitting the bid or application. Provider certifies it has submitted this information to the Board.
4. If the Contract is for the purchase or lease of computer equipment—as defined by Texas Health and Safety Code, Section 361.952(2)— Provider certifies its compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code and the Texas Commission on Environmental Quality rules in 30 Tex. Admin. Code Chapter 328.
5. Pursuant to Section 2155.003 of the Texas Government Code, Provider represents and warrants that it 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 Contract.
6. Payments due under the Contract shall be directly applied toward eliminating any debt or delinquency—including delinquent taxes, delinquent student loan payments, and delinquent child support—that Provider owes to the State of Texas, regardless of when the debt or delinquency arises.
7. Upon the Board’s request, Provider must provide copies of its business continuity and disaster recovery plans.
8. If the Contract is for consulting services governed by Texas Government Code Chapter 2254, in accordance with Section 2254.033 of the Texas Government Code, Provider certifies that it does not employ an individual who has been employed by the Board or another state agency at any time during the two years preceding the Provider’s submission of its offer to provide consulting services to the Board or that Provider, in its offer to provide consulting services to the Board, disclosed the following: (a) the nature of the Provider’s employee’s previous employment with the Board or other state agency; (b) the date such employment was terminated; and (c) the annual rate of compensation for such employment at the time of its termination.
9. If Chapter 2271 of the Texas Government Code applies to this Contract, Provider verifies it does not boycott Israel and will not boycott Israel during the term of this Contract.
10. This Contract is contingent upon the continued availability of lawful appropriations by the Texas Legislature. Provider understands that all obligations of the Board under this Contract are subject to the availability of state funds. If such funds are not appropriated or become unavailable, the Board may terminate the Contract. The Contract shall not be construed as creating a debt on behalf of the Board in violation of Article III, Section 49(a), of the Texas Constitution.

11. Provider certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism", published by the United States Department of the Treasury, Office of Foreign Assets Control.
12. In accordance with Section 669.003 of the Texas Government Code relating to contracting with the executive head of a state agency, Provider certifies that it (1) is not the executive head of the Board; (2) was not, at any time during the four years before the effective date of the Contract, the executive head of the Board; and (3) does not employ a current or former executive head of the Board.
13. Provider represents and warrants that all statements and information prepared and submitted in connection with this Contract are current, complete, true, and accurate. Submitting a false statement or making a material misrepresentation during the performance of this Contract is a material breach of contract and may void the Contract or constitute grounds for its termination.
14. Pursuant to Section 2155.004(a) of the Texas Government Code, Provider certifies that neither Provider nor any person or entity represented by Provider has received compensation from the Board to participate in the preparation of the specifications or solicitation on which this Contract is based. Under Section 2155.004, Government Code, the vendor [Provider] certifies that the individual or business entity named in this bid or Contract is not ineligible to receive the specified contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
15. Provider represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.
16. In accordance with Section 2252.901 of the Texas Government Code, for the categories of contracts listed in that section, Provider represents and warrants that none of its employees including, but not limited to, those authorized to provide services under the contract, were employees of the Board during the twelve (12) month period immediately prior to the date of execution of the contract. Solely for professional services contracts as described by Chapter 2254 of the Texas Government Code, Provider further represents and warrants that if a former employee of the Board was employed by Provider within one year of the employee's leaving the Board, then such employee will not perform services on projects with Provider that the employee worked on while employed by the Board.
17. Provider represents and warrants that it has disclosed in writing to the Board all existing or potential conflicts of interest related to Provider's performance of the Contract.
18. Sections 2155.006 and 2261.053 of the Texas Government Code prohibit state agencies from accepting a solicitation response or awarding a contract that includes proposed financial participation by a person who, in the past five years, has been convicted of violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by Section 418.004 of the Texas Government Code, that occurred after September 24, 2005. Under Sections 2155.006 and 2261.053 of the Texas Government Code, Provider certifies that the individual or business entity named in this bid or Contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
19. To the extent permitted by law, Provider and the Board shall keep all information, in whatever form produced, prepared, observed, or received by Provider or the Board, confidential to the extent that such information is: (a) confidential by law; (b) marked or designated "confidential" (or words to that effect) by Provider or the Board; or (c) information that Provider or the Board is otherwise required to keep confidential by this Contract. Provider must not advertise that it is doing business with the Board, use this Contract as a marketing or sales tool, or make any communications or announcements

relating to this Contract through press releases, social media, or other public relations efforts without the prior written consent of the Board.

20. Each person signing the Contract represents and warrants that he or she is duly authorized to execute and enter into the Contract on behalf of the Party listed directly above his or her signature and to bind that Party to the terms and conditions in the Contract.
21. The state auditor may conduct an audit or investigation of any entity, including Provider and its subcontractors, receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. Provider's acceptance of funds directly under the contract, and a Subcontractor's acceptance of funds indirectly through a subcontract under the contract, acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the 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. Provider must include this paragraph concerning the authority to audit funds and the requirement to cooperate with audits and investigations in any subcontract it awards. The Board may unilaterally amend the Contract to comply with any rules and procedures of the state auditor in the implementation and enforcement of Section 2262.154 of the Texas Government Code.
22. Provider certifies that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the Contract by any state or federal agency.
23. If the Contract is for the purchase or lease of covered television equipment, as defined by Section 361.971(3) of the Texas Health and Safety Code, Provider certifies its compliance with Texas Health and Safety Code, Chapter 361, Subchapter Z, related to the Television Equipment Recycling Program.
24. Pursuant to Section 572.069 of the Texas Government Code, Provider certifies it has not employed and will not employ a former state officer or employee who, on behalf of the Board, participated in a procurement or contract negotiations involving Provider within two (2) years after the date that the Contract is signed or the procurement is terminated or withdrawn. This certification only applies to former state officers or employees whose state service or employment ceased on or after September 1, 2015.
25. If the Contract is for services, Provider, in performing the Contract, must purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside Texas.
26. Under Section 2155.0061, Government Code, the vendor [Provider] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
27. Pursuant to GAAP or GASB, as applicable, Provider must keep and maintain full, true, and complete records sufficient to allow the Board, the Texas State Auditor's Office, the United States Government (if applicable), and/or their authorized representatives to determine Provider's compliance with this Contract and all applicable laws, rules, and regulations.
28. All records related to the Contract, including records of Provider and its Subcontractors, are subject to the Administrative and Audit Regulations.
29. State agencies that are authorized to audit and inspect Provider, its records, its Subcontractors, and its Subcontractors' records include the Board, the Board's contracted examiners, the Texas State Auditor's Office, the Texas Attorney General's Office, the Comptroller, and their authorized

designees. With regard to any federal funding, federal agencies that are authorized to audit and inspect Provider, its records, its Subcontractors, and its Subcontractors' records may include any federal agency funding the Contract, the Office of the Comptroller General of the United States, the Government Accountability Office, the Office of Inspector General, and their authorized designees.

30. The Board shall post this Contract to the Board's website. Provider understands that the Board will comply with the Texas Public Information Act (Texas Government Code Chapter 552, the "PIA"), as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas (the "Attorney General"). Information, documentation, and other material in connection with this Contract may be subject to public disclosure pursuant to the PIA. In accordance with Section 2252.907 of the Texas Government Code, Provider is required to make any information created or exchanged with the Board or the State of Texas pursuant to the Contract, and not otherwise excepted from disclosure under the PIA, available to the Board in portable document file (".pdf") format or any other format agreed upon between the Parties that is accessible by the public at no additional charge to the Board or the State of Texas. By failing to mark any information that Provider believes to be excepted from disclosure as "confidential" or a "trade secret," Provider waives any and all claims it may make against the Board for releasing such information without prior notice to Provider. The Attorney General will ultimately determine whether any information may be withheld from release under the PIA. Provider shall notify the Board's Office of General Counsel within twenty-four (24) hours of receipt of any third-party written requests for information and forward a copy of said written requests to [PIALegal@glo.texas.gov](mailto:PIALegal@glo.texas.gov). If a request for information was not written, Provider shall forward the third party's contact information to the above-designated e-mail address.
31. If the Contract is for consulting services governed by Chapter 2254 of the Texas Government Code, Provider, upon completion of the Contract, must give the Board a compilation, in a digital medium agreed to by the Parties, of all documents, films, recordings, or reports Provider compiled in connection with its performance under the Contract.
32. To the extent Section 552.371 of the Texas Government Code applies to Provider and the Contract, in accordance with Section 552.372 of the Texas Government Code, Provider must (a) preserve all contracting information related to the Contract in accordance with the records retention requirements applicable to the Board for the duration of the Contract, (b) no later than the tenth business day after the date of the Board request, provide to the Board any contracting information related to the Contract that is in Provider's custody or possession, and (c) on termination or expiration of the Contract, either (i) provide to the Board at no cost all contracting information related to the Contract that is in Provider's custody or possession or (ii) preserve the contracting information related to the Contract in accordance with the records retention requirements applicable to the Board. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J, Chapter 552, Government Code, may apply to the Contract and Provider agrees that the Contract may be terminated if Provider knowingly or intentionally fails to comply with a requirement of that subchapter.
33. If Provider, in its performance of the Contract, has access to a state computer system or database, Provider must complete a cybersecurity training program selected by the Board that is certified under Section 2054.519 of the Texas Government Code. Provider must complete the cybersecurity training program during the initial term of the Contract and during any renewal period. Provider must verify in writing to the Board its completion of the cybersecurity training program.
34. The Board does not tolerate any type of fraud. Board policy promotes consistent, legal, and ethical organizational behavior by assigning responsibilities and providing guidelines to enforce controls. Any violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. Provider must report any possible fraud, waste, or abuse that occurs in connection with the Contract to the Board in the manner prescribed by the Board's website, <http://glo.texas.gov>.

## ASSURANCES – NON-CONSTRUCTION PROGRAMS

OMB Approval No. 4040-0007  
Expiration Date: 02/28/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation

Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other non-discrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION Texas General Land Office - Solicitations	DATE SUBMITTED

**CERTIFICATION REGARDING LOBBYING  
COMPLIANT WITH APPENDIX A TO 24 C.F.R. PART 87\***

*Certification for Contracts, Grants, Loans, and Cooperative Agreements:*

The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

*Statement for Loan Guarantees and Loan Insurance:*

The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.**

NAME OF APPLICANT

AWARD NUMBER AND/OR PROJECT NAME

Texas General Land Office - Solicitations

22-008-000-C938

PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

\* 24 C.F.R. 87 App. A, available at <https://www.gpo.gov/fdsys/granule/CFR-2011-title24-vol1/CFR-2011-title24-vol1-part87-appA>. Published Apr. 1, 2011. Accessed Aug. 1, 2018.

### Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352  
 (See reverse for public burden disclosure)

OMB Number: 4040-0013  
 Expiration Date: 02/28/2022

<b>1. *Type of Federal Action:</b> <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	<b>2. *Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	<b>3. *Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
<b>4. Name and Address of Reporting Entity:</b> <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Name: _____ Street 1: _____ Street 2: _____ City: _____ State: _____ Zip: _____  Congressional District, <i>if known</i> : _____	<b>5. If Reporting Entity in No. 4 is Subawardee,</b> Enter Name and Address of Prime:     Congressional District, <i>if known</i> : _____	
<b>6. Federal Department/Agency:</b> _____	<b>7. Federal Program Name/Description:</b>  CFDA Number, <i>if applicable</i> : _____	
<b>8. Federal Action Number, <i>if known</i>:</b> _____	<b>9. Award Amount, <i>if known</i>:</b> \$ _____	
<b>10. a. Name and Address of Lobbying Registrant</b> <i>(if individual, last name, first name, MI):</i> _____	<b>b. Individuals Performing Services</b> <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i> _____	
<b>11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</b>	<b>Signature:</b> _____  <b>Print Name:</b> _____  <b>Title:</b> _____  <b>Telephone No.:</b> _____ <b>Date:</b> _____	
<b>Federal Use Only</b>	<b>Authorized for Local Reproduction</b> <b>Standard Form - LLL (Rev. 7-97)</b>	



## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

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According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 4040-0013. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (4040-0013), Washington, DC 20503.

## BUSINESS ASSOCIATE AGREEMENT

**WHEREAS**, the **GENERAL LAND OFFICE** and the **VETERANS LAND BOARD** (collectively, “the Board”) and **PROVIDER**, Texas Identification Number NA (“Business Associate”), each a “Party” and collectively “the Parties”, have entered into GLO Contract No. **22-008-000-C938** (the “Agreement”); and

**WHEREAS**, the Congress of the United States enacted the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) which creates a national standard for protecting the privacy and security of patients’ Protected Health Information (“PHI”); and

**WHEREAS**, the United States Department of Health and Human Services (“HHS”) promulgated rules for the implementation of HIPAA, and pursuant to the “business associate” provisions of the privacy regulations found in 45 CFR § 160 and §164 Subparts A and E (“Privacy Rule”) and security regulations found in 45 CFR § 160 and §164 Subparts A and C (“Security Rule”) and pursuant to the Health Information Technology for Economic and Clinical Health Act of 2009, 42 U.S.C. §§ 17931-39 (the “HITECH Act”), The Board is required to enter into agreements with the Board’s Business Associates to assure that the Board’s Business Associates appropriately safeguard patient information; and

**WHEREAS**, the State of Texas enacted the Medical Records Privacy Act (“MRPA”), in 2001 and amended the MRPA in 2003 and 2011 creating standards in addition to HIPAA and the HITECH Act for protecting the privacy and security of patients’ PHI; and

**WHEREAS**, the, in the event of a Breach, as defined hereafter, the Board is required under Section 2054.1125(b) of the Texas Government Code to notify the Department of Information Resources, Chief Information Security Officer, and state cybersecurity coordinator not later than 48 hours.

**WHEREAS**, Business Associate provides management and operation services for, or on behalf of, the Board requiring the use and disclosure of PHI, pursuant to the terms of the Agreement.

**NOW, THEREFORE**, the parties agree as follows:

### **SECTION 1. Definitions.**

- a. All terms used in this Business Associate Agreement defined in the HIPAA Statute, Regulations, and Rules or HITECH Act shall have the meaning ascribed to them in the HIPAA Statute, Regulation, and Rules, or HITECH Act, as applicable.
- b. Capitalized terms used in this Business Associate Agreement shall have the following meanings, provided that if any of the following definitions conflicts with the respective definition of such term in the Privacy Regulations, Security Regulations or HITECH Act, the definition in the Privacy Regulations, Security Regulations or HITECH Act shall control:
  1. **Breach.** “Breach” shall mean the acquisition, access, use or disclosure of PHI in a manner not permitted under the Privacy Regulations which compromises the security or privacy of the PHI, provided that the following shall not constitute a Breach: (A) any unintentional acquisition, access or use of PHI by a workforce member or agent of Business Associate, if it was made in good faith, within the course and scope of such individual’s authority and does not result in further use or disclosure of the PHI; (B) any inadvertent disclosure of PHI by a person authorized to access PHI by Business Associate to another person authorized to access PHI within the Business Associate organization, provided the PHI is not further used

or disclosed; and (C) a disclosure of PHI in which Business Associate has a good faith belief that the unauthorized person to whom the disclosure was made would not reasonably have been able to retain the PHI.

2. **Business Associate.** “Business Associate” shall have the same meaning as the term “business associate” at 45 CFR 160.103 and shall refer herein to **PROVIDER**.
3. **Covered Entity.** “Covered Entity” shall mean, in accordance with 45 CFR § 160.103, (1) A health plan; (2) A health care clearinghouse; (3) A health care provider who transmits any health information in electronic form in connection with a transaction covered by HIPAA, and, in accordance with Tex. Health & Safety Code § 181.001(b)(2), includes any person who engages in the practice of assembling, collecting, analyzing, using, evaluating, storing, or transmitting protected health information, including a business associate, health care payer, governmental unit, information or computer management entity, school, health researcher, health care facility, clinic, health care provider, or person who maintains protected health information on an internet site.
4. **Electronic PHI.** “Electronic PHI” or “ePHI” shall mean PHI which is transmitted by or maintained in electronic media.
5. **GLO.** “GLO” shall mean the General Land Office and shall include the Veterans Land Board.
6. **Hybrid Entity.** “Hybrid Entity” shall mean a single legal entity: (1) that is a Covered Entity; (2) whose business activities include both covered and non-covered functions; and (3) that designates Health Care Components in accordance with 45 CFR § 164.105(a)(2)(iii)(c). The GLO is designated as a Hybrid Entity.
7. **Privacy Rule.** “Privacy Rule” shall mean the standards for privacy of individually identifiable health information found in 45 C.F.R. § 160 & 164.
8. **Protected Health Information (“PHI”).** “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 CFR 160.103 as applied to 45 CFR 164.501, and shall refer to information obtained under the Agreement.
9. **Security Rule.** “Security Rule” shall mean the technical requirements and guidelines found in 45 C.F.R. § 160 & 164.
10. **Unsecured PHI.** “Unsecured PHI” shall mean PHI, in any medium, which is not rendered unusable, unreadable or indecipherable to unauthorized individuals through the use of a technology or methodology specified in guidance issued by HHS.

## **SECTION 2. Rights and Responsibilities of Business Associate**

- a. Business Associate shall have the right to use and disclose PHI in order to perform services for or on behalf of the Board, consistent with the terms of this Business Associate Agreement and consistent with the Privacy Rule and Security Rule.
- b. In providing services, Business Associate shall use and disclose PHI only as permitted by the terms of this Business Associate Agreement or as required by law and only to the extent that such use and disclosure would not violate the Privacy Rule, Security Rule, or HITECH Act if performed by the Board. Upon the request of Board, Business Associate may use PHI to provide data aggregation services related to the healthcare operations of the Board as permitted by 45 CFR § 164.504(e)(2)(i)(B).

- c. Business Associate may use and disclose PHI received during the performance of the Agreement if necessary for the proper management and administration of the Agreement, provided that Business Associate may disclose PHI to third parties not employed by Business Associate only if (i) the disclosure is required by law, or (ii) Business Associate enters into a business associate agreement with the recipient, if the recipient is a subcontractor, or obtains reasonable assurances from the recipient, if the recipient is not a subcontractor, that (A) the PHI will remain confidential and will be used or further disclosed only as required by law or for the purpose for which it was disclosed to the recipient, and (B) the recipient will notify Business Associate of any breach of confidentiality of PHI.
- d. To the extent that Business Associate may use or disclose PHI as provided by this Business Associate Agreement and HIPAA, the HITECH Act, or State Law, Business Associate shall make reasonable efforts limit the disclosure of PHI to the minimum necessary to accomplish the intended purpose of the use or disclosure.
- e. Business Associate shall utilize appropriate safeguards in accordance with HIPAA and the HITECH Act to prevent any use or disclosure of PHI not authorized by the terms of this Business Associate Agreement.
- f. Business Associate shall utilize administrative, physical, and technical safeguards in accordance with HIPAA and the HITECH Act that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI that Business Associate creates, receives, maintains, or transmits for or on behalf of the Board.
- g. Business Associate shall report to the Board On-Site Representative and GLO Privacy Officer: (i) any Breach, use, or disclosure of PHI not permitted under the terms of this Agreement without delay and no later than twenty-four (24) hours after becoming aware of such use or disclosure; and (ii) any unauthorized access, use, disclosure, modification, or destruction of Electronic PHI or interference with systems operations in an information system containing Electronic PHI without delay and no later than twenty-four (24) hours after becoming aware of such incident. In the event that Business Associate becomes aware of any violation of any HIPAA provision and fails to notify the Board and take corrective action, the Board may immediately terminate the Agreement without prior notice to Business Associate.
- h. With respect to any improper uses and disclosures of PHI reported to the Board under Section 2 (g) above that constituted, in Business Associate's determination, a Breach of Unsecured PHI, Business Associate shall also, within six (6) business days of discovering such incident, report to the GLO's Privacy Officer the following: (i) a brief description of the incident, including the date of the incident, the date of the discovery of the incident, and identification of each patient whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, improperly accessed, acquired, used, or disclosed, (ii) a description of the types of Unsecured PHI involved in the incident, (iii) any steps the patient should take to protect himself or herself from harm resulting from the incident, (iv) a brief description of what Business Associate is doing to investigate the incident, mitigate the harm to the patient, and protect against future occurrences; and (v) any other relevant information. Business Associate and the Board shall cooperate with respect to providing any notification of the Breach to the patient as required by the HITECH Act.
- i. Business Associate shall enter into business associate agreements, pursuant to the "business associate" provisions of the Privacy Rule found in 45 CFR § 160 and §164 Subparts A and E, with agents and subcontractors to ensure that any agent or subcontractor to whom Business

Associate furnishes PHI agrees to the same restrictions and conditions that apply under this Business Associate Agreement to Business Associate with respect to PHI.

- j. Business Associate shall take appropriate actions necessary to mitigate any harmful effects known to Business Associate to result from an unauthorized use or disclosure of PHI by Business Associate.
- k. Within twenty-four (24) hours of receiving an individual's request for access, Business Associate shall allow a person who is the subject of the PHI, his/her legal representative, or the Board to have access to inspect and copy PHI maintained by the Business Associate. If the Business Associate uses or maintains an electronic health record, Business Associate shall provide such PHI in electronic format, if requested. Copies, if requested must be provided within five (5) business days.
- l. To enable the Board to respond to a patient's request to amend the patient's PHI, Business Associate shall make the requested PHI maintained by Business Associate available to the Board within twenty (20) business days of receiving a request from the Board and Business Associate shall amend the patient's PHI as directed by the Board.
- m. Business Associate shall (i) maintain a record of its disclosures of PHI according to 45 CFR § 164.528(a)(1), including disclosures not made for the purposes of this Business Associate Agreement, and (ii) within thirty (30) business days of receiving a request for accounting of disclosures, make available to the requestor the following information concerning such disclosures made on or after the date which is six (6) years prior to the request date: the date of disclosure; the name of the recipient and, if known, the recipient's address; a brief description of the PHI disclosed; and a brief statement of the purpose of the disclosure.
- n. Business Associate shall make all internal practices, books, and records relating to the use and disclosure of PHI received or created by Business Associate on behalf of the Board available to the Secretary of HHS for the purpose of determining the Board's or Business Associate's compliance with the Privacy Rule or the Security Rule.
- o. Business Associate acknowledges that as required by the HITECH Act, Business Associate shall comply with the requirements of the Security Rule and the other applicable requirements imposed on business associates under the HITECH Act.
- p. If Business Associate conducts electronically any of the administrative or financial healthcare transactions identified as standard transactions under HIPAA for or on behalf of the Board, Business Associate shall comply with all applicable requirements of the Electronic Transactions and Code Sets Standards promulgated under HIPAA when conducting such standard transactions for or on behalf of Hybrid Entity.
- q. Business Associate shall, pursuant to Tex. Health and Safety Code § 181.101, train its employees within ninety (90) days of employment regarding the state and federal law concerning PHI as necessary and appropriate for the employees to carry out their duties. If the duties of an employee are affected by a material change in state or federal law concerning PHI, Business Associate shall train the employee regarding such material change within a reasonable period, but not later than one (1) year after the effective date of the material change. Business Associate shall require its employees to sign a statement verifying training and retain the statement for six (6) years.

### **SECTION 3. Obligations of the Board.**

- a. With respect to the use and/or disclosure of PHI by Business Associate , the Board shall:
  - i. Notify Business Associate in writing of any limitation(s) in its notice of privacy practices, if such limitation(s) would impact Business Associate’s use or disclosure of PHI;
  - ii. Inform Business Associate in writing of any changes in, or revocation of, a patient’s authorization to use or disclose the patient’s PHI, if such action would impact Business Associate’s use or disclosure of PHI; and
  - iii. Notify Business Associate in writing of any restrictions on the use or disclosure of PHI to which the Board has agreed, if such restriction would impact Business Associate’s use or disclosure of PHI.

**SECTION 4. General Provisions.**

- a. Business Associate shall comply with all applicable federal and state laws, rules, and regulations in its performance of the Agreement. Omission of a law, rule, or regulation from this Business Associate Agreement does not relieve Business Associate of its duty to comply with such law, rule, or regulation.
- b. The Board and Business Associate are independent contractors and nothing in this Business Associate Agreement is intended to, nor shall be, construed to create any agency, partnership, employer-employee, or joint venture relationship between them.
- c. This Business Associate Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof and supersedes any prior or contemporaneous verbal or written agreements, communications, and representations relating to the subject matter hereof. Notwithstanding any provision in the Agreement indicating that it is the sole agreement governing the relationship between the parties, including a provision that the Agreement shall constitute the entire agreement between the parties thereof, the terms of this Business Associate Agreement shall be effective and shall govern the relationship between the parties with respect to the subject matter hereof.
- d. In the event of any inconsistency between the terms of this Business Associate Agreement and the terms of the Agreement, the terms of this Business Associate Agreement shall prevail with respect to the subject matter hereof notwithstanding any contrary provision in the Agreement.
- e. This Business Associate Agreement may be modified or amended only upon mutual written consent of the parties.
- f. Business Associate may not assign its rights and obligations under this Business Associate Agreement without the prior written consent of the Board.
- g. Any notices to be given hereunder shall be deemed effectively given when personally delivered, received by electronic means (including facsimile, .pdf, or e-mail) or overnight courier, or five (5) calendar days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to the Board:	General Land Office P.O. BOX 12783 Austin, TX 78711-2873 Attn: Haley Karstens, GLO Privacy Officer
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If to Business Associate : Provider

, Texas

- h. No Third Party Beneficiaries. The terms of this Business Associate Agreement are not intended and shall not be construed to confer upon any person other than the parties hereto any rights, remedies, obligations, or liabilities whatsoever.
- i. A reference in this Business Associate Agreement to any section or provision of HIPAA, the HITECH Act, or State Law means the section or provision as in effect or as amended and for which compliance is required.
- j. The parties shall amend this Business Associate Agreement from time to time, as is necessary to comply with federal and state laws, rules, and regulations.
- k. Notwithstanding anything in this Business Associate Agreement to the contrary, the respective rights and obligations of Business Associate shall survive the termination of this Business Associate Agreement.
- l. Any ambiguity in this Business Associate Agreement shall be resolved to permit the parties to comply with HIPAA, the HITECH Act, and State law.

The Term of this Business Associate Agreement will be effective as of the date signed by the last party and shall terminate when all PHI provided by the Board to the Business Associate or created or received by Business Associate on behalf of the Board is destroyed or, if feasible, returned to the Board. Upon termination of the Agreement, Business Associate shall, as directed by the Board, promptly return to the Board or destroy PHI possessed by Business Associate and its agents or subcontractors and retain no copies or back-up records of PHI. If such return or destruction is infeasible, as mutually determined by the Board and Business Associate, the obligations set forth in this Business Associate Agreement with respect to PHI shall survive termination of the Agreement and Business Associate shall limit any further use and disclosure of PHI to the purposes that make the return or destruction of PHI infeasible.

**SIGNATURE PAGE FOLLOWS**

**SIGNATURE PAGE FOR GLO CONTRACT NO. 22-008-000-C938**  
**BUSINESS ASSOCIATE AGREEMENT**

**GENERAL LAND OFFICE & VETERANS  
LAND BOARD**

**PROVIDER**

\_\_\_\_\_  
Mark A. Havens, Chief Clerk/  
Deputy Land Commissioner;  
Executive Secretary, VLB

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date of execution: \_\_\_\_\_

Date of execution: \_\_\_\_\_

OGC \_\_\_\_\_

PM \_\_\_\_\_

ISO \_\_\_\_\_

DD \_\_\_\_\_

DGC \_\_\_\_\_

GC \_\_\_\_\_



## REQUIRED INSURANCE

GENERALLY. Provider shall, at its sole expense, acquire, maintain, and keep in force for the duration of this Contract, insurance in the amounts attached herein and under the requirements specified herein. Furthermore, unless specified or otherwise agreed to by the Board, the required insurance shall be in effect prior to the commencement of work by Provider and shall continue in full force until the earlier as appropriate of (i) the expiration of this Contract; or (ii) such time as the Board notifies Provider that such insurance is no longer required. Any insurance or self-insurance available to the Board shall be in excess of, and non-contributing with, any insurance required from Provider. Provider's insurance policies shall apply on a primary basis. If, at any time during the Contract, an insurer or surety fails to provide insurance to Provider or otherwise fails to comply with the requirements of this Contract, Provider shall immediately notify the Board and replace such insurance or bond with an insurer meeting such requirements. General aggregate limits of Provider's Commercial General Liability policy shall apply per project. Provider's auto insurance policy shall apply to "any auto."

Approval. Prior approval of the insurance policies by the Board shall be a condition precedent to any payment of consideration under this Contract and insurance must be submitted for review and approval by the Board prior to the commencement of work. Any failure of the Board to timely approve or failure to disapprove the insurance furnished by Provider shall not relieve Provider of Provider's full responsibility to provide the insurance required by this Contract.

Continuing Coverage. The Board's approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent to this Contract.

Renewal. Provider shall provide the Board with renewal or replacement certificates no less than thirty (30) days before the expiration or replacement of the required insurance.

Additional Insured Endorsement. The Board, its officers, employees, and authorized agents shall be named as additional insureds for all liability arising under this Contract except on Workers' Compensation and Professional Liability policies. **An original additional insured endorsement signed by an authorized insurance company representative must be submitted to the Board to evidence the endorsement of the Board as an additional insured on all policies, and the certificate(s) must reference the related GLO Contract Number.**

Subrogation. Each liability insurance policy, except Professional Liability, shall provide for a waiver of subrogation as to the State of Texas, the Board, and their officers, employees, and authorized agents, and shall be issued by insurance companies authorized to do business in the State of Texas, and currently rated by A.M. Best as "A-" or better.

Policy Cancellation Endorsement. Except for ten (10) days' notice for non-payment of premium, each insurance policy shall be endorsed to specify that without 30 days' prior

written notice to the Board, the policy shall not be canceled, non-renewed, or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mail to the address specified in this Contract. A copy of this signed endorsement must be attached to this Contract.

Alternative Insurability. Notwithstanding the requirements of this Attachment, the Board reserves the right to consider reasonable alternative methods of insuring the contract in lieu of the insurance policies and/or bonds required. It will be Provider's responsibility to recommend to the Board alternative methods of insuring the Contract. Any alternatives proposed by Provider should be accompanied by a detailed explanation regarding Provider's inability to obtain insurance coverage as described in this Contract. The Board shall be the sole and final judge as to the adequacy of any substitute form of insurance coverage.

**INSURANCE REQUIRED:**

**\$1 MILLION COMMERCIAL GENERAL LIABILITY (EACH OCCURRENCE)**

**\$2 MILLION COMMERCIAL GENERAL LIABILITY (AGGREGATE LIMIT)**

**\$1 MILLION ERRORS AND OMISSIONS**

**STATUTORY WORKERS' COMPENSATION & EMPLOYERS LIABILITY**

- \$1 MILLION EACH ACCIDENT

- \$1 MILLION DISEASE EACH EMPLOYEE

- \$1 MILLION DISEASE POLICY LIMIT

**NOTE:** Insurance certificates must be in the form approved by the Texas Attorney General, a sample of which follows this page.

Insurance Certificates must:

- (a) be submitted to [insurance@GLO.TEXAS.GOV](mailto:insurance@GLO.TEXAS.GOV)
- (b) **prominently display "GLO Contract No. 22-008-000-C938."** and
- (c) Name the General Land Office as an additional insured.

Failure to submit required insurance forms as instructed may significantly delay the start of work under the Contract.

**REQUIRED FORM OF CERTIFICATE FOLLOWS THIS PAGE**



Contract No. \*\*\*\*\*

DATE (MM/DD/YYYY)

# CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
INSURED	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A :	
	INSURER B :	
	INSURER C :	
INSURER D :		
INSURER E :		
INSURER F :		

Required form of Insurance

**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY						EACH OCCURRENCE \$
	COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/>						MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
							GENERAL AGGREGATE \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG \$
	POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/>						\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	ANY AUTO						BODILY INJURY (Per person) \$
	ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/>						BODILY INJURY (Per accident) \$
	HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/>						PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/>						EACH OCCURRENCE \$
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/>						AGGREGATE \$
	DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER	<b>CANCELLATION</b>
	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

**EXHIBIT D. HUB SUBCONTRACTING PLAN**



TEXAS GENERAL LAND OFFICE  
GEORGE P. BUSH, COMMISSIONER

**HUB Subcontracting Probability Statement**

Probable subcontracting has been determined for this solicitation. A completed HUB Subcontracting Plan (HSP) is a requirement of your response. A HUB Subcontracting Form **must** be completed and returned with any bid, offer or proposal to be considered responsive. **If your response to this solicitation does not include a completed HUB Subcontracting Plan, your response shall be rejected as a material failure to comply with advertised specifications.**

*Please make certain that the potential HUB subcontractor's HUB status is "A" Active.*

**All respondents (HUB or Non-HUB) are required to comply.**

Reference Number: RFP X0023829B-KM

Pharmaceutical Services for the Texas State Veterans Homes  
**The HUB Goal for this procurement is 21.1% of the total contract value**

The GLO has provided a list of potential areas of subcontracting opportunities by NIGP code based upon the GLO's understanding of this procurement request. The GLO is relying upon the Bidder's or Proposer's expertise to fully identify subcontracting opportunities that best align with their organization and this procurement request. *In accordance with 34 TAC §20.282, a subcontractor means a person who contracts with a prime contractor to work, to supply commodities, or contribute toward completing work for a governmental entity.*

NIGP Class	NIGP Item	Description of Goods and Services
269	72	Miscellaneous Drugs and Pharmaceuticals (Not Otherwise Classified)
269	74	Pharmaceutical Drug Precursors
962	24	Courier/Delivery Services

You may download the HUB Subcontracting Plan form from the Office of the Comptroller of Public Accounts website. This version will guide the respondent through the various fields and assist them in completing it correctly: <https://comptroller.texas.gov/purchasing/docs/hub-forms/hsp-allfms.pdf>

Respondents may access the State of Texas HUB Database CMBL to find HUB subcontractors by NIGP class and item through the following website: <https://mycpa.cpa.state.tx.us/tpasscmlsearch/> Select "HUBs only" when conducting the search.

The National Institute of Government Purchasing (NIGP) commodity code book may be found at the following link: <https://www.comptroller.texas.gov/purchasing/nigp/>

Minority and women owned business association resources are available for your subcontracting solicitation notices to State of Texas HUB vendors at this link: <https://comptroller.texas.gov/purchasing/vendor/hub/resources.php>

If you have any questions about the HUB Subcontracting Plan, identifying HUB vendors with proper NIGP codes, contact Daphne Grantham at 512-914-7777 or [daphne.grantham@glo.texas.gov](mailto:daphne.grantham@glo.texas.gov), Vonda White at 512-947-6441 or [Vonda.white@glo.texas.gov](mailto:Vonda.white@glo.texas.gov).



# HUB Subcontracting Plan (HSP) QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

- **If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:**
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - Yes, I will be subcontracting portions of the contract.
  - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors.
  - Section 2 c. - Yes
  - Section 4 - Affirmation
  - GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract\* in place for more than five (5) years meets or exceeds the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - Yes, I will be subcontracting portions of the contract.
  - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
  - Section 2 c. - No
  - Section 2 d. - Yes
  - Section 4 - Affirmation
  - GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract\* in place for more than five (5) years does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - Yes, I will be subcontracting portions of the contract.
  - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
  - Section 2 c. - No
  - Section 2 d. - No
  - Section 4 - Affirmation
  - GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.
- **If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment), complete:**
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources.
  - Section 3 - Self Performing Justification
  - Section 4 - Affirmation

**\*Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



# HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

**NOTE:** Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.284 are:

- **11.2 percent for heavy construction other than building contracts,**
- **21.1 percent for all building construction, including general contractors and operative builders' contracts,**
- **32.9 percent for all special trade construction contracts,**
- **23.7 percent for professional services contracts,**
- **26.0 percent for all other services contracts, and**
- **21.1 percent for commodities contracts.**

**- - Agency Special Instructions/Additional Requirements - -**

*In accordance with 34 TAC §20.285(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent **does not** have a **continuous contract\*** in place for **more than five (5) years** shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

**SECTION 1: RESPONDENT AND REQUISITION INFORMATION**

- a. Respondent (Company) Name: \_\_\_\_\_ State of Texas VID #: \_\_\_\_\_  
 Point of Contact: \_\_\_\_\_ Phone #: \_\_\_\_\_  
 E-mail Address: \_\_\_\_\_ Fax #: \_\_\_\_\_
- b. Is your company a State of Texas certified HUB?  - Yes  - No
- c. Requisition #: \_\_\_\_\_ Bid Open Date: \_\_\_\_\_

(mm/dd/yyyy)

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS**

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, **including contracted staffing, goods and services will be subcontracted**. Note: In accordance with 34 TAC §20.282, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- *Yes*, I will be subcontracting portions of the contract. (If *Yes*, complete Item b of this SECTION and continue to Item c of this SECTION.)
- *No*, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If *No*, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <b>do not</b> have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	Percentage of the contract expected to be subcontracted to HUBs with which you have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

- *Yes* (If *Yes*, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- *No* (If *No*, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified HUBs** with which you **do not** have a **continuous contract\*** in place with for **more than five (5) years**, **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- *Yes* (If *Yes*, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- *No* (If *No*, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

**\*Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS (CONTINUATION SHEET)**

This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <b>do not</b> have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	Percentage of the contract expected to be subcontracted to HUBs with which you have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%
43		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

**\*Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION 3: SELF PERFORMING JUSTIFICATION** (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

**SECTION 4: AFFIRMATION**

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>
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**Reminder:**

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

# HSP Good Faith Effort - Method A (Attachment A)

Rev. 2/17

Enter your company's name here: _____	Requisition #: _____
---------------------------------------	----------------------

**IMPORTANT:** If you responded "Yes" to **SECTION 2, Items c or d** of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-a.pdf>

## SECTION A-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

## SECTION A-2: SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

# HSP Good Faith Effort - Method B (Attachment B)

Rev. 2/17

Enter your company's name here: _____	Requisition #: _____
---------------------------------------	----------------------

**IMPORTANT:** If you responded “No” to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

## SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

## SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

## SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/HUBSubcontractingOpportunityNotificationForm.pdf>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company’s Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
			- Yes    - No
			- Yes    - No
			- Yes    - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program’s webpage at <https://www.comptroller.texas.gov/purchasing/vendor/hub/resources.php>.

- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
		- Yes    - No
		- Yes    - No

# HSP Good Faith Effort - Method B (Attachment B) Cont.

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Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION B-4: SUBCONTRACTOR SELECTION**

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



# HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in Section B has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.285 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, at least seven (7) working days prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code §20.282(19)(C).

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in Section C, Item 2, reply no later than the date and time identified in Section C, Item 1. Submit your response to the point-of-contact referenced in Section A.

<b>SECTION A: PRIME CONTRACTOR'S INFORMATION</b>	
Company Name: _____	State of Texas VID #: _____
Point-of-Contact: _____	Phone #: _____
E-mail Address: _____	Fax #: _____

<b>SECTION B: CONTRACTING STATE AGENCY AND REQUISITION INFORMATION</b>	
Agency Name: _____	Phone #: _____
Point-of-Contact: _____	Bid Open Date: _____
Requisition #: _____	(mm/dd/yyyy)

**SECTION C: SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION**

**1. Potential Subcontractor's Bid Response Due Date:**

If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2, we must receive your bid response no later than \_\_\_\_\_ on \_\_\_\_\_ .  
Central Time Date (mm/dd/yyyy)

*In accordance with 34 TAC §20.285, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, at least seven (7) working days prior to us submitting our bid response to the contracting agency, we must provide notice of each of our subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.282(19)(C).*

*(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)*

**2. Subcontracting Opportunity Scope of Work:**

**3. Required Qualifications:** - Not Applicable

**4. Bonding/Insurance Requirements:** - Not Applicable

**5. Location to review plans/specifications:** - Not Applicable

**EXHIBIT E. HUB SUBCONTRACTING PLAN PRESENTATION**

# General Land Office

How to complete your HUB Subcontracting Plan (HSP)



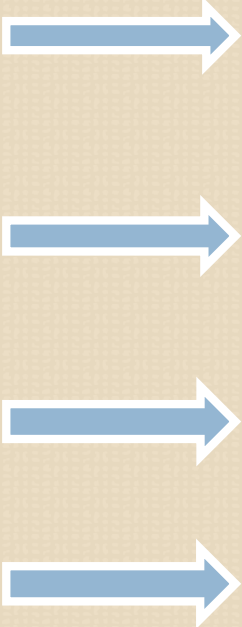
# HUB SUBCONTRACTING PLAN (HSP) IS A REQUIREMENT


- Once the agency determines that HUB subcontracting opportunities are probable in the Scope of Work, a completed HUB Subcontracting Plan **must** be returned with your Bid/Proposal.
- If the HSP is not submitted with your response or fails to meet good faith effort requirements, your response **will not** proceed to the evaluation team.

# HUB SUBCONTRACTING PLAN (HSP)

- Read the HUB Subcontracting Plan (HSP) form before you begin.
- The HUB GOAL is identified in the “Special Instruction” section of the HSP.
- Decide whether or not you will need to subcontract parts of the contract in order to complete the agency’s scope of work.
- Read the four different options on the HUB Subcontracting Plan (HSP) checklist and determine which options fit your response. Answer each section within that option.
- **Note:** HSP Good Faith Effort – Method B (Attachment B) will require you to provide a Good Faith Effort notification and contact HUBs, trade organization or development centers.

# HUB Subcontracting Plan (HSP) Quick Checklist



 **HUB Subcontracting Plan (HSP)**  
**QUICK CHECKLIST** Rev. 1/17

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

- ▶ If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - Yes, I will be subcontracting portions of the contract.
  - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors.
  - Section 2 c. - Yes
  - Section 4 - Affirmation
  - GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- ▶ If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract in place for more than five (5) years does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - Yes, I will be subcontracting portions of the contract.
  - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
  - Section 2 c. - No
  - Section 2 d. - Yes
  - Section 4 - Affirmation
  - GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- ▶ If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract in place for more than five (5) years does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - Yes, I will be subcontracting portions of the contract.
  - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
  - Section 2 c. - No
  - Section 2 d. - No
  - Section 4 - Affirmation
  - GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.
- ▶ If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment), complete:
  - Section 1 - Respondent and Requisition Information
  - Section 2 a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources.
  - Section 3 - Self Performing Justification
  - Section 4 - Affirmation

**\*Continuous Contract:** Any existing written agreement (including any renewals that are described) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or services, to include under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

- There are four ways to complete the HSP based on the checklist.
- The checklist identifies which sections of the HSP to complete based on your subcontracting intentions.

# You may select one of the four options to complete the scope of work...

- Options #1 – You are using subcontractors and they are all Texas Certified HUBs.
- Option #2 – You will meet or exceed the HUB goal using Texas certified HUBs and Non-HUB subcontractors.
- Option #3 – You will not meet the stated HUB goal using Texas Certified HUBs and Non-HUB subcontractors.
- Option #4 – You will self-perform the entire contract with your own resources. (own employees, supplies, materials and/or equipment, to include transportation and delivery)

# HSP Information Page:

■ HUB GOALS



■ Special reminders and instructions



■ Respondent and requisition information



## HUB Subcontracting Plan (HSP)

Rev. 2/17

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

**NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).**

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.284 are:

- 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders' contracts,
- 32.9 percent for all special trade construction contracts,
- 23.7 percent for professional services contracts,
- 26.0 percent for all other services contracts, and
- 21.1 percent for commodities contracts.

-- Agency Special Instructions/Additional Requirements --

In accordance with 34 TAC §20.285(d)(1)(D)(ii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent does not have a continuous contract in place for more than five (5) years shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

HUB Goal 00.0%

Vonda White  
vonda.white@glo.texas.gov  
512-463-5376

Daphne Grantham  
daphne.grantham@glo.texas.gov  
512-463-5194

Special Instructions: The GLO encourages each Respondent to select multiple subcontractors for each subcontracting opportunity who are able to perform work respondent plans to subcontract. This will allow the selected providers to make needed changes to their original HSPs and allow the GLO to quickly approve such changes.

Any questions regarding the proper completion of the HSP may be made to the GLO HUB Team as the only exception to the single point of contact. Use your best industry related experience and judgment when estimating the percentage of the subcontracts. HUBs and Non-HUBs must complete and submit a HUB Subcontracting Plan.

### SECTION 1: RESPONDENT AND REQUISITION INFORMATION

- a. Respondent (Company) Name: \_\_\_\_\_ State of Texas VID #: \_\_\_\_\_  
 Point of Contact: \_\_\_\_\_ Phone #: \_\_\_\_\_  
 E-mail Address: \_\_\_\_\_ Fax #: \_\_\_\_\_
- b. Is your company a State of Texas certified HUB?  - Yes  - No
- c. Requisition #: \_\_\_\_\_ Bid Open Date: \_\_\_\_\_

Company Name and Requisition #



Section 2:  
Subcontracting Intentions:  
Section – 2, item (a)



Section – 2, item (b):  
List portions of work (subcontracting opportunities) you will subcontract, and identify the percentages of the contract you expect to award to all HUBs and Non-HUBs vendors.



If you will be using Texas certified HUBs, with whom you have had a continuous contract in place for more than (5) years, you may use them, they just won't count towards your HUB goal.

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION 2 RESPONDENT'S SUBCONTRACTING INTENTIONS**

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted staffing, goods and services will be subcontracted. Note: In accordance with 34 TAC §20.282, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

- a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:
- Yes, I will be subcontracting portions of the contract. (If Yes, complete Item b of this SECTION and continue to Item c of this SECTION.)
  - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If No, continue to SECTION 3 and SECTION 4.)
- b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/purchasing/vendors/hubforms.php>.)

- c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.
- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
  - No (If No, continue to Item d, of this SECTION.)
- d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texas certified HUBs with which you do not have a continuous contract\* in place with for more than five (5) years, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."
- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
  - No (If No, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

\*Continuous Contract: Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

# Section 3: Self Performance Justification

- Give a complete and thorough explanation of how your company will perform the entire contract with its own resources.



## Section 4: Affirmation

- Signature affirms that information provided is true and correct.



- Note: After award, the HSP becomes part of your contract deliverables.

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Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**SECTION 3: SELF PERFORMING JUSTIFICATION** (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below explain how your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

**SECTION 4: AFFIRMATION**

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>
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**Reminder:**

- If you responded "Yes" to SECTION 2, **Items c or d**, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, **Items c and d**, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

3

# HSP GFE Method A (Attachment A)

### Section A-1

If you responded “Yes” to Sections 2, Items (c) or (d), **you must** submit a completed “HSP Good Faith Effort – Method A (Attachment A)” for **each** of the subcontracting opportunities listed in Section-2, item (b).

Note: Item number must coincide with “Section-2, item (b).”

### Section A-2

Identify subcontractors that will be used during the course of the contract; please list VID number for HUBs and Non-HUBs; approximate dollar amount and percentage of work to be subcontracted.

**To Be Determined** is not acceptable.

Percentage should coincide with Section-2, item (b).

## HSP Good Faith Effort - Method A (Attachment A)

Rev. 5/17

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**IMPORTANT:** If you responded “Yes” to SECTION 2, Items c or d of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method A (Attachment A)” for **each** of the subcontracting opportunities you listed in SECTION 2, Item b. of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-attach-a.pdf>

### SECTION A-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b. of the completed HSP form for which you are completing the attachment.

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

### SECTION A-2: SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB <input type="checkbox"/> - Yes <input type="checkbox"/> - No	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
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	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



## HSP GFE Method B (Attachment B) :

If you responded “No” to section-2, items (c) and (d), you must submit a completed “HSP Good Faith Effort – Method B (Attachment B)” for each of the subcontracting opportunities listed in Section-2, item (b).

- Section B-2: Use only for HUB Protégé subcontracting opportunity.

- Section B-3: Notification of subcontracting opportunity.

- Note: You must comply with all items in Section B-3: A, B, C and D.

## Page 1 of 2 (Attachment B)

### HSP Good Faith Effort - Method B (Attachment B)

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Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**IMPORTANT:** If you responded “No” to SECTION 2, Items c and d of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-subcont-plan-gfe-achm-b.pdf>.

#### SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

#### SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, continue to SECTION B-4.)

- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3 and SECTION B-4.)

#### SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/HUBSubcontractingOpportunityNotificationForm.pdf>.

Retain **supporting documentation** (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs **at least seven (7) working days** to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbldsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.

b. List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID (Do not enter Social Security Numbers.)	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2) or more trade organizations** or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers **at least seven (7) working days** prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <https://www.comptroller.texas.gov/purchasing/vendor/hubresources.php>.

d. List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

# Notification of a Subcontracting Opportunity

## 7 Working Day Notification


- Notify at least **(3)** Texas certified HUBs businesses of the subcontracting opportunities that respondent intends to subcontract.
  - Notify **(2)** or more trade organizations or development centers.
1. You must allow the HUBs, trade organization, and development centers at least **(7)** working days to respond to your notification prior to submitting your bid response to the agency (during the solicitation posting period).
  2. The **initial day** of notification is considered “day zero” and does not count as one of the **(7)** working days.
  3. Does **not** include weekends, federal or state holidays, or days the agency is closed by the executive director.
  4. You **must** provide written notification of each subcontracting opportunity listed in Method B; Section B-1. Please retain supporting documentation (certified letters, faxes and e-mails) and submit them with your HSP.

# HUB Subcontractor Notification form:

- Note: Respondent must provide notice of each subcontracting opportunity.



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## HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in Section B has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.285 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, at least seven (7) working days prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.282(19)(C).

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in Section C, Item 2, reply no later than the date and time identified in Section C, Item 1. Submit your response to the point-of-contact referenced in Section A.

<b>SECTION A: PRIME CONTRACTOR'S INFORMATION</b>
Company Name: _____ State of Texas VID #: _____ Point-of-Contact: _____ Phone #: _____ E-mail Address: _____ Fax #: _____
<b>SECTION B: CONTRACTING STATE AGENCY AND REQUISITION INFORMATION</b>
Agency Name: _____ Point-of-Contact: _____ Phone #: _____ Requisition #: _____ Bid Open Date: _____ <small>(mm/dd/yyyy)</small>
<b>SECTION C: SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION</b>
<p>1. Potential Subcontractor's Bid Response Due Date:</p> <p style="text-align: center;">If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2, we must receive your bid response no later than _____ on _____.</p> <p style="text-align: center;"><small>Central Time      Date (mm/dd/yyyy)</small></p> <div style="border: 1px solid black; padding: 5px; font-size: small;"><p>In accordance with 34 TAC §20.285, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, at least seven (7) working days prior to us submitting our bid response to the contracting agency, we must provide notice of each of our subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.282 (19)(C).</p><p><i>(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)</i></p></div>
2. Subcontracting Opportunity Scope of Work:
3. Required Qualifications: <span style="float: right;"><input type="checkbox"/> - Not Applicable</span>
4. Bonding/Insurance Requirements: <span style="float: right;"><input type="checkbox"/> - Not Applicable</span>
5. Location to review plans/specifications: <span style="float: right;"><input type="checkbox"/> - Not Applicable</span>

# HSP GFE Method B (Attachment B)

- Enter information for HUB Protégé subcontracting opportunity.

or

- List subcontractors you selected to perform the opportunity you listed in Section B-1.
- If any of the subcontractors you selected to perform the opportunity listed in **Section B-1** is not a Texas certified HUB, provide written justification for your selection process.

## ■ Page 2 of 2 (Attachment B)

### HSP Good Faith Effort - Method B (Attachment B) Cont.

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Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

#### SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: \_\_\_\_\_ Description: \_\_\_\_\_

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycps.cps.state.tx.us/trasscmblsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, **provide written justification for your selection process** (attach additional page if necessary):

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity # (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

# Affirmation

- Respondent understands and agrees that if awarded any portion of the requisition:

The respondents are required to provide written notice to all subcontractors (HUBs and Non-Hub) of their selection as a subcontractor for the awarded contract. A copy of this notice must be provided to the contracting agency's point of contact no later than (10) working days after the contract is awarded.

1. The respondent must submit monthly expenditure reports (Prime Contractor Process Assessment Report – PAR), as a condition of payment and to verify their compliance with the HSP.
2. The respondent must seek approval from the agency prior to making any modifications to the HSP. A HUB Subcontracting Plan (HSP) Change Order form will be provided by the agency.

# HSP Evaluation Process

- The agency will review and evaluate the HSP and supporting documentation.
- The agency may request clarifications or further documentation of your good faith effort.
- The HSP is not evaluated on a point system. Instead, it is reviewed for compliance with good faith effort requirements.

# HSP Resources

- Texas Comptroller of Public Accounts website HUB forms will guide you through the proper completion of the HUB Subcontracting Plan (HSP) form:

<https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php>

# GLO HUB Team Contacts

- If you have any questions concerning the HSP, please contact GLO HUB Coordinators below.
- Daphne Grantham, Assistant HUB Coordinator  
[daphne.Grantham@glo.texas.gov](mailto:daphne.Grantham@glo.texas.gov)  
**512-914-7777**
- Vonda White, HUB Coordinator  
[vonda.white@glo.texas.gov](mailto:vonda.white@glo.texas.gov)  
**512-947-6441**



## **EXHIBIT F. REQUIRED REPORT FIELDS**

### **Billing File Extract - Required Fields:**

- (1) Billing Date
- (2) Resident/TSVH Location
- (3) Resident Name
- (4) Resident SSN or ID
- (5) Prescription (Rx) Number
- (6) Service Date (Date Filled)
- (7) National Drug Code (NDC#)
- (8) Medication Description
- (9) Quantity Provided
- (10) Days Supplied
- (11) Amount Billed
- (12) Prescribing Physician
- (13) Brand/Generic Indicator
- (14) Prescription/OTC Indicator
- (15) Billing Code/Financial Plan

**EXHIBIT G. COST PROPOSAL WORKSHEET**

Please use the Microsoft Excel Worksheet "RFP No. X0023829B-KM Pharmaceutical Services Exhibit G", which is posted to the ESD as a separate document.