



STEPHEN F. AUSTIN STATE UNIVERSITY

NACOGDOCHES, TEXAS

**PROCUREMENT AND BUSINESS SERVICES
P. O. Box 13030
NACOGDOCHES, TX 75962**

REQUEST FOR QUALIFICATIONS

**INTERNAL AUDIT INFORMATION TECHNOLOGY AUDIT SERVICES
(RFQ #: ITAUDIT-FY23)**

**QUALIFICATIONS MUST BE RECEIVED BEFORE:
5:00 PM, THURSDAY, JUNE 16, 2022**

MAIL RESPONSES TO:

Stephen F. Austin State University
Procurement and Business Services
P. O. Box 13030, SFA Station
Nacogdoches, TX 75962-3030

**HAND DELIVER AND/OR
EXPRESS MAIL TO:**

Stephen F. Austin State University
Procurement and Business Services
2102 Alumni Drive, Austin Bldg., Room 131
Nacogdoches, TX 75962

Show RFQ Number, Due Date and Time on Return Envelope

NOTE: QUALIFICATIONS must be time stamped at **Stephen F. Austin State University
Procurement and Business Services** before the hour and date specified for receipt of proposal.

REFER INQUIRIES TO:

Kim Jones
Stephen F. Austin State University
Procurement and Business Services
936-468-6551
email: joneskk2@sfasu.edu

TABLE OF CONTENTS

SECTION I. DESCRIPTION OF PROCUREMENT	4
1. DEFINITIONS.....	4
1.1. Definitions and Acronyms Used in this Document	4
2. INTRODUCTION AND BACKGROUND	5
2.1. Introduction	5
2.2. Background.....	5
2.3. Group Purchasing Authority	6
SECTION II. QUALIFICATION INFORMATION.....	7
1. GENERAL INFORMATION	7
1.1. Deadline for Submission of Qualifications	7
1.2. Calendar of Events.....	7
1.3. Point-of-Contact	7
1.4. Submission of Questions.....	7
1.5. Addenda	8
2. QUALIFICATION REQUIREMENTS.....	8
2.1. Responsibilities of the Respondent	8
2.2. Respondent Forms.....	8
2.3. Waiver of Claims	9
2.4. Disclosure of Qualifications under the Public Information Act.....	9
2.5. Qualifications Submission	9
2.6. Organization, Content, and Requirements of Submitted Qualifications.....	10
2.7. Accuracy of Response	16
3. EVALUATION AND AWARD	16
3.5. Qualifications Evaluation	16
3.6. Oral Presentations	17
3.7. Best and Final Offer Discussion	18
3.8. Award of Request for Qualifications	18
SECTION III. TECHNICAL SPECIFICATIONS	19
1. SCOPE.....	19
1.1. General Requirements	19
1.2. Information Technology Subject Matter Areas.....	19
1.3. Technical Requirements.....	22
1.4. Deliverables	24
1.5. Acceptance Criteria.....	25
2. CHANGES TO ENGAGEMENT.....	25
2.1. Changes with No Change in Cost or Impact on Timeline.....	25
2.2. Changes Impacting Cost and/or Timeline.....	25

3. ADDITIONAL WORK.....	26
SECTION IV. GENERAL CONTRACTUAL INFORMATION - PART I.....	27
1. CONTRACT SPECIFIC TERMS AND CONDITIONS	27
1.1. Contract Term	27
1.2. Termination	27
1.3. Amendments to Contract.....	28
1.4. Pricing.....	28
1.5. Warranty	28
1.6. Acceptance, Invoicing, and Payment.....	29
SECTION V. GENERAL CONTRACTUAL INFORMATION - PART II.....	31
1. STANDARD TERMS AND CONDITIONS.....	31
1.1. Heading References	31
1.2. Dispute Resolution; Governing Law	31
1.3. Conflict in Language	31
1.4. Enforceability of Provisions/Severability	31
1.5. Waiver.....	31
1.6. Assignment of Claims	31
1.7. Notices.....	32
1.8. Historically Underutilized Business / Good Faith Effort Program	32
1.9. Loss of Funding	32
1.10. Personnel.....	32
1.11. Subcontracting or Assignment.....	33
1.12. Background Checks	33
1.13. U.S. Department of Homeland Security's E-Verify System.....	33
1.14. Contract Worker Reporting Requirements.....	34
1.15. Employment Restricted	34
1.16. Civil Rights	34
1.17. Consulting Contract Provision	34
1.18. Travel.....	34
1.19. Force Majeure.....	35
1.20. News Releases or Pronouncements	35
1.21. Security and Confidentiality	35
1.22. Property Rights in Materials Developed Under the Contract.....	37
1.23. Records Retention and Inspection	37
1.24. Contractor's Indemnifications	37
1.25. Liability for Damage to Property and Injuries to Persons	38
1.26. Non-Release from Liability or Obligation	38
1.27. Insurance	38

1.28. Alterations, Additions and Deletions.....	40
1.29. Tax Increase Prevention and Reconciliation Act	41
1.30. State Auditor’s Office	41
1.31. Title IX.....	41
1.32. Israel Non-Boycott Verification	41
1.33. Franchise Tax Certification.....	41
1.34. Payment of Debt or Delinquency to the State.....	42
1.35. Sales Tax Certification	42
1.36. Entire Agreement	42
1.37. Additional Terms and Conditions.....	42

Appendices:

Attachment A	Execution of Qualifications
Attachment B	HUB Subcontracting Plan
Attachment C	References
Attachment D	Non-Collusion Affidavit
Attachment E	SFA Internal Audit Charter
Attachment F	Security-Sensitive Positions Policy

[Section I Begins on next page]

SECTION I. DESCRIPTION OF PROCUREMENT

1. DEFINITIONS

1.1. Definitions and Acronyms Used in this Document

- 1.1.1. **BAFO** – Best and Final Offer. BAFOs are used in competitive procurement processes when more than one Respondent has proposed a viable solution. The Best and Final Offer process allows Respondents to make their response more attractive by either including additional services at no additional charge, lowering initial rate offerings, or a combination of the two.
- 1.1.2. **CAE** – Chief Audit Executive or Interim Chief Audit Executive
- 1.1.3. **CCN** – Contract Change Notice
- 1.1.4. **ESBD** – Electronic State Business Daily. The ESBD is a free online tool that the State of Texas uses to facilitate electronic commerce, including Texas government procurement. The ESBD may be accessed at <http://esbd.cpa.state.tx.us/>.
- 1.1.5. **HUB** – Historically Underutilized Business. The Texas statewide Historically Underutilized Business (HUB) Program facilitates the use of HUBs in state procurement and provides information on the state's procurement process to minority and woman-owned businesses. More information about this program may be accessed at: <https://comptroller.texas.gov/purchasing/vendor/hub/>.
- 1.1.6. **Prime Contractor** – A prime contractor is an entity directly contracting with SFA to provide the services requested herein. A prime contractor, may, with SFA's approval, hire subcontractors to perform portions of the contracted services.
- 1.1.7. **Qualification(s)** – A formal response to this RFQ presenting the Respondent's competence, knowledge, qualifications, and proposed rate for the services requested herein.
- 1.1.8. **Respondent** – an entity who submits qualifications in response to the RFQ. The term "Respondent" is used herein to indicate an entity who submits qualifications in response to this RFQ for the purposes of being considered for a contract award. In cases where a requirement herein is applicable to both the solicitation process and provision of services under a contract, upon SFA awarding a contract resulting from this RFQ the term 'Respondent' shall have the same meaning as "Firm", "Vendor" or "Contractor" and indicate the party receiving a contract. The terms "Purchase Order", "Contract", and "Agreement" shall have the same meaning and indicate the contract document executed by the parties.
- 1.1.9. **RFQ** – Request for Qualifications. A solicitation document inviting entities to submit qualifications for services. RFQs are used by Texas state public entities to procure services and selection is based on demonstrated competence, knowledge, qualifications, and on the reasonableness of the proposed rate for the services. Negotiations are allowed under this procurement method.
- 1.1.10. **SFA** – Stephen F. Austin State University
- 1.1.11. **SFA Board of Regents** – The SFA Board of Regents (BOR) is the governing body of SFA as authorized by the Texas Legislature according to Chapter 101 of the Texas Education Code.

2. INTRODUCTION AND BACKGROUND

2.1. Introduction

- 2.1.1. SFA seeks to identify Respondents qualified to provide information technology audit services and subject matter expertise to SFA's Internal Audit function.
- 2.1.2. SFA is accepting Qualifications to create a pool of qualified Respondents to assist SFA's Internal Audit staff with upcoming audit services. As such, SFA may issue multiple contracts for specific engagements over time as the need for assistance arises.
- 2.1.3. **See Section III, Technical Specifications** below for detailed descriptions as well as the level of experience and expertise requested.

2.2. Background

2.2.1. About SFA

Stephen F. Austin State University, hereafter referred to as "SFA" or "the University", is a comprehensive, regional institution located in Nacogdoches, Texas. The University enrolls nearly 12,000 students, offers approximately 80 undergraduate majors and has more than 120 areas of study/concentrations within six academic colleges: business, education, fine arts, forestry and agriculture, sciences and mathematics, and liberal and applied arts. SFA employs more than 1,600 full and part-time faculty and staff and operates as an agency of the State of Texas. The Board of Regents is the nine-member governing body of SFA. Regents are appointed by the governor of Texas and serve staggered six-year terms.

2.2.2. About SFA's Department of Audit Services

The purpose of the Department of Audit Services is to provide the BOR and President an independent appraisal of the adequacy and the effectiveness of the University's system of internal administrative and accounting controls and the quality of performance when compared with established standards. The primary objective is to assist the BOR, the President and University management in the effective discharge of their responsibilities. The Department of Audit Services helps SFA accomplish its mission by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

The CAE is appointed by the BOR in accordance with the BOR Rules and Regulations. The CAE reports functionally to the BOR and administratively to the President. The Department of Audit Services operates with a CAE and three staff members. The Interim CAE, appointed in April 22, has been with SFA for six (6) years and is licensed as a CPA and CIA.

The current SFA Internal Audit Charter can be found in Attachment D.

2.2.3. About SFA's Information Technology Services

SFA's Information Technology Services (ITS) is responsible for maintaining the availability, functionality, and security of the university's administrative computer systems, wired and wireless campus network infrastructures, wide-area network communications, private intranet portal, e-mail services, and telephone system. ITS also provides separate computer repair services and help desks for students, faculty, and staff. ITS maintains an information security program in accordance with Texas Administrative Code Section 202.

ITS is coordinated by the Chief Information Officer (CIO) who reports to the University President.

2.3. Group Purchasing Authority

Texas law authorizes institutions of higher education (defined by Section 61.003, Education Code) to use the group purchasing procurement method (ref. Sections 51.9335, 73.115, and 74.008, Education Code). Additional Texas institutions of higher education may therefore elect to enter into a contract with the successful Respondent(s) under this RFQ.

[Section II Begins on next page]

SECTION II. QUALIFICATION INFORMATION

1. GENERAL INFORMATION

1.1. Deadline for Submission of Qualifications

The deadline for submitting a response to this Request for Qualifications is **Thursday, June 16, 2022 at 5:00 p.m. Central Time.**

1.2. Calendar of Events

This information is provided for planning purposes only and is subject to change as SFA deems necessary. Any changes affecting the schedule up to and including the point of the RFQ Response Due Date will be affected via the issuance of an addendum (see **Section II, 1.5.**) All times listed below and throughout this document are Central Time unless otherwise specified.

*DATE	EVENT
May 13, 2022	Issuance of Request for Proposals
May 20, 2022 by 4:00pm	Deadline for Submission of Written Questions
May 31, 2022 end of day	Question and Answer Addenda Document Posted, if any
June 16, 2022 by 5:00 p.m.	Responses to RFQ Due
June 17, 2022 at 9:00 a.m.	Opening of Responses
June 17 – July 1, 2022	Selection of Finalist(s)/Negotiations with Finalists
July 6, 2022	Notification of Award
July 6 – August 5, 2022	Agreement Preparation
September 1, 2022	Effective Date of Master Agreement

*Dates are tentative and subject to change

1.3. Point-of-Contact

All questions regarding the RFQ or response must be forwarded to the Purchasing Manager

Kim Jones
PO Box 13030
Nacogdoches, TX 75962
Phone: 936/468-6551
Fax: 936/468-4282
Email: joneskk2@sfasu.edu

Respondents shall make no contact concerning this RFQ with the BOR, SFA management, or other SFA personnel, except as permitted by the point-of-contact listed above. Failure to comply with this requirement may result in disqualification.

1.4. Submission of Questions

- 1.4.1. Respondents will have until **4:00 p.m. Central Time on Friday, May 20, 2022** to submit questions in writing regarding this RFQ. All questions shall, to the highest degree possible, cite the specific RFQ section and paragraph number(s) to which the question refers. Any questions received by

SFA prior to the date and time above will be answered in a question-and-answer document issued by SFA. Only answers provided in writing by SFA will be considered official.

- 1.4.2. All query submissions must include the identity of the sender, the sender's title, Respondent's name, mailing address, telephone number, and facsimile number or e-mail address as applicable.
- 1.4.3. Questions must be submitted to the point-of-contact via e-mail, postal mail, or hand delivery using the point-of-contact information found in **Section II, 1.3**. SFA is not responsible for questions received after the submittal deadlines.
- 1.4.4. Answers to all questions submitted in accordance with these requirements will be made available on the ESBD website and SFA Procurement website no later than the date and time indicated in the Calendar of Events in Section II., 1.2. The ESBD web address is: <http://esbd.cpa.state.tx.us/>. The SFA Procurement web address is: <http://www.sfasu.edu/purchasing/122.asp>.
- 1.4.5. Only information in the materials constituting this RFQ, including its appendices, attachments, and forms, the question-and-answer document(s), and any RFQ addenda issued shall be binding on SFA.

1.5. Addenda

All questions and answers will be issued in an addendum. If specifications are revised, SFA will issue an addendum addressing the specific change(s). Any addenda to this RFQ will be made available on the ESBD website and SFA Procurement website. (See **Section II, 1.4.4** above.) **Respondents are advised that they are solely responsible for checking the websites for any addenda prior to submitting a response to this RFQ.** Respondents shall indicate receipt of all addenda issued by SFA on **Attachment A- Execution of Qualifications**.

2. QUALIFICATION REQUIREMENTS

2.1. Responsibilities of the Respondent

Respondent must adhere to the following guidelines to submit Qualifications:

- 2.1.1. Any assumptions made in the Qualifications must be identified in a clear manner and presented in written format;
- 2.1.2. Any exceptions to the RFQ provisions must be identified in a clear manner and presented in written format identifying the specific RFQ section and the exception taken (see **Section II, 2.6.2, Tab 9**);
- 2.1.3. All required items must be received no later than date and time stated in the Calendar of Events (**Section II, 1.2**);
- 2.1.4. SFA will not return any submission; and
- 2.1.5. Proprietary information and knowledge developed through the provision of services will remain the property of SFA.

2.2. Respondent Forms

SFA will not sign nor agree to be bound by any form documents or agreements of the Respondent. Should the Respondent desire to expound on how the Respondent will satisfy the specifications,

terms and conditions of this solicitation, the Respondent shall do so without referral to any form documents or agreements.

2.3. Waiver of Claims

By submitting Qualifications, Respondent agrees to waive any claim it has or may have against SFA, members of the BOR, and/or SFA employees, arising out of or in connection with the administration, evaluation, or recommendation of any Qualifications, the waiver of any requirements under the RFQ, the acceptance or rejection of any Qualifications, and/or the award of a contract.

2.4. Disclosure of Qualifications under the Public Information Act

- 2.4.1. All information, documentation, and other materials submitted in response to this solicitation are subject to public disclosure under the Texas Public Information Act (Texas Government Code, Chapter 552.001, et seq.) after the solicitation is completed and upon successful contract award. Additionally, state law requires each contract for the purchase of goods or services to be posted on the University's website. By entering into a contract with the university, the firm acknowledges and accepts the university will comply with all applicable laws regarding the public posting of contracts.
- 2.4.2. If a proposal includes proprietary data, trade secrets or information the Respondent wishes to except from public disclosure, then Respondent must specifically label such data, secrets or information as follows: "PRIVILEGED AND CONFIDENTIAL – PROPRIETARY INFORMATION." To the extent permitted by law, information labeled as such will be used by SFA only for purposes related to or arising out of: (1) evaluation of proposals; (2) selection of a Respondent pursuant to the RFQ process; and, (3) negotiation and execution of a contract with the selected Respondent.

2.5. Qualifications Submission

- 2.5.1. Because SFA must be able to 1) separate for evaluators pricing submitted by Respondents from Qualifications submitted by Respondents, and 2) timely respond to public information requests, Respondents shall structure and organize their Qualifications in accordance with the following instructions.
- 2.5.2. A legally authorized representative of the Respondent's company shall sign Attachment A. Unsigned proposals will be rejected as a material failure.
- 2.5.3. Respondent shall submit one (1) complete electronic copy of the Qualifications on an USB Drive, in a Microsoft Office 2013 version or later format, or searchable Adobe .PDF files [SFA's preference]. Respondents shall divide the electronic copy into **TWO (2)** separate electronic files, one of which shall contain Respondent's Qualifications and the other of which shall contain **Attachment A – Execution of Qualifications**. **Confidential or proprietary information that has been separately and conspicuously marked or labeled with the phrase "Confidential or Proprietary Information" shall be separated from Respondent's Qualifications and included in Attachment A – Execution of Qualifications.** By submitting Qualifications in response to this solicitation, Respondent expressly consents without prior notice to the release of any information not specifically contained in **Attachment A – Execution of Qualifications** and designated as "Confidential or Proprietary Information" in response to a public information request received by SFA.

- 2.5.4 If supplemental materials are included with the Qualifications, both the printed and electronic copy of the Qualifications must include such supplemental materials. All Qualifications and accompanying documentation become the property of SFA and will not be returned.
- 2.5.5 Respondent's Qualifications shall be received by SFA **no later than the date and time listed in the Calendar of Events (Section II, 1.2)**. Facsimiles and e-mails of the response will not be accepted.

BY MAIL

Stephen F. Austin State University
Procurement and Business Services
P. O. Box 13030
Nacogdoches, TX 75962-3030

HAND DELIVER AND/OR EXPRESS MAIL

Stephen F. Austin State University
Procurement and Business Services
2102 Alumni Drive,
Austin Bldg., Rm 131
Nacogdoches, TX 75962

- 2.5.6 Responses shall be submitted in a sealed envelope/container and the outside of the envelope/container shall be clearly marked with the following next to the delivery address above:

RFQ No. ITAUDIT-FY23

IT Audit Services

Due Date: June 16, 2022 by 5:00 p.m., Central Time

- 2.5.7 All U.S. Mail addressed to any component of SFA is delivered to a central mailroom and redistributed by SFA personnel to the addressee's on-campus post office box. Consequently, there is a possibility of delay between receipt of mail at the central mailroom and receipt in the Procurement and Business Services Department. Proposals must be in the office of the Procurement and Business Services Department by the time set for RFQ closing in order to be considered, and receipt by SFA at the central mailroom will not be deemed sufficient. The University shall not be responsible for responses received after the due date and time. Late responses will not be considered under any circumstances.
- 2.5.8 Responses will be publicly opened on the date and time stated in the Calendar of Events (**Section II, 1.2**) in the office of Procurement and Business Services, 2102 Alumni Drive, Austin Bldg., Rm 136. Only the names of the Respondents will be read aloud.

2.6 Organization, Content, and Requirements of Submitted Qualifications

- 2.6.4 The submitted Qualifications shall be titled "RFQ No. ITAUDIT-FY23" and shall clearly show the due date and time.
- 2.6.5 **Respondent's submitted Qualifications shall include all information and be formatted as required below. Qualifications will be evaluated on the information requested below.** Respondents shall provide their best response to the specifications, terms, and conditions contained in this RFQ. Each Respondent shall be solely responsible for its thorough understanding of the RFQ, including associated attachments, and forms. In addition, each Respondent shall be solely responsible for its Qualifications and all documentation submitted. Respondents are cautioned to pay particular attention to the clarity and completeness of their Qualifications. Respondents shall be as succinct as possible. **It is SFA's intent to receive Qualifications that provide substantive information to address the specific areas listed below and not pre-prepared marketing materials.** Respondent shall provide detailed descriptions of how they will fulfill each requirement. The clarity and completeness of the Qualifications may be considered by SFA's evaluators. SFA has no responsibility to point out

weaknesses in Qualifications that result from a lack of diligence, competence, effectiveness, or creative solutions.

TAB 1. OVERVIEW

Respondent shall provide a concise description of its approach to meeting SFA's requirements for IT Audit Services. This description shall not exceed five (5) pages. Respondent shall include the highlights of Respondent's Qualifications, including an overview of the specific audit services for which Respondent wishes to be considered. Unique characteristics of Respondent's Qualifications shall be emphasized.

TAB 2. MINIMUM QUALIFICATIONS

Minimum qualification requirements are listed in the Technical Specifications, **Section III, 1.2.** Respondent shall describe in detail how they meet the stated minimum qualification requirements. **Failure to fully address each qualification and to document Respondent's specific experience in meeting each qualification may be cause to disqualify the RFQ response. SFA has no obligation to seek any clarification or additional information. A statement that Respondent "meets the requirement" is not a sufficient response. Qualifications not meeting the minimum qualifications will not be further reviewed or evaluated.**

TAB 3. ORGANIZATIONAL BACKGROUND

Respondent shall provide written responses to each of the following questions reproducing the original question with each answer.

1. State how many years Respondent has provided IT audit services similar to those required by this RFQ.
2. State Respondent's full name and home office address. Describe Respondent's operational structure and legal form of business (e.g., corporation, partnership, sole proprietor, etc.) and where it is legally organized (e.g., Texas, Delaware, etc.). Identify the locations of the headquarters and / or branch offices that would be providing services under the contract. State the number of total employees as well as how many employees are at the location(s) where contract-related services will be performed. **If the office providing services is not in Texas, describe how the organization would service SFA if awarded a contract.**
3. A Statement that you will provide a copy of your company's financial statement for the past two (2) years, if requested by SFA.
4. Provide a financial rating of your company and any documentation (such as Dunn and Bradstreet analysis), which indicates the financial stability of your company.
5. State whether your company is currently for sale or involved in any transaction to expand or to become acquired by another business entity? If so, please explain the impact both in organizational and directional terms.
6. State whether during the last ten (10) years Respondent has been involved in a lawsuit involving a regulatory action. State whether Respondent has ever been involved in a lawsuit involving any services similar to the services requested by this RFQ. If so, provide details, including dates and outcomes.

7. State whether during the past five (5) years Respondent, related entities (affiliates under common ownership), principals, or officers have been a party in any civil or criminal litigation, whether or not directly related to services similar to those requested by this RFQ. If so, provide details, including the name (style) of the case, the jurisdiction (court in which it was filed), dates the litigation was started and ended, and outcome.
8. State whether Respondent, its principals, officers, or directors has ever been involved in any regulatory proceeding, judicial proceeding, or litigation, of any kind, with SFA. If yes, please describe.
9. State whether Respondent, its principals, officers, or directors has ever been (1) required to return public funds for failure to perform on a contract, (2) in breach of a public contract, or (3) disbarred from contracting with any (i) State of Texas agency, (ii) federal agency, or (iii) political subdivision. If yes, please describe.
10. Provide a copy of Respondent's Certificate of Insurance showing coverage limits. SFA's insurance requirements are stated in **Section V, 1.26**. State whether Respondent will comply with the requirements as stated in the referenced section.
11. Does any relationship exist whether by relative, business associate, capital funding agreement or any other such kinship exist between your company and any SFA employee or BOR member? If yes, please explain.

TAB 4. QUESTIONNAIRE AND WRITTEN RESPONSES

Respondent shall provide written responses to each of the following questions reproducing the original question with each answer.

1. Describe Respondent's experience in the information technology subject matter areas and include descriptions of projects within the last three years.

Name of Client	Dates of Service	Information Technology Subject Matter Area	Type of Work Performed (e.g. Audit, Non-Audit, Other Services)

2. Describe Respondent's experience evaluating governance, risk management, and controls in general pertaining to the information technology subject matter areas.
3. Describe Respondent's experience and knowledge of control frameworks and standards pertaining to the information technology subject matter areas.
4. Describe Respondent's experience working in co-sourced and outsourced arrangements with other organizations and internal audit departments.
5. Describe Respondent's experience and knowledge of Government Auditing Standards, and International Standards for the Professional Practice of Internal Auditing.
6. Describe Respondent's experience and knowledge of Government Accounting Standards Board (GASB) pronouncements and guidance pertaining to the information technology subject matter area.

7. Describe relevant industry certifications maintained by personnel anticipated to lead and manage future internal audit projects with SFA for information technology subject matter areas.
8. Provide any other information that may be relevant to Respondent's Qualifications.
9. State whether any subcontractors will be utilized in the performance of the work. If so, provide the name of each subcontractor and a description of the specific services that will be provided by each subcontractor.
10. State whether anyone other than Respondent's direct employees (e.g. interns, trainees, volunteers, etc.) would have access to any SFA data or member specific data (e.g. SFA member names, social security numbers, addresses, etc.) If so, state who will have such access, what data will they have access to, and why.
11. Describe the types of reports you have provided for similar engagements commonly associated with the types of services described in this RFQ. Respondent is encouraged to include example report formats or templates exclusive of any confidential or proprietary information which should be redacted.
12. Describe Respondent's knowledge of Institutions of Higher Education in the State of Texas IT operating environment.
13. Respondent shall provide evidence of how they have successfully conducted similar contractual audit services. State how the services were provided successfully according to project timelines and within the allocated budget, and any other positive effects.
14. Discuss the Respondent's preferred method of invoicing. At a minimum, this discussion should include: frequency and basis of payments; how payment cost is derived; and cost control.
 - a. Provide the hourly billing rates based on staff classification (partner, manager, and staff) for various services pertaining to the information technology subject matters related to the response. This must include any potential staff classification that will perform work for SFA. Billing rates should include all administrative and travel expenses to be incurred. SFA will not reimburse for any administrative or travel expenses separately. Respondent must prepare a base rate plus a percentage of the base rate to arrive at a total rate per hour. See **Attachment A – Execution of Qualifications**.

TAB 5. RESPONDENT'S UNDERSTANDING OF REQUIREMENTS

Respondent shall describe in detail their understanding of the services to be rendered. A statement merely indicating that Respondent "understands the requirements and will comply" will not be acceptable.

TAB 6. METHODOLOGY

Respondent shall describe the specific methodology to be used for the required services identified in **Section III, Technical Specifications**. In addition to providing the specific methodology, Respondent shall provide written responses to each of the following questions reproducing the original question with each answer.

1. Describe the processes that would be used in conducting the required services described in **Section III, Technical Specifications** of this RFQ. Include any expected involvement of SFA staff beyond those responsibilities enumerated in this RFQ.
2. Describe how specifically Respondent will maintain and ensure the integrity, confidentiality, and security of SFA's information in general, and specifically SFA's member information.
3. Describe Respondent's approach for ensuring tasks stay on-track and within time and budget constraints.
4. Describe Respondent's approach for ensuring a quality outcome.

TAB 7. PERSONNEL

Respondent shall provide written responses to each of the following questions reproducing the original question with each answer.

1. Respondent shall identify the proposed personnel and state the roles that they will perform. Respondent shall relate the qualifications of each of the personnel being proposed to the specific role(s) they are to fulfill and the services they are to provide. The information provided shall be specific to the actual experience and/or qualifications of each proposed person. The following areas shall be addressed for each proposed key person as applicable:
 - a. Services to be provided;
 - b. Related/similar projects including the function/role fulfilled;
 - c. The number of years of professional experience the individual has in providing the services;
 - d. Professional designations or certifications attained; and
 - e. Resume of experiences and qualifications.

TAB 8. REFERENCES

Respondent shall include **Attachment C – References** in this tab. Respondent shall provide a minimum of three (3) references for whom the Respondent has performed similar services as those required under this RFQ. All references shall be for work performed within the last five (5) years. This information may be used in evaluating Respondent's capabilities, Respondent's prior performance, and other indicators of Respondent's probable performance under any contract resulting from this RFQ. Each reference shall include company or entity name, address, contact name and phone number, e-mail address and website, dates of service, name of project or contract, and a detailed description of the service(s) provided. **Any negative reference may result in disqualification of Respondent's Qualifications.**

TAB 9. EXCEPTIONS

Any exceptions to the specific terms and conditions of the RFQ shall be explicitly set forth in this tab. If there are no exceptions, Respondent shall explicitly state that Respondent takes no exception to the RFQ's specifications, terms, and conditions. Exceptions may result in a contract not being awarded to Respondent. **NOTE: SFA will not consider any changes to the stated terms and conditions of the RFQ unless such request to amend the terms and/or**

conditions has been included in this section.

TAB 10. SUPPLEMENTAL INFORMATION – (OPTIONAL)

Respondent may present any supplemental information that Respondent deems appropriate as long as each copy of the submitted Qualifications contains such supplemental information.

TAB 11. RESPONDENT ATTACHMENT REQUIREMENTS

All appendices attached and labeled as **Attachment A** through **Attachment D** shall be incorporated into any resulting contract. Respondents shall complete, sign (where applicable), and return **Attachments A through D** with their Qualifications. **Failure to comply with these requirements may result in the disqualification of Respondent or of proposed personnel.**

1. **Attachment A – Execution of Qualifications** – The Execution of Qualifications form shall be filled out in its entirety and shall include the signature of an individual authorized to bind the Respondent. The Execution of Qualifications contains the following sections:
 - a. **Respondent Affirmations** – By signature thereon, Respondent accepts the stated State of Texas affirmations;
 - b. **Confidential or Proprietary Information** – Respondent shall indicate if their Qualifications contain any material marked as Confidential or Proprietary Information. If any material in the Qualifications is marked as Confidential or Proprietary Information, Respondent shall include a separate sheet or sheets behind this **Attachment A** containing the Confidential or Proprietary Information.
 - c. **Addenda Checklist** – Respondent shall indicate the receipt and compliance with any issued addenda;
 - d. **Pricing** – Respondent shall provide pricing in the format provided.
 - e. **Contact Information and Authorized Signature** - **Failure to complete, sign, and/or return Attachment A – Execution of Qualifications may result in disqualification of the Respondent's Qualifications. Attachment A shall be included in Tab 11 of the response.**
2. **Attachment B - HUB Subcontracting Plan (HSP)** - Shall be completed and included in **Tab 11** of the response.
 - a. SFA is committed to making a good faith effort to increase business with Historically Underutilized Businesses (HUBs) by contracting with HUBs directly or indirectly through subcontracting opportunities. Respondents are encouraged to actively seek to subcontract or partner with HUBs in an effort to create an environment that actively acknowledges and values diversity.

The University has determined that subcontracting opportunities are probable under this contract.

The University's HUB goal for this procurement for professional services is 29.60%.

Each HUB subcontracting plan will be evaluated independently of the response. If the HSP does not reflect a good faith effort to subcontract with HUBs, the entire response will be disqualified.

- b. The **HUB Subcontracting Plan (HSP), Attachment B**, shall be completed and attached here. **Failure to do so will render the proposal incomplete and the proposal may be rejected.** All proposed subcontracting shall be listed on the HUB Subcontracting Form.
- c. If further assistance is needed in preparing the HSP, you may contact the Procurement and Business Services Director and HUB Coordinator, Jennifer McCall, at 936.468.4037.

3. **Attachment C - References** - Shall be completed and included in **Tab 8** of the response.

4. **Attachment D- Non-Collusion Affidavit** – Shall be completed and included in **Tab 11** of the response.

2.7 Accuracy of Response

Respondent's Qualifications shall be represented to be true and correct and shall contain no cause for claim of omission or error. Qualifications may be withdrawn in writing or by email (provided that the email contains an attached request to withdraw that is signed and dated by Respondent's authorized representative) at any time prior to the stated response date and time deadline. However, no Qualifications may be withdrawn for a period of one hundred twenty (120) calendar days subsequent to the opening of responses without the prior written approval of the SFA's CAE or Director of Procurement.

3 EVALUATION AND AWARD

3.5 Qualifications Evaluation

3.5.4 Qualifications will be evaluated upon the response to the requirements presented in this RFQ. To evaluate the submitted Qualifications, SFA may take into account any and all information provided within each Qualification including, but not limited to such factors as: (1) Respondent's qualifications, skills, ability, and capacity to perform the required services, (2) Respondent's experience in the information technology subject matter areas contained in this RFQ, and (3) reasonableness of the proposed rates for services provided by Respondent. SFA is not required to select the lowest priced Qualifications, but may select the Qualifications that in SFA's judgment represent the best combination of demonstrated competence, experience, knowledge, qualifications, and reasonableness of the proposed rates for the services. SFA reserves the right to negotiate final rates prior to contract award. The university shall be the sole judge of determining which proposal represents the best value to the university.

3.5.5 Qualifications from Respondents who have demonstrated compliance with the minimum requirements (minimum qualification requirements are included in the **Technical Specifications, Section III, 1.2**, will be evaluated by an Evaluation Committee using the evaluation criteria listed in 3.1.2.3 below. The Evaluation Committee will:

3.5.5.1 Determine if the Respondent has demonstrated responsiveness and responsibility to the RFQ requirements for which Respondent wishes to be considered and has responded to specific requirements. A Respondent is said to be responsive if they meet all terms, conditions, and specifications contained in this RFQ document for the information technology subject matter areas. A Respondent is said to be responsible if they possess the

necessary skills, abilities, capabilities, and resources to successfully perform the work required by this RFQ document.

3.5.5.2 Evaluate the Respondent's Qualifications including, but not limited to, proposed plan, schedule, qualifications, and costs for providing the required services. Submitted Qualifications will be ranked as the most qualified to provide the required services and then a determination on reasonableness of the proposed rates for the services offered will be made

3.5.5.3 Evaluation Criteria:

<u>Qualifications</u>	20%
Overview (Tab 1)	5%
Organizational Background (Tab 3)	10%
Understanding of Requirements (Tab 5)	5%
<u>Experience</u>	35%
Minimum Qualifications (Tab 2)	5%
Questionnaire (Tab 4)	20%
References (Attachment C - Tab 8)	10%
<u>Performing Services</u>	25%
Methodology (Tab 6)	15%
Personnel (Tab 7)	10%
<u>Reasonableness of Rates</u>	20%
Rates (Attachment A - Tab 11)	20%

3.5.6 Award will be based on a comprehensive review and analysis based on a weighted value of average evaluation scores and negotiation of the proposal that best meets the needs of the university. Submission of a proposal represents concurrence with this method of evaluation and award. Furthermore, Respondents will not, under any circumstances, dispute any award made using this method.

3.5.7 SFA reserves the right to accept or reject any or all proposals and to waive irregularities or technicalities provided such waiver does not substantially change the offer or provide a competitive advantage to any Respondent in the judgment of SFA.

3.6 Oral Presentations

3.6.4 Based upon the submitted Qualifications, SFA may elect to meet with selected Respondents to discuss their submitted Qualifications. If so, SFA will then contact the selected Respondent(s) to schedule a meeting time. This meeting may be held in person at SFA, by phone or by web conference.

3.6.4.1 Respondent shall be available for an oral presentation approximately five (5) to ten (10) calendar days after SFA requests an oral presentation. **Respondents that are not available within this timeframe may not be considered for a contract award.**

3.6.4.2 In the event SFA requests an oral presentation, at a minimum, Respondent shall also include the primary staff Respondent intends to assign to the contract.

3.6.4.3 Award of a contract may be based upon this meeting. SFA will consider Respondent's overall technical qualifications as assessed in the meeting.

3.6.4.4 SFA will not be responsible for any costs associated with the presentation, either prior to, or after contract award.

3.7 Best and Final Offer Discussion

After Qualifications are reviewed and evaluated, an award may be made without discussing the Qualifications with any of the Respondents. However, SFA reserves the right to request a Best and Final Offer (BAFO). If SFA elects to request a BAFO, it may conduct discussions with Respondents who submitted acceptable or potentially acceptable responses. In this context, "discussions" means clarifying, modifying, and/or negotiating. Additionally, after the initial evaluation SFA may determine it is necessary to discuss acceptable or potentially acceptable responses with Respondents in order to determine a Respondent's ability to meet the RFQ requirements. If discussions are conducted for this purpose, Respondents whose responses are found to be acceptable or potentially acceptable may be given equal opportunity to discuss their response with SFA and resubmit them accordingly. In this context "potentially acceptable" means reasonably susceptible to being made acceptable. No changes to responses or prices shall be allowed after BAFOs are received unless SFA, in its sole discretion, determines that resubmission would be in SFA's best interest.

3.8 Award of Request for Qualifications

3.8.4 SFA is accepting Qualifications to create a pool of qualified Respondents to assist SFA's Internal Audit staff with upcoming audit work. As such, SFA may issue multiple contracts for specific engagements over time as the need for assistance arises.

3.8.5 Award, if made, will be after review and evaluation of all responses received.

3.8.6 SFA reserves the right to reject any and / or all responses, as may be most beneficial to SFA and to waive minor technicalities or formalities in the procurement process.

3.8.7 SFA's rights include, but are not limited to:

3.8.7.1 Cancellation of the RFQ at its sole discretion;

3.8.7.2 Suspension of the procurement process and / or issuance of RFQ addenda;

3.8.7.3 Rejection of any and / or all Qualifications received in response to the RFQ;

3.8.7.4 Waiver of minor administrative deficiencies in Qualifications received;

3.8.7.5 Requesting any Respondent to submit Qualifications modifications addressing a subsequent RFQ amendment; and

3.8.7.6 Requesting Respondent to clarify their Qualifications and / or submit additional information pertaining to their Qualifications.

3.8.8 Respondent shall provide assurances that Qualifications submitted in response to this solicitation shall be irrevocable for one hundred twenty (120) calendar days following the closing date. After this period, Respondent must provide the same or similarly qualified individuals as those contained in the original Qualifications in order to receive a contract award. This period may only be extended at the SFA Director of Procurement's request and with Respondent's written agreement.

[Section III Begins on next page]

SECTION III. TECHNICAL SPECIFICATIONS

1. SCOPE

1.1. General Requirements

- 1.1.1. The successful Contractor will provide specialized skills, industry, and subject matter knowledge in information technology to assist the CAE and Internal Audit staff. Experience working in co-sourced and outsourced audit or non-audit arrangements, experience with, and knowledge of the *Government Auditing Standards* and the *International Standards for the Professional Practice of Internal Auditing*, and knowledge of Texas government laws and the state agency operating environment are preferred.
- 1.1.2. Depending on the engagement, the selected Contractor may perform audit services in a co-sourced or outsourced arrangement under the direct supervision of the CAE or their designee. These projects may also include a “knowledge transfer” component for training and assisting SFA Internal Auditors in the performance of engagement procedures. For each engagement, the Contractor may participate in all or some of the phases of an engagement, including planning and risk assessment, conducting fieldwork and testing controls, and developing recommendations to improve SFA business processes and mitigate risks.
- 1.1.3. The CAE will be responsible for approving Contractor’s project plan for each engagement as well as the objective and scope of procedures or services to be conducted. Deliverables will be determined by the objective and scope of each engagement and will be directly provided to the CAE for approval.
- 1.1.4. Co-sourced projects involve Contractor preparing a scope of work as part of an overall internal audit project, executing these procedures, and providing the results and recommended remedial actions in a written report to the CAE. This report will be used by SFA Internal Audit to prepare and issue their report under professional auditing standards. SFA Internal Audit reports are a public record in most cases.

1.2. Information Technology Subject Matter Areas

- 1.2.1. SFA intends to select Contractors with extensive information technology experience with audit services and expertise in identifying and evaluating general and application controls and risks in mainframe and client-server environments including operating systems, application software, databases, telecommunications, and imaging systems. The selected firms shall apply industry best practices and methodologies using applicable Information Technology frameworks and standards (e.g. National Institute of Standards and Technology [NIST]).

1.2.1.1. Information Technology (IT) Administration and Management

- 1.2.1.1.1. IT administration and management includes strategic and operational governance processes of the organization including IT solutions and services.
 - 1.2.1.1.1.1. Contractor may assist SFA Internal Audit in evaluating risks and controls for the following IT administrative and management activities:
 - 1.2.1.1.1.1.1. Governance
 - 1.2.1.1.1.1.2. Strategic planning
 - 1.2.1.1.1.1.3. Resource, operating and capital budget management (people, hardware, and software)

- 1.2.1.1.1.1.4. Third-party contractors and consultants; contract management, including cloud computing vendors
- 1.2.1.1.1.1.5. Operational performance, benchmarks, and measures
- 1.2.1.1.1.1.6. Information Technology Risk Management
- 1.2.1.1.1.1.7. Compliance with applicable laws and regulations
- 1.2.1.1.1.1.8. Business continuity and disaster recovery of IT systems and operations
- 1.2.1.1.1.1.9. Policies, procedures and standards for IT operations

1.2.1.2. Network Infrastructure Administration and Support

- 1.2.1.2.1. Network infrastructure and support includes network management and support of LAN/WAN systems and telecommunications.

- 1.2.1.2.1.1. Contractor may assist SFA Internal Audit in evaluating risks and controls for LAN/WAN and telecommunication systems such as:

- 1.2.1.2.1.1.1. Network devices (servers, routers, switches, firewalls) configuration management including patch and change management
- 1.2.1.2.1.1.2. Intrusion prevention and detection software
- 1.2.1.2.1.1.3. Internet Protocol services management
- 1.2.1.2.1.1.4. Network perimeter configuration
- 1.2.1.2.1.1.5. Windows Active Directory and Lightweight Directory Access Protocol (LDAP)
- 1.2.1.2.1.1.6. Wireless and remote access administration
- 1.2.1.2.1.1.7. Mobile devices administration
- 1.2.1.2.1.1.8. Virtualization (e.g., VMware virtualization software, NetApp storage and data management systems)
- 1.2.1.2.1.1.9. Virtual Private Network (VPN) Encryption management
- 1.2.1.2.1.1.10. Backup and recovery including disaster recovery and co-location
- 1.2.1.2.1.1.11. Help desk administration and management
- 1.2.1.2.1.1.12. Data Center Management

1.2.1.3. Mainframe System and Database Administration and Support

- 1.2.1.3.1. Mainframe system and database administration includes management and support of mainframe operating systems, imaging systems, and database systems.

- 1.2.1.3.1.1. Contractor may assist SFA Internal Audit in evaluating risks and controls for mainframe operating systems, servers and distributed and relational databases, and imaging systems in areas including:

- 1.2.1.3.1.1.1. Operating system hardware and software configuration management
- 1.2.1.3.1.1.2. Virtual servers
- 1.2.1.3.1.1.3. Database management systems
- 1.2.1.3.1.1.4. Data Center operations
- 1.2.1.3.1.1.5. Backup and recovery including disaster recovery
- 1.2.1.3.1.1.6. Imaging systems and electronic record management, including document, imaging, and content management

1.2.1.4. Application Development and Maintenance (Information Systems Support)

1.2.1.4.1. Information systems support includes new application development, maintenance of existing applications, and implementation and maintenance of third-party applications.

1.2.1.4.1.1. Contractor may assist SFA Internal Audit in evaluating risks and controls for mainframe and distributed application development and maintenance in areas including:

- 1.2.1.4.1.1.1. System development life cycle
- 1.2.1.4.1.1.2. Application controls
- 1.2.1.4.1.1.3. Change management
- 1.2.1.4.1.1.4. Application security
- 1.2.1.4.1.1.5. Web application development for self-service applications

1.2.1.5. Information Security Management

1.2.1.5.1. Information security includes security for mainframe and client server operating systems, database, applications, and network system as well as the administration and management of an information security program.

1.2.1.5.1.1. Contractor may assist SFA Internal Audit in evaluating risks and administrative, technical (logical), physical, and organizational controls for mainframe and client server environments pertaining to the security of data and information that includes security vulnerability assessment and management in areas including:

- 1.2.1.5.1.1.1. Information security program
- 1.2.1.5.1.1.2. Information security risk assessment, including cloud computing vendor security risk assessments
- 1.2.1.5.1.1.3. Identity and user account management
- 1.2.1.5.1.1.4. User identification and authentication including multi-factor authentication and biometric security
- 1.2.1.5.1.1.5. Mainframe security
- 1.2.1.5.1.1.6. Windows Active Directory security
- 1.2.1.5.1.1.7. Mobile devices security
- 1.2.1.5.1.1.8. Web self-service application security
- 1.2.1.5.1.1.9. Event and activity logging and monitoring
- 1.2.1.5.1.1.10. File and data transmission security controls
- 1.2.1.5.1.1.11. Malicious code prevention and detection
- 1.2.1.5.1.1.12. Data encryption
- 1.2.1.5.1.1.13. Incident and vulnerability detection and response, including social engineering attacks

1.2.1.5.1.2. Contractor may assist SFA Internal Audit in establishing ongoing auditing and monitoring procedures for information security.

1.2.1.6. Information Systems Architecture

1.2.1.6.1. These operations include project management, systems development, and implementation including quality assurance and quality control.

1.2.1.6.1.1. Contractor may assist SFA Internal Audit in evaluating risks and controls with system development projects in areas including:

- 1.2.1.6.1.1.1. Project management for all phases of system development and other major IT projects
- 1.2.1.6.1.1.2. IT system architecture design
- 1.2.1.6.1.1.3. Data administration
- 1.2.1.6.1.1.4. Data cleansing management
- 1.2.1.6.1.1.5. Quality assurance and quality control
- 1.2.1.6.1.1.6. Business case development for legacy systems and workflow automation
- 1.2.1.6.1.1.7. Key business process flow and data flow mapping
- 1.2.1.6.1.1.8. Electronic forms design and management
- 1.2.1.6.1.1.9. Self-service web applications

1.2.1.7. Minimum qualifications:

Respondent shall explicitly state how the following minimum qualifications have been met in the following format. Failure to sufficiently identify how minimum qualifications have been met may result in disqualification of Qualifications.		
Minimum Qualifications	Met? Y/N	Detailed Description of How Minimum Qualification is Met
Contractor's proposed lead staff has 5 years of experience auditing Information Technology general controls and risks.		
<AND>		
Contractor's proposed lead staff has 5 years of experience auditing Information Technology application controls and risks.		
<AND>		
Contractor's proposed lead staff has 5 years of experience applying Texas state government information security standards in Texas Administrative Code 202 (TAC 202) / NIST in the respective Information Technology area.		

1.3. Technical Requirements

1.3.1. Responsibilities

1.3.1.1. The following responsibilities apply to all phases of each engagement.

1.3.1.1.1. **Contractor Responsibilities**

- 1.3.1.1.1.1. Meet all deliverable requirements for each engagement as specified in the scope of work for each engagement;
- 1.3.1.1.1.2. Maintain confidentiality of all SFA data and notify SFA immediately in writing of any unauthorized breach or disclosure;
- 1.3.1.1.1.3. Not disclose any SFA information without SFA's prior written permission;
- 1.3.1.1.1.4. Notify SFA immediately in writing of any conflict of interest or potential conflict of interest over the Contract term;
- 1.3.1.1.1.5. Provide all of the services listed in **Section III, Technical Specifications** for which the Contractor has been awarded a contract, in accordance with

professional practices and methods; as determined in the scope of work for each specific engagement;

- 1.3.1.1.1.6. Work diligently to assist SFA in achieving Internal Audit goals and objectives;
- 1.3.1.1.1.7. Train SFA Auditor(s) in knowledge specialty areas as required to perform agreed upon audit work. Engagements are considered a “knowledge transfer” process.
- 1.3.1.1.1.8. Submit invoices for deliverables only when the deliverables are completed and approved in writing by the CAE.
- 1.3.1.1.1.9. Attend meetings, by telephone, internet, or in-person as necessary to achieve audit objectives. Additionally, attend meetings to present findings as requested by the CAE.

1.3.1.1.2. **SFA Internal Audit Responsibilities**

- 1.3.1.1.2.1. SFA shall be responsible for the overall direction of each engagement.
- 1.3.1.1.2.2. SFA shall schedule audit-related meetings and interviews for Contractor with SFA staff or others as needed.
- 1.3.1.1.2.3. SFA shall ensure that the allocation of hours does not exceed what was planned, and to ensure that all project milestones are met. SFA will track hours and milestones throughout the engagement.
- 1.3.1.1.2.4. SFA shall schedule periodic meetings with Contractor to monitor progress of work.
- 1.3.1.1.2.5. SFA shall ensure access to necessary SFA information to allow Contractor to perform Contract requirements.
- 1.3.1.1.2.6. SFA shall ensure access to SFA staff and Subject Matter Experts (SMEs) as applicable to the engagement.
- 1.3.1.1.2.7. SFA shall perform written approval of all of Contractor's deliverables.
- 1.3.1.1.2.8. SFA shall perform written approval and monitoring of Contractor's plan documents.
- 1.3.1.1.2.9. SFA shall provide payment to Contractor for any approved deliverables received and accepted during the service period;
- 1.3.1.1.2.10. SFA shall provide workspace for Contractor's staff as needed for on-site staffing or meetings.
- 1.3.1.1.2.11. SFA shall provide use of SFA's existing computers, software, telephones, and office equipment as needed for on-site staffing or meetings.

1.3.2. Audit Project Phases

- 1.3.2.1. Depending on the engagement, Contractor may participate in all or some of the phases of an engagement, including planning and risk assessment, conducting fieldwork and testing controls, and developing recommendations. Therefore, Contractor may be involved, depending on the engagement, in performing tasks for some or all of the phases such as:
- 1.3.2.1.1. Planning: Conduct meetings with SFA management and obtain from SFA management the business objectives, related risks, and key controls in place to mitigate the risks, meet with staff, perform walkthroughs of operations, and obtain documents and records to gain an understanding of the business.
 - 1.3.2.1.2. Fieldwork: Prepare a testing plan and planned procedures, validate existence and operation of management controls, and develop recommendations based on audit results.
 - 1.3.2.1.3. Reporting: Prepare reports with audit results and recommendations; evaluate management responses to audit recommendations, and present final results and recommendations to the SFA BOR Audit Committee.

See **General Deliverable Requirements** below as they apply to all phases of an audit project.

1.4. Deliverables

1.4.1. General Deliverable Requirements

- 1.4.1.1. The requirements and specifications for each deliverable in each engagement shall be defined and approved in writing by SFA and Contractor before work is initiated, including the evaluation criteria for successful completion and quality assurance. Evaluation and acceptance of each deliverable shall be based on compliance with the pre-established requirements and specifications using the pre-established evaluation criteria. The evaluation criteria shall include but not be limited to completeness, accuracy, and quality of the deliverable. Any changes or modifications in deliverable requirements, specifications, or evaluation criteria shall be made and agreed upon in writing by both SFA and Contractor as defined in **Section III, 2. Changes to Engagement**.
- 1.4.1.2. Contractor's scheduled timeline for each deliverable and the overall engagement shall be reviewed on a regular basis, but no less than bi-weekly. The review may include verification of the progress being made by Contractor to meet the deadlines for each deliverable. SFA may identify areas where the schedule is in need of adjustment and work with Contractor to make the necessary adjustments to the schedule.
- 1.4.1.3. Deliverables shall be provided on the dates specified. Any changes to the delivery dates must have prior written approval by SFA. Such written approval will be coordinated through SFA's CAE.
- 1.4.1.4. If the deliverable cannot be provided within the scheduled time frame, Contractor shall contact SFA's CAE in writing with a reason for the delay and propose a revised schedule. The request for a revised schedule must include the impact on related tasks, budget, and the overall services.
- 1.4.1.5. A request for a revised schedule must be reviewed and approved by SFA's CAE before the revised schedule is implemented. Contract Terms and Conditions may dictate associated

cost adjustments, and / or other actions based on the facts related to the request for a revised schedule.

1.4.1.6. All deliverables must be submitted in a format approved by SFA's CAE.

1.5. Acceptance Criteria

Acceptance criteria for each deliverable will be specified in the scope of work for each specific engagement. Process for acceptance and rejection of deliverables will be specified in the agreement for each engagement.

2. CHANGES TO ENGAGEMENT

From time to time, SFA or the Contractor may determine that changes to the stated engagement requirements are necessary. Such changes will be addressed in the following manner:

2.1. Changes with No Change in Cost or Impact on Timeline

2.1.1. Any changes to the engagement requirements that do not affect cost, either increase or decrease, or alter the timeline for any deliverable may be implemented by informal written approval by SFA. Such written approval will be coordinated through SFA's CAE.

2.1.1.1. Such change must be mutually agreeable to both Contractor and SFA.

2.1.1.2. Such change shall be documented by e-mail, facsimile transmission, or other informal written means.

2.1.1.3. At the discretion of SFA, a Contract Change Notice (CCN) as specified in **Section IV, 1.3** may be required.

2.2. Changes Impacting Cost and/or Timeline

2.2.1. Any changes to the engagement requirements that affect cost, either increase or decrease, or alter the timeline for any deliverable will require the following:

2.2.1.1. A written statement of requirements for the proposed changes/solutions;

2.2.1.2. A summary of the facts that led to the decision;

2.2.2. Contractor shall analyze these requests and provide an initial assessment as to the impact on cost and/or schedule to SFA for approval within five (5) business days.

2.2.3. SFA may request any changes deemed necessary to complete the form and / or fully understand the change or need for such change in requirements. SFA's CAE shall coordinate SFA's review and response.

2.2.4. Approval signatures from both SFA and Contractor.

2.2.5. Once SFA and Contractor have agreed the change is acceptable, SFA's CAE shall initiate the issuance of a CCN. **NO CONTRACT AMENDMENT SHALL BE CONSTRUED TO HAVE OCCURED WITHOUT THE ISSUANCE OF A CCN BY SFA.** Costs not included and pre-approved by SFA shall not be eligible for reimbursement.

2.2.6. Except as provided herein, no order, statement, or conduct of SFA shall be treated as a CCN under this section or entitle the Contractor to an equitable adjustment hereunder. Only increases in cost(s) that are documented on a CCN will be binding on SFA.

3. ADDITIONAL WORK

SFA shall have the option of awarding additional work under the Contract provided such additional work is within the scope of the Contract. An example of additional work that would be considered within the scope of the Contract would be provision of additional audit services for a particular engagement as they arise over the course of the engagement. SFA shall contact Contractor for any additional work needed. Contractor shall submit a written estimate of time, including a cost estimate. Requests shall be reviewed and approved by SFA in writing and forwarded to SFA's Purchasing Office for issuance of a Contract Change Notice (CCN) prior to commencement of any additional work.

[Section IV Begins on next page]

SECTION IV. GENERAL CONTRACTUAL INFORMATION - PART I

1. CONTRACT SPECIFIC TERMS AND CONDITIONS

1.1. Contract Term

The term(s) of Agreement resulting from this RFQ will become effective upon signing of a master service agreement through August 31, 2023. Thereafter, the term of this Agreement may be extended for four additional 1-year periods at the option of SFA. SFA reserves the right to negotiate modification of contract terms and schedules as necessary.

1.2. Termination

1.2.1. Termination for Convenience

SFA reserves the right to terminate the Contract at any time for convenience, in whole or in part, by providing thirty (30) calendar days advance written notice (delivered by certified mail, return receipt requested) of intent to terminate. In the event of such a termination, Contractor shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. SFA shall be liable for payments limited only to the portion of work authorized by SFA in writing and completed prior to the effective date of cancellation, provided that SFA shall not be liable for any work performed that is not acceptable to SFA and/or does not meet Contract requirements.

1.2.2. Termination for Cause or Default

1.2.2.1. SFA may terminate all or any part of the Contract prior to its expiration by written notice to Contractor upon the occurrence of any of the following events: (a) any voluntary petition in bankruptcy or any petition for similar relief is filed by Contractor, (b) any involuntary petition in bankruptcy is filed against Contractor, (c) a receiver is appointed for Contractor or any material portion of the property of Contractor, (d) Contractor makes an assignment for the benefit of creditors, (e) Contractor admits in writing its inability to meet its debts as they become due, (f) Contractor fails to comply with any term, including but not limited to breach of obligations, condition or covenant contained herein and Contractor fails to correct such lack of compliance; or (g) Contractor is sold or comes under the control of another entity. Termination is not an exclusive remedy, but will be in addition to any other rights and remedies provided in equity, by law, or under the Contract.

1.2.2.2. SFA may exercise any other right, remedy, or privilege which may be available under applicable law or proceed by appropriate court action to enforce the provisions of the Contract, or to seek damages for the breach of any agreement being derived from the Contract. The exercise of any of the foregoing remedies will not constitute a termination of the Contract unless SFA notifies Contractor in writing prior to the exercise of such remedy. Contractor will remain liable for all covenants and indemnities under the Contract. Contractor will be liable for all legal fees, and other costs and expenses, including attorney's fees and court costs, incurred by SFA with respect to the enforcement of any of the remedies listed herein.

1.2.3. Termination Necessitated by Change in Federal or State Requirements

To the extent applicable laws, regulations, court orders, or official interpretations require SFA to include additional language in its contracts, Contractor agrees to amend the Contract and to cooperate in the execution of any amendment to the Contract necessary to effectuate such laws,

regulations, court order, or official interpretations. Subject to **Section V, Part II, 1.4, Enforceability of Provisions/Severability**, if Federal or State laws or regulations or other Federal or State requirements are amended or judicially interpreted so that either party cannot reasonably fulfill the Contract, and if the parties cannot agree to an amendment that would enable substantial continuation of the Contract, the parties shall be discharged from any further obligations under the Contract.

1.2.4. Rights Upon Termination or Expiration of Contract

In the event that the Contract is terminated for any reason, or upon its expiration, all work products produced by Contractor and paid for by SFA shall become the property of SFA and shall be tendered upon request. SFA shall retain ownership of all associated work products and documentation with any order that results from or is associated with the Contract in whatever form that they exist.

1.3. **Amendments to Contract**

1.3.1. With Contractor's agreement, SFA may at any time, by written order designated or indicated to be a Contract Change Notice (CCN), make changes within the general scope of the Contract, including but not limited to changes:

- in the specifications;
- in the manner of performance of the work; or
- directing acceleration in the performance of the work

1.3.2. **Only those changes specified in a CCN will be considered to be an amendment to the contract.**

1.3.3. Changes of an administrative nature not affecting cost or timeline of deliverable may be addressed informally with the approval of SFA's CAE.

1.3.4. SFA's CAE and Contractor's Engagement Lead shall serve as the liaisons between SFA and Contractor for all Contract amendments.

1.4. **Pricing**

1.4.1. Pricing for all services and / or deliverables provided shall be firm and shall be provided as stated in the Pricing section of the **Execution of Qualifications Form (Attachment A)**. Prices shall be inclusive of all costs associated with providing these services including travel and any necessary presentations to SFA's Evaluation Committee and/or BOR.

1.4.2. Final rates shall be mutually agreed and shall be dependent upon the specialty areas pertaining to a specific engagement. SFA reserves the right to negotiate final rates at the time of Contract award.

1.5. **Warranty**

1.5.1. Contractor shall warrant that all SFA information, equipment, and materials will be maintained in a secured area with access allowed to only authorized personnel. Contractor shall warrant all work performed for accuracy and correctness. Contractor shall correct any defects in their work, at no cost to SFA.

- 1.5.2. Contractor warrants that (a) Contractor shall comply with all applicable laws and regulations; (b) in rendering services, it and its employees have all necessary rights, authorizations, or licenses to provide the services under the Contract and to provide all related materials and services under the Contract; (c) each of Contractor's employees assigned to perform services shall have the proper skill, training, and background so as to be able to perform in a competent and professional manner and that all work will be so performed in accordance with the Contract; (d) SFA shall receive free, good, and clear title to all Deliverables provided under the Contract, or in the case of any Deliverable that requires a license, Contractor shall obtain for SFA the unrestricted right to use said Deliverable; (e) each and every Deliverable shall be provided in a manner consistent with good commercial practice, free from defects in material and workmanship, and shall conform to the specifications as set forth in this Request for Qualifications and shall meet the functional, performance and reliability requirements of SFA as set forth in this Request for Qualifications; (f) that Services conform to the objectives set forth in this Request for Qualifications; and (g) for one year after the services are complete or the Contract with SFA shall terminate (whichever is earlier), Contractor will, at no charge to SFA, furnish such materials and services as shall be necessary to correct any defects in any Deliverable and maintain Deliverable(s) in good working order in accordance with the warranties and Specifications and functional, performance and reliability requirements.

1.6. Acceptance, Invoicing, and Payment

1.6.1. Acceptance

SFA shall review each deliverable against its defined evaluation criteria as discussed in **Section III, 1.4.** Written acceptance of the deliverable must be issued by SFA, as coordinated by SFA's CAE, prior to an invoice being processed for payment.

1.6.2. General Invoicing

- 1.6.2.1. Contractor may invoice and receive payment for each deliverable upon successful completion and written acceptance by SFA.
- 1.6.2.2. Contractor shall attach a copy of the applicable written acceptance with each invoice.
- 1.6.2.3. The invoice shall include SFA's Contract Number, Contractor's federal employer identification number, and remit to address. SFA will not be liable for any performance rendered or obligations incurred on behalf of SFA by Contractor prior to the execution of the Contract.
- 1.6.2.4. SFA will not be liable for the payment of any sales, use, or other taxes incurred by Contractor in acquiring any goods or services as a part of any work called for under the Contract nor will SFA be liable to reimburse Contractor for same. Upon request, SFA will furnish to Contractor suitable documentation of SFA's exemption from taxes on goods and services procured on SFA's behalf.
- 1.6.2.5. Contractor shall submit an original invoice to SFA via **one** of the methods listed below:
- 1.6.2.5.1. Via e-mail at the following address: bridgesja1@sfasu.edu
- 1.6.2.5.2. Via postal mail at the address listed below:

Jane Ann Bridge
Interim Chief Audit Executive
Stephen F. Austin State University
P.O. Box 6121, SFA Station
Nacogdoches, Texas 75962-6121

1.6.3. Payment

Payment terms for amounts due from University to Contractor under this Agreement (including but not limited to due dates, late fees, and interest) are governed by Chapter 2251 of the Texas Government Code. University is not responsible for the payment of collection costs or attorney's fees unless explicitly required by law.

[Section V Begins on Next Page]

SECTION V. GENERAL CONTRACTUAL INFORMATION - PART II

1. STANDARD TERMS AND CONDITIONS

1.1. Heading References

The titles of sections of the Contract are for convenience only and shall not be interpreted to limit or amplify the provisions of the Contract.

1.2. Dispute Resolution; Governing Law

1.2.1. This Agreement and the applicable statute of limitations for any disputes under this Agreement shall be brought in a court of competent jurisdiction in Nacogdoches or Angelina County, Texas and governed by Texas law. To the extent that Chapter 2260, *Texas Government Code*, is applicable to this Agreement and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by University and Contractor to attempt to resolve any claim for breach of contract made by Contractor that cannot be resolved in the ordinary course of business. The Vice President for Finance & Administration of University shall examine Contractor's claim and any counterclaim and negotiate with Contractor in an effort to resolve such claims. The parties hereto specifically agree that (i) neither the occurrence of an event giving rise to a breach of contract claim nor the pendency of a claim constitute grounds for the suspension of performance by Contractor, (ii) neither the issuance of this Agreement by University nor any other conduct, action or inaction of any representative of University relating to this contract constitutes or is intended to constitute a waiver of University's or the state's sovereign immunity to suit; and (iii) University has not waived its right to seek redress in the courts.

1.2.2. No agreement will be binding on SFA until SFA has awarded a contract and person authorized by SFA has signed the contract.

1.3. Conflict in Language

In the event of any conflict between the terms, conditions, and provisions of these requirements and the Technical Specifications, the Technical Specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, SFA's interpretation shall govern.

1.4. Enforceability of Provisions/Severability

The invalidity, illegality, or unenforceability of any Contract provision shall in no way affect the validity, legality, or enforceability of any other provision. If any provision of the Contract is held invalid or unenforceable, the Contract shall be construed and enforced as if said provision had not been included herein.

1.5. Waiver

Each and every right granted to the parties hereunder or under any other document delivered hereunder or in connection herewith, or allowed them by law or equity, shall be cumulative and may be exercised from time to time. No failure on the part of either party to exercise and no delay in exercising any right will operate as a waiver thereof, nor will any single or partial exercise thereof or the exercise of any other right.

1.6. Assignment of Claims

Contractor hereby assigns to SFA any claims for overcharges associated with the Contract under the anti-trust laws of the United States, 15 USCA, Section 1, et seq. (1973), and the anti-trust laws of the State of Texas, Texas Business and Commerce Code Ann. Sec. 15.01, et seq. (1957).

1.7. Notices

1.7.1. All notices to be given hereunder shall be in writing and shall be given by delivery thereof or by personal delivery, electronic facsimile or telecopy, or certified or registered mail directed to the addresses provide below. Any notice served by delivery shall be deemed given on the date of delivery and any mailed notice shall be deemed given three (3) days after the date of mailing.

1.7.2. Notices given to SFA shall be sent to:

Jane Ann Bridges
Interim Chief Audit Executive
PO Box 6121, SFA Station
Nacogdoches, Texas 75962-6121
Fax: (936) 468-7698

1.7.3. Contractor shall provide a point of contact and contact information for notices upon award of Contract.

1.8. Historically Underutilized Business / Good Faith Effort Program

SFA is committed to making a good faith effort to increase business with HUBs by contracting with HUBs directly or indirectly through subcontracting opportunities. Respondents are encouraged to actively seek to subcontract or partner with HUBs in an effort to create an environment that actively acknowledges and values diversity.

1.9. Loss of Funding

Performance by University under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature") and/or allocation of funds by the Board of Regents of University (the "Board"). If the Legislature fails to appropriate or allot the necessary funds, or the Board fails to allocate the necessary funds, then University will issue written notice to Contractor and University may terminate this Agreement without further duty or obligation hereunder. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond the control of University.

1.10. Personnel

1.10.1. Contractor, its agents, employees, and subcontractors shall be courteous and professional in all communication during their performance of the requirements of the Contract. Contractor's personnel shall comply with all applicable SFA policies while on SFA premises and with regard to SFA property. Any actions deemed unprofessional or non-compliant with applicable SFA policies during the term of the Contract shall be remedied to SFA's satisfaction. If the actions are not remedied to SFA's satisfaction, SFA, in its sole discretion, reserves the right to require that Contractor's staff, agents, employees, or subcontractors be removed from performing work under the Contract. All Contractor personnel are subject to removal from performing work under the Contract at the sole discretion of SFA without establishing cause.

1.10.2. Contractor acknowledges and agrees that Contractor's personnel are independent contractors while providing the services required pursuant to the Contract. It is expressly understood and

agreed that personnel assigned by Contractor to perform any services hereunder are employees of Contractor, and are not SFA or State of Texas employees for any purpose. Although SFA may give general information, review, and comment on Contractor's work product, Contractor shall fully control and be responsible for the manner and method of performance and the accuracy and completeness of Contractor's work product. Contractor is not acting in a fiduciary capacity to SFA. Therefore, as an independent contractor, Contractor acknowledges and agrees that its employees are not eligible for or entitled to receive any retirement benefits pursuant to Subtitle C of Title 8 of the Texas Government Code, or any insurance benefits pursuant to Section 1551 of the Texas Insurance Code, or any other kind of benefit ordinarily provided by SFA to its employees. No employer responsibilities to such personnel are, or may be, assumed by SFA, SFA's BOR, or the State of Texas. SFA shall not be liable to Contractor, its employees, agents, or other personnel for the provision of unemployment insurance or worker's compensation coverage to Contractor, its employees, agents, or others.

1.10.3. The Contract shall not create any joint venture, joint enterprise, or partnership relationship between SFA and Contractor and/or its agents or subcontractors.

1.10.4. Contractor, Contractor's employees, and subcontractors shall abide by all SFA security procedures, policies, rules and regulations, and shall cooperate with SFA Department of Public Safety personnel. Contractor, Contractor's employees, and subcontractors will be required to check in with Audit Services upon arrival.

1.11. Subcontracting or Assignment

1.11.1. Contractor shall not have the right to assign, transfer, or convey any of its rights, title or interest hereunder or to delegate any of its duties or obligations without SFA's prior written consent. Any assignment, transfer, conveyance, or delegation in violation of this provision shall be voidable at SFA's option.

1.11.2. Unless indicated otherwise, Contractor shall conduct the performances provided for under the Contract substantially with its own resources and through the services of its own staff.

1.11.3. Contractor shall at all times be completely responsible for all contract services performed and will specifically assume all liability for any and all such services provided by (i) a subsidiary or affiliate of Contractor or (ii) a subcontractor hired by the Contractor. The services provided by a subsidiary, affiliate, and/or subcontractor shall meet or exceed the performance standards imposed upon Contractor under the Contract.

1.11.4. SFA reserves the right to reject any subcontractor at SFA's discretion.

1.12. Background Checks

Contractor and any subcontractor provided by Contractor acknowledges and shall comply with SFA's Security Sensitive Positions Policy included as **Attachment F**. All information pertaining to Background Checks on specific persons shall only be provided to a representative of SFA's Human Resources office.

1.13. U.S. Department of Homeland Security's E-Verify System

By entering into this Agreement, Contractor certifies and ensures that it utilizes and will continue to utilize, for the term of this Agreement, the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of: (i) all persons employed to perform duties within Texas, during the term of this Agreement; and (ii) all persons (including subcontractors) assigned by Contractor to perform

work pursuant to this Agreement, within the United States of America. Contractor shall provide, upon request of University, an electronic or hardcopy screenshot of the confirmation or tentative non-confirmation screen containing the E-Verify case verification number for attachment to the Form I-9 for the three most recent hires that match the criteria above, by Contractor, and Contractor's subcontractors, as proof that this provision is being followed. If this certification is falsely made, this Agreement may be terminated, at the discretion of the University and at no fault to the University, with no prior notification. Contractor shall also be responsible for the costs of any re-solicitation that the University must undertake to replace the terminated Agreement.

1.14. Contract Worker Reporting Requirements

SFA must report information pertaining to contract workers in certain situations, so SFA must be able to identify any SFA retirees, ensure proper reporting, compliance with employment after retirement limitations, and payment of any applicable surcharges. Therefore, Contractor agrees that Contractor and all persons performing work for SFA may be required to provide their individual social security number (SSN), and if so required, provision of the SSN is a mandatory condition of providing services for SFA. Any SSN provided to SFA shall only be provided to a representative of SFA's Human Resources office.

1.15. Employment Restricted

Contractor agrees to comply with Texas Government Code 572.069, *Certain Employment for Former State Officer or Employee Restricted*. TGC 572.069 states "A former state officer or employee of a state agency who during the period of state service or employment participated on behalf of a state agency in a procurement or contract negotiation involving a person may not accept employment from that person before the second anniversary of the date the officer's or employee's service or employment with the state agency ceased".

1.16. Civil Rights

Contractor agrees that no person shall, on the grounds of race, color, religion, sex, national origin, age, disability, political affiliation, or religious belief, be excluded from the participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of, or in connection with, any program or activity funded in whole or in part with funds available under the Contract. Contractor shall comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 U.S.C. §2000d), Section 504 of the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. §794), and the Americans with Disabilities Act of 1990 (Public Law 101-336, 42 U.S.C. §12101). Contractor shall comply with Executive Order 11246, "Equal Employment Opportunity," as amended by Executive Order 11375, "Amending Executive Order 11246 relating to Equal Employment Opportunity," and as supplemented by regulations at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity Department of Labor." Contractor shall ensure that all subcontracts comply with the above-referenced provisions.

1.17. Consulting Contract Provision

In the event any services performed by Contractor are consulting services, Contractor shall prepare reports and provide SFA with its information, including the programming or manipulating of that data, in a form approved by SFA and that is accessible to the public. Such reports or documentation may be made in order for SFA to respond to requests for information by members of the public. SFA, at its discretion, may publicly release, distribute, and post any reports in accordance with Texas Government Code § 2254.041.

1.18. Travel

1.18.1. **SFA will not pay for any travel, housing, transportation, meals or any other cost of that nature unless approved in writing by SFA CAE prior to travel.**

1.18.2. Such travel cost, if any, shall be reimbursed subject to the State of Texas rules and at the rates specified for travel by SFA's own employees. Any claim for travel reimbursement by Contractor shall be submitted in accordance with the rules prescribed in the State of Texas Travel Allowance Guide and SFA's own employees. See SFA's website for travel guidelines – www.sfasu.edu/controller. Airfare will be reimbursed at the actual cost of the airfare not to exceed the cost of the lowest priced airfare available. Under no circumstances will SFA reimburse the Contractor for first-class airfare.

1.19. Force Majeure

Neither party hereto will be liable or responsible to the other for any loss or damage or for any delays or failure to perform arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control including acts of God, strikes, national, state or local health emergency, war, riots, flood, fire, sabotage, governmental authority, or any other circumstances ("Force Majeure Occurrence"). Provided, however, in the event of a Force Majeure Occurrence, Contractor agrees to use their best efforts to mitigate the impact of the occurrence so that University may continue to provide mission critical services during the Force Majeure Occurrence.

1.20. News Releases or Pronouncements

SFA does not endorse any contractor, commodity, or service. News releases pertaining to the Contract and/or advertisements, publications, declarations and any other pronouncements by Contractor using any means or media mentioning the State of Texas or SFA shall be approved in writing by SFA CAE prior to public dissemination.

1.21. Security and Confidentiality

1.21.1. Pursuant to the Gramm-Leach-Bliley Act (GLBA), every Contractor, defined as any person or entity that receives, maintains, processes or otherwise is permitted access to nonpublic personal information as defined in 16 C.F.R. § 313.3(n), whether in paper, electronic, or other form, about a University employee, or student through its provision of services directly to the University is subject to the following requirements:

1.21.2. The Contractor must ensure the security and confidentiality of nonpublic personal information as defined in 16 C.F.R. § 313.3(n), protect against any anticipated threats or hazards to the security and integrity of such information and protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any University employee or student.

1.21.3. To the extent Contractor is provided SFA employee or student information owned, possessed or used by SFA and that is communicated to, learned, or otherwise acquired by Contractor in the performance of Contractor's duties and obligations under this Agreement, Contractor, its management, employees and agents agree to keep such information confidential, beginning on the date Contractor is first given access to said data and continuing through the term of this Agreement and any time thereafter. Contractor, its employees and agents shall not disclose, communicate or divulge, or permit disclosure, communication or divulgence, to another or use for Contractor's, its management's, employees' or agents' own benefit or the benefit of another, any such confidential information, unless required by law. Contractor shall take appropriate

safeguards to protect the data and limit access to such to only those representatives of Contractor that must have access for the purposes of this Agreement.

- 1.21.4. Texas Government Code Section 825.507 provides that information in records in the custody of SFA concerning its individual members, former members, retirees, annuitants, beneficiaries, and alternative beneficiaries is confidential under Texas Government Code Section 552.101 (Texas Public Information Act) and may not be disclosed in a form identifiable with a specific individual except as provided for in Texas Government Code section 825.507. Information that is confidential information under Texas Government Code section 825.507 shall hereinafter be referred to as Confidential Information.
- 1.21.5. Information obtained by Contractor in the performance of the Contract shall be used only for the purposes of carrying out the provisions of the Contract. Inspection by or disclosure of any such information to anyone other than an officer or employee of Contractor or SFA, other than for the purposes of carrying out, and in accordance with, the provisions of the Contract, shall require prior written approval of SFA.
- 1.21.6. All Confidential Information is the property of SFA and will be returned to SFA or destroyed, at SFA's direction, upon satisfactory completion or termination of the Contract or at SFA's request. In the event SFA directs Contractor to destroy SFA's confidential information in Contractor's or any subcontractor's custody, Contractor shall destroy all specified SFA information, in whatever form or format it may exist, including, but not limited to hardcopy, electronic, backup, or machine readable forms. Within thirty (30) days of receiving SFA's direction to return or to destroy the Confidential Information, Contractor shall comply with SFA's direction and provide a written certification, signed by Contractor's officer, of its compliance.
- 1.21.7. Contractor represents, warrants and covenants that it has and will use reasonable security practices to make its Services secure and prevent unauthorized access to or use of SFA's computer networks, computer systems, or information. Contractor shall not release any information provided by SFA or to which Contractor is provided access, confidential or otherwise, except as specifically provided by this Agreement. Contractor shall not make SFA's passwords, user names or identification codes, or similar information available to anyone who is not designated by SFA as an authorized employee or contractor. If the security of any SFA data is compromised or breached by the Contractor if Contractor systems are compromised by a third party, Contractor shall notify SFA immediately, but no later than 12 hours after the compromise or breach and shall reimburse SFA for any out-of-pocket expenses resulting from such compromise or breach. In the event of a compromise or breach attributable to Contractor involves a person's confidential information, Contractor shall be responsible for costs associated with (1) notifying persons their information has been breached, and (2) provision of identity theft protection services for one (1) year for each affected person. Contractor acknowledges that SFA data provided to Contractor by SFA in connection with this Agreement are the property of SFA and shall be treated as confidential. Contractor shall protect the confidentiality of SFA information to the same extent as Contractor protects its own most sensitive or confidential information. SFA provides its information under this agreement solely to fulfill SFA'S functions and purposes under law and is not releasing any information to the public by sharing information with the Contractor. Contractor will not sell, license, share, transfer or otherwise disseminate or disclose such data or SFA's administrator's login information to any third party except as otherwise specifically provided in this Agreement or as required by law or court order.
- 1.21.8. The requirements of this Security and Confidentiality section shall be included in all subcontracts. The obligations of Contractor under this Security and Confidentiality section shall survive the termination and/or completion of the Contract.

1.22. Property Rights in Materials Developed Under the Contract

- 1.22.1. SFA shall retain any and all property rights or ownership in any software, intellectual property or other copyrightable or patentable material developed under the Contract. Full and exclusive rights and ownership in all materials developed under the Contract and in any and all related patents, trademarks, copyrights, trade secrets and any other property rights which Contractor possesses or may be entitled to shall vest in and are hereby assigned to SFA. Contractor shall execute whatever documents necessary to place ownership with SFA.
- 1.22.2. Contractor shall not publish any of the results of the services other than as provided by the Contract. Contractor shall not sell any of the results of the services. All work products generated as a result of the Contract either completed or partially completed, shall be the sole property of SFA and may be used in any manner, in whole or in part, as desired by SFA. Contractor shall assert no right in law or equity to such products. All right, title, and interest in and to the property, including publication, duplication and distribution rights, shall vest in SFA upon creation and shall be deemed to be a "work made for hire" and made in the course of the services rendered. To the extent that title to any such work may not, by operation of law, vest in SFA or such work may not be considered a work made for hire; all rights, title, and interest therein are hereby irrevocably and indefinitely assigned to SFA. SFA shall have the right to obtain and to hold in its own name any and all patents, copyrights, marks, or such other protection as may be appropriate to the subject matter, and any extensions and renewals thereof. Contractor shall ensure publication, duplication, and distribution rights are secured to SFA from all subcontractors.

1.23. Records Retention and Inspection

Contractor shall retain all financial records, supporting documents, statistical records, and any records or books relating to the performances called for in the Contract. Contractor shall retain all such records for a period of seven (7) years after the expiration of the term of the Contract, or until SFA is satisfied that all audit and litigation matters are resolved, whichever period is longer. Contractor shall grant access to all books, records, documents, and data pertinent to the Contract as well as the services performed under the Contract to SFA Internal Audit, the State Auditor of Texas, and/or a third party selected by SFA for the purposes of inspecting, auditing, or copying such books, records, documents, and data. The requirements of this provision shall be included in all subcontracts.

1.24. Contractor's Indemnifications

- 1.24.1. Contractor agrees to hold SFA, its BOR, officers, directors, agents, and employees harmless and to defend and indemnify SFA, its BOR, officers, directors, agents, and employees from and against any and all claims, demands, damages, liabilities and causes of action of every kind and character, in any way incident to, arising out of, or in connection with any acts or omissions of Contractor or any agent, employee, subcontractor, or supplier of Contractor. Contractor also agrees to hold harmless and indemnify SFA, its BOR, officers, directors, agents, and employees from any and all expenses of whatever kind including attorney's fees incurred in litigation or administrative proceedings or otherwise resulting from such claims, suits, demands action of every kind and character brought by employees, agents, or others of either the damages, liabilities and causes of action of every kind and character occurring from, in any way incident to, arising out of, or in connection with the activities to be performed by Contractor hereunder. Further, Contractor agrees to hold harmless and indemnify SFA, its BOR, officers, directors, agents, and employees from and against any and all claims, demands, damages, liabilities and causes of Contractor or SFA due to personal injuries or injuries of whatever sort and/or the death or disability of such employees, agents, or others resulting from any alleged negligent act of commission or omission on the part of Contractor.

1.24.2. Additionally, if Contractor requires or desires to use any design, trademark, device, material, or process covered by letters of patent or copyright, Contractor shall indemnify, defend, and hold harmless the State of Texas, SFA as well as SFA's BOR, officers, directors, agents, and employees, from any liability for any and all claims, demands, fees, suits, or actions of any nature whatsoever, from any and all claims for infringement by reason of the use of any such patented design, device, trademark, copyright, material or process in connection with the work agreed to be performed and shall indemnify, SFA as well as SFA's BOR, officers, directors, agents, and employees, from any cost, expense, royalty or damage which SFA as well as SFA's BOR, officers, directors, agents, and employees, may be obligated to pay by reason of any infringement at any time during the performance of or after completion of the work.

1.24.3. Notwithstanding any indemnification clause, SFA shall have full authority to conduct its own defense, negotiations, and settlements, but Contractor's indemnification nevertheless remains in full force and effect. Any settlement shall be reimbursable by Contractor if Contractor approves such settlement in advance, and any liability upon unsuccessful defense shall be reimbursable by Contractor if Contractor has opportunity to participate in the defense of the action.

1.24.4. The indemnities contained in the Contract shall survive the termination of the Contract.

1.25. Liability for Damage to Property and Injuries to Persons

1.25.1. Damage to SFA Facilities and Suppliers

Contractor shall be liable for all damages caused by Contractor, Contractor's employees or agents, and Contractor's subcontractor(s), in connection with any performance pursuant to the Contract.

1.25.2. Injuries to Persons

Contractor shall be responsible for injury to persons caused by the negligence of Contractor, its employees or agents, its subcontractor(s), and supplier(s) including any delivery or cartage company.

1.25.3. Repair or Replacement of SFA's Equipment

Contractor shall, at SFA's the sole option, repair, replace, or pay for any and all SFA equipment damaged or lost by Contractor, its employees, agents, subcontractors, and suppliers, including any delivery or cartage company. If SFA directs Contractor to repair, replace, or pay for such equipment, then Contractor shall do so within forty-eight (48) hours of being notified of same by SFA.

1.26. Non-Release from Liability or Obligation

Termination of the Contract for any reason shall not release Contractor from any liability or obligation set forth in the Contract that is expressly stated to survive any such termination or by its nature would be intended to be applicable following any such termination.

1.27. Insurance

1.27.1. Contractor shall procure and maintain on a continuous basis, at Contractor's expense during the term of the Contract, and any extensions thereof, to include any period after the term of the Contract during which Contractor continues to provide services to SFA, such insurance coverage as may now or hereafter, be reasonable and required by SFA. Contractor shall comply with the following:

- 1.27.1.1. Contractor acknowledges and agrees that it shall have total responsibility for its employees and its employment practices, including in the areas of wrongful discharge lawsuits, unemployment issues, workers compensation, employment taxes, and reimbursement due to losses in these areas.
- 1.27.1.2. Contractor shall carry and provide evidence of the following types of insurance in an amount deemed acceptable by SFA for each occurrence and in the aggregate:
 - 1.27.1.2.1. **General Public Liability** – covering all duties, services, and work to be performed under the Contract;
 - 1.27.1.2.2. **Automobile** – covering owned, rented, or hired vehicles;
 - 1.27.1.2.3. **Fire** – as appropriate for on-site work under the Contract;
 - 1.27.1.2.4. **Commercial Crime / Fidelity** – including Employee Dishonesty with an endorsement to include Property of Others;
 - 1.27.1.2.5. **Professional Liability (Errors and Omissions)** - including coverage for the rendering of, or failure to render, professional services, including but not limited to, installation, service or repair; instruction; data preparation & processing; software development and design; consulting; and intellectual property infringement;
 - 1.27.1.2.6. **Computer Crime** – including Information Security Protection (Identity Theft) coverage for the loss of personal information including notification costs, credit monitoring and resolution costs associated with the misuse of such information;
 - 1.27.1.2.7. **Property Insurance** - including an endorsement to include the Property of Others in Contractor's care, custody and control; and
 - 1.27.1.2.8. **Workers' Compensation and Employer's Liability** – including protection of employees in accordance with Texas Workers Compensation Commission laws, rules, and regulations.
- 1.27.1.3. In the event one or more insurance coverage types listed above are covered by a general liability or umbrella type policy, Contractor shall identify the specific types of insurance covered by the general liability or umbrella type policy.
- 1.27.2. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Texas and shall be in a form satisfactory to SFA. Contractor agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state in writing the following required provisions. Each insurance contract or certificate of insurance shall:
 - 1.27.2.1. Be issued from a company or companies having both an Financial Strength Rating of "A" or better, and a Financial Size Category Class of "VIII" or better from A. M. Best Company, Inc.;
 - 1.27.2.2. Be on an occurrence-made basis with the exception of Professional Liability (Errors and Omissions) coverage. If Professional Liability (Errors and Omissions) coverage is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than twenty-four (24) months following completion of the Contract and

acceptance by SFA. Coverage, including any renewals, shall have the same retroactive date as the original policy applicable to the Contract;

1.27.2.3. Be endorsed to name "SFA and its BOR, officers, directors, and employees" as additional insureds to all applicable coverages;

1.27.2.4. State that coverage shall not be cancelled, non-renewed, or materially changed except after at least thirty (30) days prior written notice to SFA;

1.27.2.5. Require that required notification be sent to:

Jane Ann Bridges
Interim Chief Audit Executive
Stephen F. Austin State University
P.O. Box 6121, SFA Station
Nacogdoches, Texas 75962-6121

1.27.2.6. Provide that renewal policies shall be furnished to SFA not less than 30 days prior to the expiration of current policies;

1.27.2.7. Waive subrogation against SFA and its BOR, officers, directors, and employees to include bodily injury (including death), property damage, or any other loss;

1.27.2.8. Provide that Contractor's insurance is primary insurance and shall not require contribution by any other similar insurance available to SFA and its BOR, officers, directors, and employees;

1.27.2.9. Provide that all provisions of the Contract concerning liability, duty, and standard of care, together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations to SFA within applicable policies; and

1.27.2.10. Ensure that all certificates of insurance identify the service or product being provided to SFA.

1.27.3. Insurance shall be effective and evidence of acceptable insurance furnished **prior** to commencing operations under the Contract. Contractor shall furnish to SFA evidence of required insurance, certified true copies of liability policies, and manually countersigned endorsements of any changes thereto.

1.27.4. The Contractor shall, within ten (10) days after issuance of the contract, deliver to SFA the evidence of the required insurance. Failure upon the part of the Contractor to furnish the evidence of required insurance, within ten (10) days of the contract shall be cause for the cancellation of the Contract.

1.27.5. SFA may, at any time during the Contract term, require written documentation from Contractor that all insurance is effective and in compliance with SFA requirements.

1.28. Alterations, Additions and Deletions

Any alterations, additions, or deletions to the terms of the Contract shall be by an amendment in writing. No alteration, addition, or deletion shall occur without the issuance of a Contract Change Notice (CCN) by SFA.

1.29. Tax Increase Prevention and Reconciliation Act

SFA will comply with the United States federal Tax Increase Prevention and Reconciliation Act of 2005 (26 C.F.R § 31.3402(t)-1, *et seq.*) that requires withholding of income tax from payments to certain persons or entities providing goods or services to SFA. Contractor agrees that SFA may withhold from amounts otherwise due and payable to Contractor under this Agreement such amounts as it deems necessary in its sole discretion to comply with all federal and state laws regarding SFA's income tax withholding obligations.

1.30. State Auditor's Office

Contractor understands that acceptance of funds under this Agreement acts as acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Sections 51.9335(c), Texas Education Code. Contractor agrees to cooperate fully with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. Contractor will ensure that this clause concerning the State Auditor's Office is included in any subcontracts it awards. Additionally, the State Auditor's Office shall at any time have access to and the rights to examine, audit, excerpt, and transcribe any pertinent books, documents, working paper, and records of the Contractor relating to the contract for any purpose.

1.31. Title IX

SFA strictly adheres to Title IX of the Education Amendments of 1972, the federal Campus Sexual Violence Elimination Act; United States Department of Education regulations and directives; and the university's sexual harassment policy and procedures ("Regulations"). Specifically, the Regulations apply to all students, employees, visitors, and other third parties on SFA-controlled property, including institutions and entities with whom SFA places its students. Further, such Regulations prohibit unequal treatment on the basis of sex as well as sexual harassment and sexual misconduct. As a condition of employment, enrollment, doing business, or being permitted on the campus, the above-mentioned individuals, organizations, and entities must agree to: 1) Report immediately to the Title IX coordinator any and all claims of sex discrimination or sexual misconduct; 2) Cooperate with SFA's Title IX investigation; and, 3) Cooperate fully with all sanctions that SFA may impose against such individual, organization, or entity, who is found to have violated the Regulations. If the individual, organization, or entity fails to adhere to any of the aforementioned requirements, SFA reserves the right to take appropriate action, including but not necessarily limited to, immediate removal from campus; discipline of employees and students (including termination of employment and/or expulsion from school); and termination of business or contractual relationships.

1.32. Israel Non-Boycott Verification

If the Agreement has a value of \$100,000 or more that is to be paid wholly or partly from public funds of University, and if Contractor is a company, other than a sole proprietorship, with ten (10) or more full-time employees, then pursuant to Texas Government Code Chapter 2271, Contractor affirmatively states that it does not boycott Israel and will not boycott Israel during the term of the Agreement, as that term is defined by Section 808.001 (1), Texas Government Code.

1.33. Franchise Tax Certification

By signing the Agreement, Contractor, a corporate or limited liability company, certifies that it is not currently delinquent in the payment of any Franchise Taxes due under Chapter 171 of the Texas Tax Code, or that the corporation or limited liability company is exempt from the payment of such taxes, or that the corporation or limited liability company is an out-of-state corporation or limited liability

company that is not subject to the Texas Franchise Tax, whichever is applicable. Contractor acknowledges and agrees that if this certification is false or inaccurate, at University's option, the Agreement may be terminated and payment withheld.

1.34. Payment of Debt or Delinquency to the State

Pursuant to Sections 2107.008 and 2252.903, Texas Government Code, Contractor agrees that any payments owing to Contractor under this Agreement may be applied directly toward any debt or delinquency that Contractor owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

1.35. Sales Tax Certification

By signing the Agreement, Contractor certifies as follows: "Under Section 2155.004, Texas Government Code, the Contractor certifies that the individual or business entity named in this Agreement is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate."

1.36. Entire Agreement

The Contract contains the final, complete, and exclusive understanding of, and supersedes all prior contemporaneous, oral or written, agreement, understandings, representations and negotiations between parties relating to the subject matter of the Contract. The parties further agree that the Contract may not in any way be explained or supplemented by a prior or existing course of dealings between the parties, by usage of trade or custom, or by any prior performance between the parties pursuant to the Contract or otherwise.

1.37. Additional Terms and Conditions

https://www.sfasu.edu/purchasing/documents/PO_TandC_02-10-22.pdf

ATTACHMENT A
EXECUTION OF QUALIFICATIONS
SFA AUDIT SERVICES
RFQ #IT AUDIT-FY23

NOTE: THIS ATTACHMENT MUST BE SIGNED AND RETURNED WITH THE QUALIFICATIONS. FAILURE TO INCLUDE THIS ATTACHMENT MAY RESULT IN THE REJECTION OF YOUR RESPONSE. THE QUALIFICATIONS, OR ANY RESULTING CONTRACT MAY BE VOID IF FALSE STATEMENTS ARE CONTAINED IN THIS ATTACHMENT.

1. By signature hereon, Respondent certifies that:

- 1.1.** All statements and information prepared and submitted in the response to this RFQ are current, complete, and accurate.
- 1.2.** Signing any response to this RFQ with a false statement is a material breach of contract and shall void the submitted response or any resulting contract, and the Respondent will be reported for removal from all bid lists.
- 1.3.** Respondent 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 response. Failure to sign the response, or signing it with a false statement, shall void the submitted responses or any resulting contracts, and the Respondent may be removed from all bid lists.
- 1.4.** If a Texas address is shown as the address of the Respondent, Respondent qualifies as a Texas Resident Biller as defined in Rule 24 TAC 20.38.
- 1.5.** Pursuant to 15 U.S.C. §1, *et seq.* and Tex. Bus. & Comm. Code §15.01, *et seq.*, neither Respondent nor the firm, corporation, partnership, or institution represented by Respondent, or anyone acting for such firm, corporation, partnership or institution has violated the antitrust laws of this state, or the federal antitrust laws, and has not communicated, directly or indirectly, their response to any competitor or any other person engaged in such line of business.
- 1.6.** Pursuant to Section 2155.004, Texas Government Code, "Under Section 2155.004, Government Code, the vendor 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." §2155.004 prohibits a person or entity from receiving a state contract if they received compensation for participating in preparing the solicitation or specifications for the contract.
- 1.7.** Pursuant to Section 231.006(d), Texas Family Code, regarding child support, "Under Section 231.006, Family Code, the vendor or applicant 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."
- 1.8.** Pursuant to Chapter 171, Texas Tax Code, the vendor or applicant certifies that it is not currently delinquent in the payment of any Franchise Taxes or that the corporation or limited liability company is exempt from the payment of such taxes, or that the corporation or limited liability company is an out-of-state corporation or limited liability company that is not subject to the Texas Franchise Tax, whichever is applicable. Contractor acknowledges and agrees that if this certification is false or inaccurate, at University's option, the Agreement may be terminated and payment withheld.

- 1.9.** Respondent represents and warrants that it has no actual or potential conflicts of interest in providing the requested items to SFA under the RFQ and any resulting contract, if any, and that Respondent's provision of the requested items under the RFQ and any resulting contract, if any, would not reasonably create an appearance of impropriety.
- 1.10.** All Associated Costs: SFA will not be responsible for any costs directly or indirectly related to preparation of a response or any participation in oral presentations or negotiations.
- 1.11.** Respondent warrants that Respondent will not engage in employment practices that have the effect of discrimination against employees or prospective employees because of age, religion, race, color, sex, disability, or national origin and will submit a report as SFA may hereafter require to assure compliance.
- 1.12.** Sales tax is not applicable to any parts, material, labor or specialized service furnished hereunder on all amounts becoming payable by SFA to Respondent under the contract.
- 1.13.** To the extent applicable laws, regulations, court orders, or official interpretations require SFA to include additional language in its contracts, Respondent agrees to amend the contract and to cooperate in the execution of any amendment to the contract necessary to effectuate such laws, regulations, court order, or official interpretations.
- 1.14.** SFA is subject to the provisions of Section 552, Texas Government Code, commonly referred to as the Texas Public Information Act "the Act". If a request for disclosure of the contract or any information related to the services performed pursuant to the contract or information provided to SFA under the contract constituting a record under the Act is received by SFA, the information must qualify for an exception provided by the Act to be withheld from public disclosure. Respondent authorizes SFA to submit any information contained in the contract, provided under the contract, or otherwise requested to be disclosed, including information Respondent has labeled as confidential proprietary information, to the Office of the Attorney General for a determination as to whether any such information may be excepted from public disclosure under the Act. If SFA does not have a good faith belief that information may be subject to an exception to disclosure, SFA is not obligating itself by the contract to submit the information to the Office of the Attorney General. It shall be Respondent's responsibility to make any legal argument to the Office of the Attorney General or appropriate court of law regarding the exception of the information in question from disclosure. Respondent waives any claim against and releases from liability SFA, its regents, officers, directors, employees, agents, attorneys, any trust fund managed by SFA with respect to disclosure of information provided under or in the contract or otherwise created, assembled, maintained, or held by Respondent and determined by the Office of the Attorney General or a court of law to be subject to disclosure under the Texas Public Information Act.
- 1.15.** Respondent shall promptly notify SFA in the event that any representations and warranties provided herein are no longer true and correct. Respondent acknowledges that all of its representations and warranties contained in any part of the Qualifications are material and have been relied upon by SFA in selecting a Contractor to provide the services specified herein and in entering into a contract with Respondent. Further, Respondent warrants and represents that all of its statements and representations made to SFA prior to being selected to provide the services specified herein, and made herein and during the negotiation of the contract, are material, true and correct.
- 1.16.** Prohibited Interest: A SFA BOR member, officer, director, or employee may not have a direct interest in the gains or profits from any contract executed by SFA pursuant to this RFQ, and may not receive any pay or emolument for any service performed for Contractor.
- 1.17.** In the case where a SFA BOR member, officer, director, or employee receives any payment from Contractor for any services performed by Contractor or for any gains or profits from the Contract, SFA may terminate the Contract immediately. Under such circumstances, Contractor must complete any outstanding SFA transactions and provide transition data and information as required to a new

contractor within thirty (30) days. SFA may not consider Qualifications from Contractor for two full years thereafter. Contractor shall hold SFA harmless for any costs, expenses and damages associated with such termination. This section survives termination of the contract.

- 2. Confidential or Proprietary Information** – Respondent shall indicate whether their Qualifications contain any information marked as Confidential or Proprietary Information. If any material in the Qualifications is marked as Confidential or Proprietary Information, include a separate sheet or sheets behind this Attachment A that contains all of the Confidential or Proprietary Information submitted with the Qualifications.

The Qualifications contain Confidential or Proprietary Information: Yes_____ No_____

3. ADDENDA CHECKLIST

By so marking below, Respondent acknowledges receipt of the following addenda to the RFQ.

Addenda No _____	Dated _____
Addenda No _____	Dated _____
Addenda No _____	Dated _____
Addenda No _____	Dated _____
Addenda No _____	Dated _____

4. REQUIRED PRICING FORMAT

Respondent shall provide below their proposed rates for the services to provide on behalf of SFA. All rates shall be quoted on a fixed-fee, all-inclusive basis, including travel, lodging, meals, and other out-of-pocket expenses. **Respondents are required to provide pricing in the format listed in the table below.**

SFA wishes to receive separate price information pertaining to the (1) the professional rate per hour proposed for each position, and (2) the aggregated travel and administrative costs associated with the provision of services for each position expressed as an hourly rate. The total blended rate per hour is the sum of these two hourly rates.

	Position Proposed	Name of Staff Proposed	Professional Rate Per Hour	Travel and Administration Rate per Hour	Total Blended Rate per Hour
1					
2					
3					
4					
5					
6					
7					
8					

5. CONTACT INFORMATION AND AUTHORIZED SIGNATURE

Respondent represents and warrants that the individual signing this Execution of Qualifications is

authorized to sign this document on behalf of Respondent and to bind Respondent under any contract resulting from the Qualifications.

Respondent's Business Name:	
Address:	
City, State, Zip:	
Federal Employer Identification Number:	
Respondent's Contact:	
Phone Number:	
E-Mail Address:	
Authorized Signature:	
Printed Name:	
Title:	
Date:	

Respondent's authorized agent must manually sign above. Failure to manually sign Qualifications shall result in disqualification of the Qualifications.

All Confidential or Proprietary Information, if any, to be included on sheet(s) after this page.

THIS ATTACHMENT SHALL BE RETURNED WITH QUALIFICATIONS OR QUALIFICATIONS MAY BE DISQUALIFIED.

ATTACHMENT B

HUB SUBCONTRACTING PLAN



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.*

The HUB Subcontracting GOAL for this procurement is: 29.6% for professional services. Vendors are required to provide a minimum 7 working days notice to notice of subcontracting opportunities.

Failure to submit a HUB Subcontracting Plan will disqualify the entire response from consideration. The HUB Subcontracting Plan (HSP) will be evaluated independently of the response. If the HSP does not reflect a good faith effort to subcontract with HUBs, the entire response will be disqualified

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 do not 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/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 do not have a <u>continuous contract*</u> in place for <u>more than five (5) years</u> .	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract*</u> in place for <u>more than five (5) years</u> .	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
(mm/dd/yyyy)

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.

Rev. 2/17

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>

Item Number: Description:

[illegible]

Page 1 of 1
(Attachment A)

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/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?
			- 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 (mm/dd/yyyy)	Was the Notice Accepted?
		- Yes - No
		- Yes - No

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

Rev. 2/17

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.

SECTION A: PRIME CONTRACTOR'S INFORMATION

Company Name: _____

State of Texas VID #: _____

Point-of-Contact: _____

Phone #: _____

E-mail Address: _____

Fax #: _____

SECTION B: CONTRACTING STATE AGENCY AND REQUISITION INFORMATION

Agency Name: _____

Point-of-Contact: _____

Phone #: _____

Requisition #: _____

Bid Open Date: _____

(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

ATTACHMENT C

References

Respondent shall provide a minimum of three (3) references for whom the Respondent has performed similar services as those required under this RFQ. All references shall be for work performed within the last five (5) years. This information may be used in evaluating Respondent's capabilities, Respondent's prior performance, and other indicators of Respondent's probable performance under any PO resulting from this RFQ.

Reference Company:	
Company Address:	
City/State/Zip:	
Contact Name & Title:	
Phone Number:	
E-Mail Address:	
Project Name and Description:	
Project Cost and Duration:	
Significant Impacts:	
Measurable Outcomes:	
Reference Company:	
Company Address:	
City/State/Zip:	
Contact Name & Title:	
Phone Number:	
E-Mail Address:	
Project Name and Description:	
Project Cost and Duration:	
Significant Impacts:	
Measurable Outcomes:	
Reference Company:	
Company Address:	
City/State/Zip:	
Contact Name & Title:	
Phone Number:	
E-Mail Address:	
Project Name and Description:	
Project Cost and Duration:	
Significant Impacts:	
Measurable Outcomes:	

**THIS ATTCHMENT SHALL BE RETURNED WITH QUALIFICATIONS OR
QUALIFICATIONS MAY BE DISQUALIFIED**

ATTACHMENT D

Non-Collusion Affidavit

The undersigned, duly authorized to represent the persons, firms and corporations joining and participating in the submission of the foregoing Proposal (such persons, firms and corporations hereinafter being referred to as the "Respondents"), being duly sworn, on his or her oath, states that to the best of his or her belief and knowledge no person, firm or corporation, nor any person duly representing the same joining and participating in the submission of the foregoing Proposal, has directly or indirectly entered into any agreement or arrangement with any other Respondent, or with any official of SFA or any employee thereof, or any person, firm or corporation under contract with SFA whereby the Respondent, in order to induce acceptance of the foregoing Proposal by said SFA, has paid or is to pay to any other Respondent or to any of the aforementioned persons anything of value whatsoever, and that the Respondent has not, directly or indirectly entered into any arrangement or agreement with any other Respondent or Respondent which tends to or does lessen or destroy free competition in the letting of the contract sought for by the foregoing Proposal.

The Respondent hereby certifies that neither it, its officers, partners, owners, providers, representatives, employees and/or parties in interest, including the affiant, have in any way colluded, conspired, connived or agreed, directly or indirectly, with any other Respondent, potential Respondent, firm or person, in connection with this solicitation, to submit a collusive or sham bid, to refrain from bidding, to manipulate or ascertain the price(s) of other Respondents or potential Respondents, or to obtain through any unlawful act an advantage over other Respondents or SFA.

The prices submitted herein have been arrived at in an entirely independent and lawful manner by the Respondent without consultation with other Respondents or potential Respondents or foreknowledge of the prices to be submitted in response to this solicitation by other Respondents or potential Respondents on the part of the Respondent, its officers, partners, owners, providers, representatives, employees or parties in interest including the affiant.

CONFLICT OF INTEREST

The undersigned Respondent and each person signing on behalf of the Respondent certifies, and in the case of a sole proprietorship, partnership or corporation, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief, no member of SFA, nor any member of its Board of Regents, employee, or person whose salary is payable in whole or in part by SFA, has a direct or indirect financial interest in the award of the Proposal, or in the services to which this Proposal relates, or any of the profits, real or potential, thereof, except as noted otherwise herein.

Signature _____

Company name _____

Date _____

ATTACHMENT E

SFA Internal Audit Charter

SFASU DEPARTMENT OF AUDIT SERVICES INTERNAL AUDIT ACTIVITY CHARTER

INTRODUCTION

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

PURPOSE

The purpose of the Department of Audit Services is to provide Stephen F. Austin State University (SFASU) Board of Regents and the President an independent appraisal of the adequacy and the effectiveness of the University's system of internal administrative and accounting controls and the quality of performance when compared with established standards. The primary objective is to assist the Board of Regents, the President and University management in the effective discharge of their responsibilities.

ROLE

The internal audit activity is established per the Texas Internal Auditing Act. The Department of Audit Services at SFASU is the internal audit activity. The SFASU Board of Regents Finance and Audit Committee provides oversight. The Department of Audit Services works to be a trusted advisor to management in the areas of governance, risk management and internal controls.

PROFESSIONALISM

The Department of Audit Services will govern itself by adherence to The Institute of Internal Auditors' mandatory guidance including the *Definition of Internal Auditing*, the *Code of Ethics*, the *Core Principles*, and *International Standards for the Professional Practice of Internal Auditing (Standards)*, as well as *Generally Accepted Government Auditing Standards* as required by the Texas Internal Auditing Act. This mandatory guidance constitutes principles of the fundamental requirements for the Professional Practice of Internal Auditing and for evaluating the effectiveness of the internal audit activity's performance.

The Institute of Internal Auditors' *Implementation Guidance* and *Supplemental Guidance* will also be adhered to as applicable. In addition, the Department of Audit Services will adhere to relevant SFASU policies and procedures and the Department of Audit Services procedures manual.

AUTHORITY

The Department of Audit Services, with strict accountability for confidentiality and safeguarding records and information, is authorized unrestricted access to any and all of SFASU records, both manual and electronic; physical properties and assets; activities; systems; and personnel pertinent to carrying out any engagement. All SFASU employees should make an effort in a timely and ethical manner to assist the Department of Audit Services in fulfilling its roles and

ATTACHMENT E

SFA Internal Audit Charter

SFASU DEPARTMENT OF AUDIT SERVICES INTERNAL AUDIT ACTIVITY CHARTER

responsibilities when requested for an audit, investigation, or other activity. The Chief Audit Executive (CAE) will also have free and unrestricted access to the Finance and Audit Committee.

ORGANIZATION

The Department of Audit Services is an integral part of SFASU and functions in accordance with the policies established by the Board of Regents and President. To provide for the independence of the Department of Audit Services, the CAE is appointed by the Board of Regents in accordance with the Board of Regents Rules and Regulations. The CAE reports functionally to the Board of Regents and administratively to the President.

The CAE will communicate and interact directly with the Finance and Audit Committee, including committee meetings, executive sessions where allowed by law, and between committee meetings, as appropriate. Responsibilities of the Finance and Audit Committee are outlined in the Board of Regents Rules and Regulations.

INDEPENDENCE AND OBJECTIVITY

The Department of Audit Services will remain free from interference by any element in the University, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of a necessary independent and objective mental attitude.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair internal auditor judgment. Internal auditors may provide assurance services where they have previously performed consulting services provided the nature of the consulting did not impair objectivity, and provided individual objectivity is managed when assigning resources to the engagement.

Internal auditors will exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors will make a balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

The CAE will confirm to the Finance and Audit Committee Chair the organizational independence of the Department of Audit Services and its staff members.

RESPONSIBILITY

The Department of Audit Services scope encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the University's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the University's stated goals and objectives. This includes:

- Developing a flexible, annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submitting that plan to

ATTACHMENT E

SFA Internal Audit Charter

SFASU DEPARTMENT OF AUDIT SERVICES INTERNAL AUDIT ACTIVITY CHARTER

the President and Finance and Audit Committee for review and to the Board of Regents for approval on an annual basis.

- Developing and utilizing a systematic, disciplined approach for performing internal audits.
- Providing audit coverage that consistently meets the needs and expectations of the Board of Regents, President, and oversight agencies where applicable.
- Developing relationships throughout the University to become a trusted advisor to management on risk management, governance and internal control matters.
- Maintaining a professional audit staff with sufficient knowledge, skills, abilities, experience, and professional certifications.
- Evaluating risk exposure relating to achievement of the University's strategic objectives.
- Evaluating the reliability and integrity of financial and operational information and the means used to identify, measure, classify, and report such information.
- Evaluating the systems established to ensure compliance with policies, plans, procedures, laws, and regulations which could have a significant impact on the University.
- Evaluating compliance with laws, regulations, policies, procedures, and controls.
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Evaluating the effectiveness and efficiency with which resources are employed.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned and the effectiveness and efficiency of the operations and programs.
- Evaluating risk management, control, and governance processes.
- Evaluating the quality of performance of external auditors and the degree of coordination with internal audit, as applicable.
- Serving as liaison and coordinating the efforts of external auditors.
- Performing consulting services related to governance, risk management and control as appropriate for the University and documenting the understanding of the consulting engagement objectives, scope, responsibilities and expectations for significant engagements.
- Performing advisory services related to governance, risk management and control as appropriate for the University. Such services may include management requests, participation on University committees, policy reviews, and participation on teams for information technology projects and business process improvements.
- Evaluating specific operations at the request of the Finance and Audit Committee or management, as appropriate.
- Conducting inquiries or investigations of suspected fraudulent activities in accordance with SFASU Policy 2.7, *Fraud*.
- Conducting inquiries or investigations of ethics or compliance matters with the General Counsel per SFASU Policy 2.12, *Compliance*.
- Assisting with the anti-fraud program for the University.
- Facilitating risk assessment processes with management.
- Maintaining a list of management action plans from audits and projects and performing follow-up on the plans as considered necessary.
- Providing a systematic, disciplined approach to evaluate and improve the effectiveness of the University's risk management, control, and governance processes related to contracts and risk-based testing of contract administration.

ATTACHMENT E

SFA Internal Audit Charter

SFASU DEPARTMENT OF AUDIT SERVICES INTERNAL AUDIT ACTIVITY CHARTER

INTERNAL AUDIT PLAN

At least annually, the CAE will submit to the Finance and Audit Committee an internal audit plan for review and approval. The internal audit plan will consist of a work schedule as well as budget and resource requirements for the next fiscal year. The internal audit plan will be developed based on a prioritization of the audit universe using an appropriate risk-based methodology, including input of senior management and the Finance and Audit Committee Chair. The CAE will consider audits such as those required for information security, contracts, contract administration, investments, and other areas. The CAE will review and adjust the plan, as necessary, in response to changes in the internal audit resource levels or the University's business, risks, operations, programs, systems, and controls. Any significant deviation from the internal audit plan will be communicated to the Finance and Audit Committee Chair.

REPORTING AND MONITORING

The CAE or designee will communicate the results of each internal audit engagement to the appropriate individuals. Internal audit results will also be communicated to the Finance and Audit Committee and state and federal oversight agencies as required.

Communication of the engagement results may vary in form and content depending upon the nature of the engagement and the needs of the client. Where applicable, a formal internal audit report will include management's response and corrective action taken or to be taken in regard to the specific findings and recommendations. Management's response should include an implementation date for anticipated completion of action.

The Department of Audit Services will be responsible for appropriate follow-up on management action plans to address engagement findings and recommendations and reporting the results to appropriate management members and the Finance and Audit Committee. All significant findings will remain as open issues until reviewed and cleared by the Department of Audit Services.

The Department of Audit Services will fulfill reporting requirements for audit reports and the annual report, including the annual audit plan, as prescribed by the Texas Internal Auditing Act.

The CAE will periodically report to the Finance and Audit Committee on the Department of Audit Services' purpose, authority, and responsibility, as well as performance relative to its audit plan. Reporting will also include significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the President and the Finance and Audit Committee.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

The CAE will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of the internal audit activity's conformance with the *Definition of Internal Auditing*, the *Core Principles*, and the *Standards* and an evaluation of whether internal auditors apply the *Code of Ethics*, as well as *Generally Accepted Government Auditing Standards* and the Texas Internal Audit Act as applicable. The program also

ATTACHMENT E

SFA Internal Audit Charter

SFASU DEPARTMENT OF AUDIT SERVICES INTERNAL AUDIT ACTIVITY CHARTER

assesses the efficiency and effectiveness of the Department of Audit Services and identifies opportunities for improvement.

The CAE will communicate to the Finance and Audit Committee on the Department of Audit Services quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every three years.

RELEVANT STATUTES AND POLICIES

- Texas Internal Auditing Act, Government Code Chapter 2102
- SFASU Board of Regents Rules and Regulations
- SFASU Policy 2.7, *Fraud*
- SFASU Policy 2.12, *Compliance*
- SFASU Policy 2.6, *Ethics*

APPROVAL

The Internal Audit Activity Charter was submitted by the Chief Audit Executive for review and approval by the Finance and Audit Committee and Board of Regents on November 1, 2021.

ATTACHMENT F

Security-Sensitive Positions Policy

Security-Sensitive Positions

Original Implementation: May 1, 1989

Last Revision: February 2, 2021

Purpose

This policy defines and establishes requirements when hiring for all security-sensitive positions.

Definition

Security-sensitive positions are those in which employees handle currency, have access to a computer terminal, master key, personal information or identifying information of another person, financial information of the employer or another person, or work in an area of the university which has been designated as a security-sensitive area.

General

Positions designated as security-sensitive will be identified as such in individual job descriptions, in any advertisement for job applicants, and in all personnel transaction forms and correspondence with human resources concerning recruitment. The department head is responsible for ensuring positions are correctly identified as being security-sensitive.

Human resources will conduct a criminal record check prior to employment in security-sensitive positions. The candidate may be offered employment by the university contingent upon the evaluation of the criminal history record check. If the check reveals a criminal record, the director of human resources will evaluate the record in light of the university's policy on employment of persons with criminal history and confer with the department head on whether the employee will be recommended or not recommended for employment. A recommendation for employment will be made when there is no criminal record or when there is a record but it is not considered a bar to employment of the candidate by the university for that position.

Cross Reference: Tex. Educ. Code § 51.215; Tex. Gov't Code § 411.094; Employment of Persons with Criminal History (11.12)

Responsible for Implementation: Vice President for Finance and Administration

Contact for Revision: Director of Human Resources and General Counsel

Forms: None

Board Committee Assignment: Academic and Student Affairs