

REQUEST FOR PROPOSAL

RFP COVER SHEET

Administrative Information

RFP Number	005-RFP-0676-2024	Title of RFP	Automation of Pharmacy Packaging and Processing	
Agency	Iowa Department of Administrative Services (DAS)			
Number of years of the initial term of the contract	2	Number of possible annual extensions	4	
Available to other State agencies?	Yes			
Available to Political Subdivisions?	Yes			
State Issuing Officer: Sara Grier Phone: 515-823-9083 E-mail: sara.grier@iowa.gov				
PROCUREMENT TIMETABLE—Event or Action			Date/Time (Central Time)	
State Posts Notice of RFP on TSB website			11/8/2023 12:00pm CST	
State Issues RFP			11/10/2023 12:00pm CST	
RFP written questions, requests for clarification, and suggested changes from Respondents due			11/30/2023 3:00pm CST	
Proposals Due			12/14/2023 3:00pm CST	
Relevant Websites				
Internet website where Addenda to this RFP will be posted http://bidopportunities.iowa.gov and IMPACS Electronic Procurement System .				
Internet website where contract terms and conditions are posted https://das.iowa.gov/sites/default/files/procurement/pdf/050116%20terms%20services.pdf https://das.iowa.gov/sites/default/files/procurement/pdf/050116%20terms%20goods.pdf https://das.iowa.gov/sites/default/files/procurement/pdf/Terms%20and%20Conditions%20for%20Federal%20Compliance.pdf				
Firm Proposal Terms				
The minimum number of days following the deadline for submitting proposals that the Respondent guarantees all proposal terms, including price, will remain firm is 120 Days.				

SECTION 1 INTRODUCTION

1.1 Purpose

The purpose of this Request for Proposals (RFP) is to solicit proposals from Responsible Respondents to provide the goods and/or services identified on the RFP cover sheet and further described in Section 4 of this RFP to the Agency identified on the RFP cover sheet. The Agency intends to award a Contract(s) for the initial period identified on the RFP cover sheet, and the Agency, in its sole discretion, may extend the Contract(s) for up to the number of annual extensions identified on the RFP cover sheet.

1.2 Definitions

For the purposes of this RFP and the resulting contract, the following terms shall mean:

“Agency” means the agency identified on the RFP cover sheet that is issuing the RFP and any other agency that purchases from the Contract.

“Contract” means the contract(s) entered into with the successful Respondent(s) as described in Section 6.1.

“Contractor” means the awarded business/person to provide the contractual services agreed upon.

“Deliverable” means the completion of a milestone or accomplishment of a task.

“General Terms and Conditions” means the General Terms and Conditions for Services Contracts as referenced on the RFP cover page.

“Proposal” means the Respondent’s proposal submitted in response to the RFP.

“Respondent” means the company, organization or other business entity submitting a proposal in response to this RFP.

“Responsible Respondent” means a Respondent that has the capability in all material respects to perform the scope of work and specifications of the Contract. In determining whether a Respondent is a Responsible Respondent, the Agency may consider various factors including, but not limited to, the Respondent’s competence and qualifications to provide the goods or services requested, the Respondent’s integrity and reliability, the past performance of the Respondent and the best interest of the Agency and the State.

“Responsive Proposal” means a Proposal that complies with the material provisions of this RFP.

“RFP” means this Request for Proposals and any attachments, exhibits, schedules or addenda hereto.

“State” means the State of Iowa, the Agency, and all state agencies, boards, and commissions, and any political subdivisions making purchases from the Contract as permitted by this RFP.

1.3 Overview of the RFP Process

This RFP is designed to provide Respondents with the information necessary for the preparation of competitive Proposals. The RFP process is for the Agency's benefit and is intended to provide the Agency with competitive information to assist in the selection process. It is not intended to be comprehensive. Each Respondent is responsible for determining all factors necessary for submission of a comprehensive Proposal.

Respondent should review Request for Confidentiality, for more information if its Proposal contains confidential information. Any Proposal marked "Confidential" or "Proprietary" on every page may be disqualified.

It is the Agency's intention to evaluate Proposals from all Respondents that submit timely Responsive Proposals, and award the Contract(s) in accordance with evaluation and selection criteria provided in this RFP.

1.4 Objectives

The State of Iowa is seeking respondent with pharmacy automated packaging, labeling and processing systems that does not require staff to manually operate allowing staff to directly focus on meeting patients needs. Automated packaging and labeling equipment shall package but not be limited to single cell punch cards that must be cold or heat sealed, foil backed, air tight. Other packaging options and equipment would be evaluated for other agencies and political subdivisions in the State of Iowa. Product listing and software selection shall exhibit equipment able to produce at a minimum 10-50 cards per minute with are labeled with bar code, generic drug name, lot number, expiration date, NDC and brand name (when available). Equipment to accommodate multiple size of tablets or capsules and hold bulk medication quantities up to 5,000 pills. Monthly printing and processing capacity of cards and prescriptions a month is 25,000 to 30,000. REson Software requirements are optional to interface with TX processing software and Medical ICON program created by ATG. Respondent to provide supplies to start up (including but not limited to printers, labels, ink, card, cups, blisters). Additionally, adequate and routine maintenance of the machinery with regular operational maintenance is to be considered.

Our objectives are:

- Less manual input and streamline pharmacy processing and packaging
- Leverage technology and equipment to minimize staff
- Help ensure that only authorized software is used
- Provide better insight into new equipment and software needs for future planning of new and existing facilities
- Adapt to increasing growth in the number of customers served and facilities needing equipment and service
- Ensure privacy and quality standards are met with software and equipment

1.5 Background

The State of Iowa is seeking Respondents to participate in our Request for Proposal for automation of pharmacy through packaging and processing including medical dispensing cabinets. This RFP is for qualified respondents to submit their product offering for equipment and services that would enhance the automation of pharmacies by packaging and filling prescriptions

at state and political subdivision facilities. This equipment would allow staff to focus directly on patient needs without manually processing and packaging prescriptions.

SECTION 2 ADMINISTRATIVE INFORMATION
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2.1 Issuing Officer

The Issuing Officer identified in the RFP cover sheet is the sole point of contact regarding the RFP from the date of issuance until a Notice of Intent to Award the Contract is issued.

2.2 Restriction on Communication

From the issue date of this RFP until a Notice of Intent to Award the Contract is issued, Respondents may contact only the Issuing Officer. The Issuing Officer will respond only to written questions regarding the procurement process. Questions related to the interpretation of this RFP must be submitted as provided in Section 2. Oral questions related to the interpretation of this RFP will not be accepted. Respondents may be disqualified if they contact any State employee other than the Issuing Officer about the RFP except that Respondents may contact the State Targeted Small Business Office on issues related to the preference for Targeted Small Businesses.

This section shall not be construed as restricting communications related to the administration of any contract currently in effect between a Respondent and the State.

2.3 Downloading the RFP from the Internet

The RFP and any addenda to the RFP will be posted at <http://bidopportunities.iowa.gov/> and [IMPACS Electronic Procurement System](#). The Respondent is advised to check the website periodically for addenda to this RFP, particularly if the Respondent downloaded the RFP from the Internet as the Respondent may not automatically receive addenda. It is the Respondent's sole responsibility to check daily for addenda to posted documents.

2.4 Procurement Timetable

The dates provided in the procurement timetable on the RFP cover sheet are provided for informational and planning purposes. The Agency reserves the right to change the dates. If the Agency changes any of the deadlines for Respondent submissions, the Agency will issue an addendum to the RFP.

2.5 Questions, Requests for Clarification, and Suggested Changes

Respondents are invited to submit written questions and requests for clarifications regarding the RFP. Respondents may also submit suggestions for changes to the specifications of this RFP. The questions, requests for clarifications, or suggestions must be in writing and received by the Issuing Officer on or before the date and time listed on the RFP cover sheet. Oral questions will not be permitted. If the questions, requests for clarifications, or suggestions pertain to a specific section of the RFP, Respondent shall reference the page and section number(s). The Agency will post written responses to questions, requests for clarifications, or suggestions received from Respondents. The Agency's written responses will become an addendum to the RFP. If the Agency

decides to adopt a suggestion that modifies the RFP, the Agency will issue an addendum to the RFP.

The Agency assumes no responsibility for oral representations made by its officers or employees unless such representations are confirmed in writing and incorporated into the RFP through an addendum.

2.6 Amendment to the RFP

The Agency reserves the right to amend the RFP at any time using an addendum. The Respondent shall acknowledge receipt of all addenda in its Proposal. If the Agency issues an addendum after the due date for receipt of Proposals, the Agency may, in its sole discretion, allow Respondents to amend their Proposals in response to the addendum.

2.7 Amendment and Withdrawal of Proposal

The Respondent may amend or withdraw and resubmit its Proposal at any time before the Proposals are due. The amendment must be in writing, signed by the Respondent and received by the time set for the receipt of Proposals. Electronic mail and faxed amendments will not be accepted. Respondents must notify the Issuing Officer in writing prior to the due date for Proposals if they wish to completely withdraw their Proposals.

2.8 Submission of Proposals

Respondent must submit Proposal in the State's [IMPACS Electronic Procurement System](#) before the "Proposals Due" date and time listed on the RFP cover sheet. **This is a mandatory specification and will not be waived by the Agency. Any Proposal received after this deadline will be rejected and returned unopened to the Respondent.** Respondents sending Proposals must allow ample upload time to ensure timely receipt of their Proposals. It is the Respondent's responsibility to ensure that the Proposal is received prior to the deadline. Electronic mail and faxed Proposals will not be accepted. There is a 50MB per file size limitation, but no limit to number of files. Plan accordingly.

Respondents must furnish all information necessary to enable the Agency to evaluate the Proposal. Oral information provided by the Respondent will not be considered part of the Respondent's Proposal unless it is reduced to writing.

2.9 Proposal Opening

The Agency will open Proposals after the deadline for submission of Proposals has passed. The Proposals will remain confidential until the Agency has issued a Notice of Intent to Award a Contract. *See Iowa Code Section 72.3.* However, the names of Respondents who submitted timely Proposals will be publicly available after the Proposal opening. The announcement of Respondents who timely submitted Proposals does not mean that an individual Proposal has been deemed technically compliant or accepted for evaluation.

2.10 Costs of Preparing the Proposal

The costs of preparation and delivery of the Proposal are solely the responsibility of the Respondent.

2.11 No Commitment to Contract

The Agency reserves the right to reject any or all Proposals received in response to this RFP at any time prior to the execution of the Contract. Issuance of this RFP in no way constitutes a commitment by the Agency to award a contract.

2.12 Rejection of Proposals

The Agency may reject outright and not evaluate a Proposal for reasons including, without limitation:

- 2.12.1** The Respondent fails to deliver the Cost Proposal as a separate file.
- 2.12.2** The Respondent acknowledges that a mandatory specification of the RFP cannot be met.
- 2.12.3** The Respondent's Proposal changes a material specification of the RFP or the Proposal is not compliant with the mandatory specification of the RFP.
- 2.12.4** The Respondent's Proposal limits the rights of the Agency.
- 2.12.5** The Respondent fails to include information necessary to substantiate that it will be able to meet a specification of the RFP as provided in Section 4 of the RFP.
- 2.12.6** The Respondent fails to timely respond to the Agency's request for information, documents, or references.
- 2.12.7** The Respondent fails to include proposal security, if required.
- 2.12.8** The Respondent fails to include any signature, certification, authorization, stipulation, disclosure or guarantee as provided in Section 4 of this RFP.
- 2.12.9** The Respondent presents the information requested by this RFP in a format inconsistent with the instructions of the RFP or otherwise fails to comply with the specifications of this RFP.
- 2.12.10** The Respondent initiates unauthorized contact regarding the RFP with a State employee other than the Issuing Officer.
- 2.12.11** The Respondent provides misleading or inaccurate responses.
- 2.12.12** The Respondent's Proposal is materially unbalanced. A Proposal in which line item prices are structured so that it is possible that the Respondent who appears to be low will not end up having the lowest overall cost to the State, due to high prices on particular line items.
- 2.12.13** There is insufficient evidence (including evidence submitted by the Respondent and evidence obtained by the Agency from other sources) to satisfy the Agency that the Respondent is a Responsible Respondent.

2.12.14 The Respondent is a “scrutinized company” included on a “scrutinized company list” created by a public fund pursuant to Iowa Code section 12J.3.

2.13 Nonmaterial Variances

The Agency reserves the right to waive or permit cure of nonmaterial variances in the Proposal if, in the judgment of the Agency, it is in the State’s best interest to do so. Nonmaterial variances include but are not limited to, minor failures to comply that: do not affect overall responsiveness, are merely a matter of form or format, do not change the relative standing or otherwise prejudice other Respondents, do not change the meaning or scope of the RFP, or do not reflect a material change in the specifications of the RFP. In the event the Agency waives or permits cure of nonmaterial variances, such waiver or cure will not modify the RFP specifications or excuse the Respondent from full compliance with RFP specifications or other Contract specifications if the Respondent is awarded the Contract. The determination of materiality is in the sole discretion of the Agency.

2.14 Reference Checks

The Agency reserves the right to contact any reference to assist in the evaluation of the Proposal, to verify information contained in the Proposal and to discuss the Respondent’s qualifications and the qualifications of any subcontractor identified in the Proposal.

2.15 Information from Other Sources

The Agency reserves the right to obtain and consider information from other sources concerning a Respondent, such as the Respondent’s capability and performance under other contracts, the qualifications of any subcontractor identified in the Proposal, the Respondent’s financial stability, past or pending litigation, and other publicly available information.

2.16 Verification of Proposal Contents

The content of a Proposal submitted by a Respondent is subject to verification. If the Agency determines in its sole discretion that the content is in any way misleading or inaccurate, the Agency may reject the Proposal.

2.17 Proposal Clarification Process

The Agency reserves the right to contact a Respondent after the submission of Proposals for the purpose of clarifying a Proposal. This contact may include written questions, interviews, site visits, a review of past performance if the Respondent has provided goods and/or services to the State or any other political subdivision wherever located, or requests for corrective pages in the Respondent’s Proposal. The Agency will not consider information received from or through Respondent if the information materially alters the content of the Proposal or the type of goods and/or services the Respondent is offering to the Agency. An individual authorized to legally bind the Respondent shall sign responses to any request for clarification. Responses shall be submitted to the Agency within the time specified in the Agency’s request. Failure to comply with requests for additional information may result in rejection of the Proposal.

2.18 Disposition of Proposals

All Proposals become the property of the State and shall not be returned to the Respondent. Once the Agency issues a Notice of Intent to Award the Contract, the contents of all Proposals will be public records and be available for inspection by interested parties, except for information for

which Respondent properly requests confidential treatment according to exceptions provided in *Iowa Code Chapter 22* or other applicable law.

2.19 Public Records and Requests for Confidential Treatment

The Agency's release of public records is governed by Iowa Code chapter 22. Respondents are encouraged to familiarize themselves with Chapter 22 before submitting a Proposal. The Agency will copy and produce public records upon request as required to comply with Chapter 22 and will treat all information submitted by a Respondent as non-confidential records unless Respondent requests specific parts of the Proposal be treated as confidential at the time of the submission as set forth herein **AND the information is confidential under Iowa or other applicable law.**

2.20 Copyright Permission

By submitting a Proposal, the Respondent agrees that the Agency may copy the Proposal for purposes of facilitating the evaluation of the Proposal or to respond to requests for public records. By submitting a Proposal, the Respondent consents to such copying and warrants that such copying will not violate the rights of any third party. The Agency shall have the right to use ideas or adaptations of ideas that are presented in Proposals.

2.21 Release of Claims

By submitting a Proposal, the Respondent agrees that it will not bring any claim or cause of action against the Agency or the State based on Respondent's misunderstanding concerning the information provided in the RFP or concerning the Agency's or the State's failure, negligent or otherwise, to provide the Respondent with complete, pertinent, or accurate information in this RFP, or for any failure to provide information that any Respondent might consider relevant for purposes of making a decision to submit a Proposal or to enter into any Contract resulting from this RFP.

2.22 Respondent Presentations

Respondents may be required to make a presentation. The determination as to need for presentations, and the location, order, and schedule of the presentations is at the sole discretion of the Agency. The presentation may include slides, graphics and other media selected by the Respondent to illustrate the Respondent's Proposal. The presentation shall not materially change the information contained in the Proposal.

2.23 Evaluation of Proposals Submitted

Proposals that are timely submitted and are not rejected will be reviewed in accordance with Section 5 of the RFP. The Agency will not necessarily award a Contract resulting from this RFP to the Respondent offering the lowest cost. Instead, the Agency will award the Contract(s) to the Responsible Respondent(s) whose Responsive Proposal the agency believes will provide the best value to the Agency and the State.

2.24 Award Notice and Acceptance Period

Notice of Intent to Award the Contract(s) will be sent to all Respondents submitting a timely Proposal and may be posted at the website shown on the RFP cover sheet. Negotiation and execution of the Contract(s) shall be completed no later than thirty (30) days from the date of the Notice of Intent to Award or such other time as designated by Agency. If the successful Respondent fails to negotiate and deliver an executed Contract by that date, the Agency, in its

sole discretion, may cancel the award and award the Contract to the remaining Respondent the Agency believes will provide the best value to the State.

2.25 No Contract Rights until Execution

No Respondent shall acquire any legal or equitable rights regarding the Contract unless and until the Contract has been fully executed by the successful Respondent and the Agency.

2.26 Choice of Law and Forum

This RFP and the Contract shall be governed by the laws of the State of Iowa. Changes in applicable laws and rules may affect the award process or the Contract. Respondents are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP shall be brought in the appropriate Iowa forum.

2.27 Preference

By virtue of statutory authority, a preference will be given to products and provisions grown and coal produced within the state of Iowa. Preference application: Tied responses to solicitations, regardless of the type of solicitation, are decided in favor of Iowa products and Iowa-based businesses per 11 IAC 117.5(1)-(2), 117.12(4).

2.28 Restrictions on Gifts and Activities

Iowa Code Chapter 68B restricts gifts which may be given or received by State employees and requires certain individuals to disclose information concerning their activities with State government. Respondents are responsible to determine the applicability of this Chapter 68B to their activities and to comply with its requirements. In addition, pursuant to *Iowa Code section 722.1*, it is a felony offense to bribe or attempt to bribe a public official.

2.29 No Minimum Guaranteed

The Agency does not guarantee any minimum level of purchases under the Contract.

2.30 Post Solicitation Debriefing

A debriefing is available to any Respondent who submitted a proposal in response to this RFP. Respondent shall submit a written request for a debriefing to the Issuing Officer via email or other delivery method. All Respondents will be accorded fair and equal treatment with respect to its opportunity for debriefing. The debriefing shall be scheduled by the Agency as soon as practicable after the receipt of debriefing request.

2.31 Appeals

A Respondent whose Proposal has been timely filed and who is aggrieved by the Notice of Intent to Award of the Department may appeal the decision by emailing a written notice of appeal (in accordance with 11—Chapter 117.20, Iowa Administrative Code) to the Director of the Department of Administrative Services and carbon copy to the Issuing Officer. The notice must be filed within five (5) days of the date of the Notice of Intent to Award issued by the Department, exclusive of Saturdays, Sundays, and legal state holidays. The written notice may be filed by fax transmission to 515.725.2064. The notice of appeal must clearly and fully identify all issues being contested by reference to the page, section and line number(s) of the RFP and/or the Notice of

Intent to Award. A notice of appeal may not stay negotiations with the apparent successful Respondent.

SECTION 3 FORM AND CONTENT OF PROPOSALS

3.1 Instructions

These instructions describe and define the format and content of the Proposal. They are designed to facilitate a uniform review process. Failure to adhere to the Proposal format may result in the rejection of the Proposal.

3.1.1 The Proposal shall be divided into two parts: (1) the Technical Proposal and (2) the Cost Proposal. The Technical Proposal and the Cost Proposal shall be labeled as such as separate files. The files shall be labeled with the following information:

005-RFP-0676-2024 – Respondent Name –Technical Proposal

005-RFP-0676-2024 – Respondent Name –Cost Proposal

3.1.2 Files must be attached to Respondents submission in the State’s [IMPACS Electronic Procurement System](#).

3.1.3 If the Respondent designates any information in its Proposal as confidential pursuant to Section 2, the Respondent must also submit public copy Proposal from which confidential information has been excised as provided in Section 2 and which is marked “Public Copy”.

005-RFP-0676-2024 – Respondent Name – Public Copy

3.1.4 Proposals shall not contain promotional or display materials.

3.1.5 Attachments shall be referenced in the Proposal.

3.1.6 If a Respondent proposes more than one solution to the RFP specifications, each shall be labeled and submitted in a separate Proposal and each will be evaluated separately.

3.2 Technical Proposal

Any information provided in the Technical Proposal is subject to consideration for consideration, evaluation, and scoring. The following documents and responses shall be included in the Technical Proposal in the order given below:

Exhibit 1 - Transmittal Letter (Required)

An individual authorized to legally bind the Respondent shall sign the transmittal letter. The letter shall include the Respondent’s mailing address, electronic mail address, fax number, and telephone number.

Exhibit 2 - Executive Summary

The Respondent shall prepare an executive summary and overview of the goods and/or services it is offering, including all of the following information:

- Statements that demonstrate that the Respondent has read and understands the terms and conditions of the RFP including the Contract provisions in Section 6.
- An overview of the Respondent’s plans for complying with the specifications of this RFP.
- Any other summary information the Respondent deems to be pertinent.

Exhibit 3 - Firm Proposal Terms

The Respondent shall guarantee in writing the goods and/or services offered in the Proposal are currently available and that all Proposal terms, including price, will remain firm for the number days indicated on the RFP cover sheet following the deadline for submitting Proposals.

Exhibit 4 - Respondent Background Information

The Respondent shall provide the following general background information:

- Does your state have a preference for instate Contractors? Yes or No. If yes, please include the details of the preference.
- Name, address, telephone number, fax number and e-mail address of the Respondent including all d/b/a's or assumed names or other operating names of the Respondent and any local addresses and phone numbers.
- Form of business entity, e.g., corporation, partnership, proprietorship, or LLC.
- State of incorporation, state of formation, or state of organization.
- The location(s) including address and telephone numbers of the offices and other facilities that relate to the Respondent's performance under the terms of this RFP.
- Number of employees.
- Type of business.
- Name, address and telephone number of the Respondent's representative to contact regarding all contractual and technical matters concerning the Proposal.
- Name, contact information and qualifications of any subcontractors who will be involved with this project the Respondent proposes to use and the nature of the goods and/or services the subcontractor would perform.
- Respondent's accounting firm.
- Awarded Respondent will be required to register to do business in Iowa before payments can be made.
- For Contractor registration documents, go to:
<https://das.iowa.gov/procurement/vendors/how-do-business>

Exhibit 5 - Experience

The Respondent must provide the following information regarding its experience:

- Number of years in business.
- Number of years of experience with providing the types of services sought by the RFP.
- The level of technical experience in providing the types of services sought by the RFP.
- A list of all goods and/or services similar to those sought by this RFP that the Respondent has provided to other businesses or governmental entities.
- Letters of reference from three (3) previous or current customers or clients knowledgeable of the Respondent's performance in providing goods and/or services similar to the goods and/or services described in this RFP and a contact person and telephone number for each reference.

Exhibit 6 - Termination, Litigation, and Debarment

The Respondent must provide the following information for the past five (5) years:

- Has the Respondent had a contract for goods and/or services terminated for any reason? If so, provide full details regarding the termination.
- Describe any damages or penalties assessed against or dispute resolution settlements entered into by Respondent under any existing or past contracts for goods and/or services. Provide full details regarding the circumstances, including dollar amount of damages, penalties and settlement payments.
- Describe any order, judgment or decree of any Federal or State authority barring, suspending or otherwise limiting the right of the Respondent to engage in any business, practice or activity.

- A list and summary of all litigation or threatened litigation, administrative or regulatory proceedings, or similar matters to which the Respondent or its officers have been a party.
- Any irregularities discovered in any of the accounts maintained by the Respondent on behalf of others. Describe the circumstances and disposition of the irregularities. Failure to disclose these matters may result in rejection of the Proposal or termination of any subsequent Contract. The above disclosures are a continuing requirement of the Respondent. Respondent shall provide written notification to the Agency of any such matter commencing or occurring after submission of a Proposal, and with respect to the successful Respondent, following execution of the Contract.

Exhibit 7 - Criminal History and Background Investigation

The Respondent hereby explicitly authorizes the Agency to conduct criminal history and/or other background investigation(s) of the Respondent, its officers, directors, shareholders, partners and managerial and supervisory personnel who will be involved in the performance of the Contract.

Exhibit 8 - Acceptance of Terms and Conditions

By submitting a Proposal, Respondent acknowledges its acceptance of the terms and conditions of the RFP and the General Terms and Conditions without change except as otherwise expressly stated in its Proposal. If the Respondent takes exception to a provision, it must identify it by page and section number, state the reason for the exception, and set forth in its Proposal the specific RFP or General Terms and Conditions language it proposes to include in place of the provision. If Respondent's exceptions or responses materially alter the RFP, or if the Respondent submits its own terms and conditions or otherwise fails to follow the process described herein, the Agency may reject the Proposal, in its sole discretion.

Exhibit 9 – Mandatory Specifications

The Respondent shall answer whether or not it will comply with each specification in Section 4 of the RFP. Where the context requires more than a yes or no answer or the specific specifications so indicates, Respondent shall explain how it will comply with the specification. Merely repeating the Section 4 specifications may be considered non-responsive and result in the rejection of the Proposal. Proposals must identify any deviations from the specifications of the RFP or specifications the Respondent cannot satisfy. If the Respondent deviates from or cannot satisfy the specification(s) of this section, the Agency may reject the Proposal.

Exhibit 10 – Equipment Description

Respondents shall provide detailed list(s) of requirements and specifications for being proposed. Product list and sku numbers shall be provided for product and services. At a minimum, include the following:

- Power requirements
- Dimensions
- Weight
- Functional aspects

Exhibit 11 – Implementation Plan

Describe recommended implementation strategy including on-site coordination and support services, best practice consulting options and professional services. Identify any third-party Respondents involved in Respondent's implementation strategy and describe these relationships. Describe the skills and time required by State of Iowa personnel for initial installation and

implementation of the proposed system. Provide an estimate of State of Iowa staff time required to complete the installation. Describe the documentation provided with the product along with applicable costs for any additional documentation. Please describe Respondent's experience with installations similar in size. Please provide an implementation schedule, based on weekly milestones (not dates).

Exhibit 12 – Optional Features

Provide detailed information for any optional items that may be available. (Include costs for these items in the Cost Proposal)

Exhibit 13 – Service and Maintenance

Provide detailed information on your customer service program and maintenance plans. Include response times and the access to and timeliness of service engineers.

Exhibit 14 - Warranty

Provide the duration of standard warranty and any optional warranties. Provide warranty documentation for your proposed solution. Describe your replacement parts program, costs, and turnaround time.

3.3 Cost Proposal

The Respondent shall provide its Cost Proposal in a separate file for the proposed goods and/or services. All prices are quoted pursuant to the terms and conditions of this RFP. Respondent's Cost Proposal shall include an all-inclusive, itemized, total cost in U.S. Dollars (including all travel, expenses, etc. in prices) for the proposed services. All pricing to be FOB Destination, freight cost, and all expenses included; and based on Net 60 Days Payment Terms. Cost proposals must include the following:

- Provide product and service listing and spec sheets on product offerings.
- Provide packaging and labeling supplies for restocking and inventory needs.
- Provide any one time and recurring costs for system. Recurring costs are to be for a 6-year period to cover initial term and extensions to contract.
- Equipment costs including parts and service.
- Any other costs associated with proposed system such as maintenance and software including suggested maintenance plans and software renewal fees.
- Pricing options including discounted pricing off retail or product price sheet with contract pricing.

3.3.1 Respondent Discounts

Respondents shall state in their Cost Proposals whether they offer any payment discounts, including but not limited to:

3.3.1.1 Prompt Payment Discount

The State can agree to pay in less than sixty (60) days if an incentive for earlier payment is offered.

SECTION 4 SPECIFICATIONS

Overview

The successful Respondent shall provide the goods and/or services to the State in accordance with the specifications and technical specifications as provided in this Section. The Respondent shall address each specification in this Section and indicate whether or not it will comply with the specification. If the context requires more than a yes or no answer or the section specifically indicates, Respondent shall explain how it will comply with the specification. Proposals must address each specification. Merely repeating the specifications may be considered non-responsive and may disqualify the Respondent. Proposals must identify any deviations from the specifications of this RFP or specifications the Respondent cannot satisfy. If the Respondent deviates from or cannot satisfy the specification (s) of this section, the Agency may reject the Proposal.

All items listed in this section are Mandatory Specifications. Respondents must indicate either “**yes**” or “**no**” to each specification in their Proposals and provide an explanation as to how the specification is met. By indicating “yes” a Respondent agrees that it shall comply with that specification throughout the full term of the Contract, if the Respondent is successful. In addition, if specified by the specifications or if the context otherwise requires, the Respondent shall provide references and/or supportive materials to verify the Respondent’s compliance with the specification. The Agency shall have the right to determine whether the supportive information and materials submitted by the Respondent demonstrate that the Respondent will be able to comply with the Mandatory Specifications. If the Agency determines the responses and supportive materials do not demonstrate the Supplier will be able to comply with the Mandatory Specifications, the Agency may reject the Proposal.

4.1 System Requirements

- 4.1.1** Ability to package and label multiple types of pharmaceutical products including blister packaging and barcode labeling.
- 4.1.2** Ability to provide workflow management through software, packaging and processing to increase efficiency and accuracy for patients.
- 4.1.3** Product listing and software selection shall exhibit equipment able to produce at a minimum 10-50 cards per minute with are labeled with bar code, generic drug name, lot number, expiration date, NDC and brand name (when available).
- 4.1.4** Ability to interface with REson Software requirements.
- 4.1.5** Must interface with TX processing software and Medical Icon program created by ATG.
- 4.1.6** List other industry software service requirements as solution or upgrade options.

4.2 Respondent Requirements

- 4.2.1** Ability to provide initial product installation and supplies for testing and training.

- 4.2.2 Ability to provide on-call or on demand customer service support and maintenance support services along with routine maintenance service plans.
- 4.2.3 Ability to establish and interface software with current pharmacy management software systems.
- 4.2.4 Ability to provide equipment of varies sizes and capacity of printing based on facility and agency needs.
- 4.2.5 Ability to provide product specification sheets listing product packaging options and efficiency based on how many in an hour and level of automation.

4.3 Implementation

Upon award of a Contract for services the Agency shall negotiate an implementation schedule with the successful Respondent. Scheduling includes availability of product, removal of existing equipment, installation scheduling and training.

4.4 Installation

Installation of any equipment and/or software shall be the Respondent's responsibility and expense, as will be the removal of such equipment and/or software upon completion of the contract or cancellation of the contract. The Respondent shall be responsible for all Respondent-owned equipment. The risk of loss and/or damage to Respondent-owned equipment and/or software shall be fully assumed by the Respondent at all times pertinent to the contract.

4.5 Post Delivery Documentation

Respondent is to provide the following documentation upon completion of installation:

- Electronic Schematics – Current and accurate set of electronic schematics and system interface documentation.
- Drawings and Documentation – Current and accurate mechanical and optical drawings. The schematics will be consistent and coherent in the use of symbols and abbreviations. The documentation will include descriptions of the system and sub-assemblies rather than simple wiring diagrams. These drawings shall include detailed schematics.
- Operator Instructions - Written operator instructions for the operation of the system, all sub-unit assemblies, and software routines.
- Service Manuals - Current and accurate service manuals are to be provided with the system.
- Onsite training on equipment and software.

4.6 Maintenance and Support Services

- 4.6.1 Facility will perform operational maintenance to the system.
- 4.6.2 Respondent will provide preventative maintenance and inspection on a bi-annual basis.
- 4.6.3 Respondent will provide same day response time on system issues and outages.
- 4.6.4 Respondent will provide detail hours for customer service support and technical support services and on call services
- 4.6.5 Respondent will provide yearly onsite maintenance and training.

4.7 Training

Respondent will provide general user training and administrator training on new equipment after installation.

SECTION 5 EVALUATION AND SELECTION
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5.1 Introduction

This section describes the evaluation process that will be used to determine which Proposal(s) provides the greatest value to the State. Agency will not necessarily award the Contract to the Respondent offering the lowest cost to the Agency. Instead, the Agency will award to the Respondent whose Responsive Proposal the Agency believes will provide the best value to the State.

5.2 Evaluation Committee

The Agency will use an evaluation committee to conduct a comprehensive, fair, and impartial evaluation of Technical Proposals received in response to this RFP. The evaluation committee will recommend an award based on the results of their evaluation to the Agency or to such other person or entity that must approve the recommendation.

5.3 Technical Proposal Evaluation and Scoring

All Technical Proposals will be evaluated to determine if they comply with the Mandatory Specifications. The evaluation committee will fully evaluate and score all Responsive Proposals submitted by Responsible Respondents in accordance with this Section. In addition to other RFP requirements, to be deemed a Responsive Proposal, the Technical Proposal must:

- Answer “Yes” to all parts of Section 4 and include supportive materials as required to demonstrate the Respondent will be able to comply with the Mandatory Specifications in that section and
- Obtain the minimum score for the Technical Proposal. If a Technical Proposal does not meet the minimum score, it will be rejected and the Respondent’s Cost Proposal will not be evaluated.

An addendum identifying the points assigned to the scoring criteria and identifying the minimum score for the Technical Proposal will be posted prior to the RFP closing.

5.4 Cost Proposal Scoring

After the Technical Proposals are evaluated and scored, the Cost Proposals will be opened and scored.

The Cost Proposals will remain sealed during the evaluation of the Technical Proposals and any demonstrations. Only prospective Respondents who obtain the minimum score for their Technical Proposal will be considered during the cost evaluation phase of the review process. When a Technical Proposal does not meet the minimum score, the associated Cost Proposal will remain unopened and will be returned to the Respondents upon request after the Lead State issues a Notice of Intent to Award the Contract. After the Technical Proposals are evaluated and scored, the Cost Proposals will be opened and scored.

To assist the Agency in evaluating, Cost Proposals may be evaluated and points awarded as follows:

- 1) The Cost Proposals will be ranked from least to most expensive.
- 2) The least expensive Cost Proposal shall receive the maximum number of points available.

- 3) To determine the number of points to be awarded to all other Cost Proposals, the least expensive Cost Proposal will be used in all cases as the numerator. Each of the other Cost Proposals will be used as the denominator per the example below.
- 4) The percentage will then be multiplied by the maximum number of available points and the resulting number will be the cost points awarded to other compliant Respondents. Percentages and points will be rounded to the nearest whole value.

Example:

Respondent A quotes \$35,000; Respondent B quotes \$45,000 and Respondent C quotes \$65,000.

Respondent A: $\frac{\$35,000}{\$35,000}$ = receives 100% of available points on cost.

Respondent B: $\frac{\$35,000}{\$45,000}$ = receives 78% of available points on cost.

Respondent C: $\frac{\$35,000}{\$65,000}$ = receives 54% of available points on cost.

5.5 Tied Score and Preferences

- 5.5.1 An award shall be determined by a drawing when responses are received that are equal in all respects and tied in price. Whenever it is practical to do so, the drawing will be held in the presence of the Respondents who are tied in price. Otherwise the drawing will be made in front of at least three non-interested parties. All drawings shall be documented.
- 5.5.2 Notwithstanding the foregoing, if a tied score involves an Iowa-based Respondent or products produced within the State of Iowa and a Respondent based or products produced outside the State of Iowa, the Iowa Respondent will receive preference. If a tied score involves one or more Iowa Respondents and one or more Respondents outside the state of Iowa, a drawing will be held among the Iowa Respondents only.
- 5.5.3 In the event of a tied score between Iowa Respondents, the Agency shall contact the Iowa Employer Support of the Guard and Reserve (ESGR) committee for confirmation and verification as to whether the Respondents have complied with ESGR standards. Preference, in the case of a tied score, shall be given to Iowa Respondents complying with ESGR standards.
- 5.5.4 Second preference in tied scores will be given to Respondents based in the United States or products produced in the United States over Respondents based or products produced outside the United States.
- 5.5.5 Preferences required by applicable statute or rule shall also be applied, where appropriate.

SECTION 6 CONTRACT TERMS AND CONDITIONS

6.1 Contract Terms and Conditions

The Contract that the Agency expects to award as a result of this RFP shall comprise the specifications, terms and conditions of the RFP, written clarifications or changes made by the Agency to the RFP through an amendment to the RFP in accordance with the provisions of the RFP, the Terms and Conditions, the offer of the successful Respondent contained in its Proposal, and any other terms deemed necessary by the Agency. No objection or amendment by a Respondent to the provisions or terms and conditions of the RFP or the Terms and Conditions shall be incorporated into the Contract unless Agency has explicitly accepted the Respondent's objection or amendment in writing.

The Contract terms and conditions in this Section 6, the General Terms and Conditions to the extent referenced and linked to on the RFP cover page, and/or any Terms and Conditions attached to and accompanying this RFP as an attachment hereto, will be incorporated into the Contract. The Terms and Conditions may be supplemented at the time of contract execution and are provided to enable Respondents to better evaluate the costs associated with the RFP specifications and the Contract. All costs associated with complying with such Terms and Conditions should be included in any pricing quoted by the Respondent.

By submitting a Proposal, Respondent acknowledges its acceptance of the terms and conditions of the RFP and the Terms and Conditions without change except as otherwise expressly stated in its Proposal. If the Respondent takes exception to a provision, it must identify it by page and section number, state the reason for the exception, and set forth in its Proposal the specific RFP or Terms and Conditions language it proposes to include in place of the provision. If Respondent's exceptions or proposed responses materially alter the RFP, or if the Respondent submits its own terms and conditions or otherwise fails to follow the process described herein, the Agency may reject the Proposal, in its sole discretion.

The Agency will evaluate all Proposals without regard to any proposed modifications to any terms and conditions of the RFP or Terms and Conditions by Contractor. Once a Proposal has been identified as the one for which an Award recommendation has been made, but prior to notifying Respondents of the decision, the Agency, in its sole discretion, may consider any proposed modifications to the terms and conditions of the RFP or Terms and Conditions identified in that Proposal. The Agency reserves the right to either award a Contract(s) without further negotiation with the successful Respondent or to negotiate Contract terms with the successful Respondent if the best interests of the State would be served. As such, if any proposed modifications are not determined to be in the best interests of the State, or appear to pose a substantial impediment to reaching agreement, the Agency may, in its sole discretion:

- 6.1.1** Issue a Notice of Intent to Award in favor of the successful Respondent, but decline to agree to or further negotiate any proposed modifications to terms and conditions identified by the Respondent in its Proposal;
- 6.1.2** Issue a Notice of Intent to Award in favor of the successful Respondent, and identify in the Notice proposed modifications to terms and conditions identified by the Respondent in its Proposal with which the agency will or will not agree or further negotiate;

6.1.3 Enter open-ended negotiations with the successful Respondent; provided, that any such negotiations shall be limited to the proposed modifications to terms and conditions identified by Respondent in its Proposal;

6.1.4 Change the Agency's recommendation for Award and issue a Notice of Intent to Award to a Respondent whose proposal does not pose as great of a challenge to the Agency.

Any ambiguity, vagueness, inconsistency or conflict, either internal to such modification(s) or arising when read in conjunction with other portions of the Contract, shall be construed strictly in favor of the State. Only those proposed modifications identified in the Notice of Intent to Award issued by the Agency as terms and conditions with which the agency will or will not agree or further negotiate shall be part of the Contract, and the State may ignore all proposed modifications, accept one or more and ignore others, accept all or, through negotiations after an award, agree to compromise language concerning one or more proposed modifications to be incorporated into a final Contract between the parties. By executing and submitting its Proposal in response to this RFP, Respondent understands and agrees that the State may exercise its discretion not to consider any or all proposed modifications Respondent may request and may accept Respondent's proposal under the terms and conditions of this RFP and the Terms and Conditions.

6.2 Contractual Terms and Conditions – No Material Changes/Non-Negotiable

Notwithstanding anything in this RFP to the contrary, Respondent may not take exception to or propose including language in any resulting contract that conflicts with or is otherwise inconsistent with the following:

6.2.1 Indemnification

Without specific authority to do so, the State, or agencies, cannot enter into agreements indemnifying Respondents, or any other entity, against third-party claims. A clause that intends to seek indemnification from the State, whether or not the clause contains the words "indemnity" or "indemnify," are not clauses to which the State may agree. The State will not agree to clause that includes the language "to the extent permitted by law" because, as explained, the State cannot indemnify Respondents to any extent.

6.2.2 Limitation of Liability

Iowa Code section 8A.311(22) and 11 Iowa Admin. Code Chapter 120 establish the rules to allow for the State to agree to a contractual limitation of vendor liability clause in limited circumstances. Any request by Respondent for the State to limit damages not in accordance with Iowa law or administrative rules is a request with which the State cannot agree.

6.2.3 Jurisdiction and Venue

Iowa Code chapter 13 establishes that the Iowa Attorney General is the State's attorney for all purposes, including management of litigation and claims against the state. The State may not preempt the Attorney General's authority by agreeing in advance to control the way litigation may be managed in the event of a dispute. Likewise, the State cannot agree to the jurisdiction or laws of another state or its courts, cannot agree to venue in

another state, and cannot agree to participate in any form of alternative dispute resolution.

6.2.4 Confidentiality

All Iowa state agencies are subject to Iowa public records laws. The State cannot agree to contractual terms that attempt to prevent it from disclosing or disseminating records that constitute public records under Iowa Code chapter 22.

6.2.5 Unliquidated Expenses (i.e., Attorney Fees, Add-ons, or Cost Increases)

The State may not agree to clauses which may obligate it to pay for claims that might exceed its current funding appropriation. The State may only obligate those funds that have been appropriated to it by the Iowa Legislative Assembly and may only obligate those funds for the purposes for which the funds were appropriated.

6.3 Special Terms and Conditions

6.3.1 Grant of License of Use Rights

Notwithstanding anything in any General Terms to the contrary, any license, use rights, or other similar rights granted by Contractor or Contractor's subcontractors, directly or indirectly, to a Governmental Entity pursuant to a General Terms shall include, and any Software, System, or other Deliverables provided by Contractor or Contractor subcontractors, directly or indirectly, shall include, the following additional grant of rights:

6.3.1.1 Any and all rights necessary for the applicable Governmental Entity to use, install, maintain, modify, support, enhance, copy, reproduce, or host any Software, System, or other Deliverables for the applicable Governmental Entity's business activities, including as described in the RFP or Proposal, if any;

6.3.1.2 The same grant of rights to the applicable Governmental Entity's Authorized Contractors to the extent of any quantity ordered (regardless of whether on a "user," "seat", "device," or other similar basis) by the applicable Governmental Entity.

6.3.1.3 To the extent the applicable Governmental Entity intends to use, install, maintain, modify, support, enhance, or host any Software, System, or other Deliverables on a Governmental Entity's own systems or devices, the right to use, install, maintain, modify, support, enhance, or host such Software, System, or other Deliverables on any one or more of the computers, data center locations, networks, Internet or intranet sites, servers, systems, or other similar devices of any Governmental Entity or its Authorized Contractor(s).

6.3.2 Confidential Information

6.3.2.1 Contractor's Treatment of Confidential Information

6.3.2.1.1 Limited Access

Customer Data shall at all times remain the property of the applicable Governmental Entity, and the applicable Governmental

Entity shall retain exclusive rights thereto and ownership thereof. Contractor, Contractor's subcontractors, and Contractor Personnel may have access to Customer Data solely to the extent necessary to carry out their duties under any General Terms. Contractor, Contractor's subcontractors, or Contractor Personnel shall presume all Customer Data is considered confidential, hold all Customer Data in the strictest confidence, and use and permit use of Customer Data solely for the purposes of providing Deliverables under any General Terms, subject to any restrictions set forth herein or in any state and federal laws, rules, regulations, standards, and orders applicable either during the Term or thereafter. Contractor, Contractor's subcontractors, and Contractor Personnel shall not gather, store, log, archive, use, or otherwise retain Customer Data in any manner other than as expressly authorized by any General Terms, and will not disclose, distribute, sell, commercially or politically exploit, share, rent, assign, lease, or otherwise transfer or disseminate Customer Data to any Third Party, except as expressly permitted hereunder or as Contractor may be expressly directed in advance in writing by the applicable Governmental Entity. Contractor, Contractor's subcontractors, and Contractor Personnel shall not remove from any Governmental Entity's facilities or retain a copy of any Customer Data unless such removal or retention is necessary to provide or perform Deliverables, to fulfill their obligations under any General Terms, or is otherwise approved in writing by the applicable Governmental Entity. Contractor will immediately report the unauthorized disclosure of Customer Data to the applicable Governmental Entity.

6.3.2.1.2 Destruction or Return of Customer Data

On the applicable Governmental Entity's written request or upon expiration or termination of any General Terms for any reason, Contractor will promptly:

- After providing notice to the applicable Governmental Entity and subject to its prior written approval, return or destroy, at the applicable Governmental Entity's option, all Customer Data; and
- Provide a notarized written statement to the applicable Governmental Entity certifying all Customer Data has been returned or destroyed to the Governmental Entity, whichever is applicable.

To the extent Contractor is required to destroy Customer Data pursuant to this Section, Customer Data shall be permanently deleted and shall not be recoverable, in accordance with National Institute of Standards and Technology ("**NIST**")-approved methods.

6.3.2.1.3 Compelled Disclosures

To the extent required by applicable law or by lawful order or requirement of a court or governmental authority of competent jurisdiction over Contractor, Contractor may disclose Customer Data to a Third Party in accordance with such law, order, or requirement, subject to the following conditions:

- As soon as becoming aware of such law, order, or requirement, and no-less-than five (5) business days prior to disclosing Customer Data pursuant thereto, Contractor will notify the applicable Governmental Entity in writing, specifying the nature of and circumstances surrounding the contemplated disclosure, and forward any applicable process, including a subpoena, to the appropriate Governmental Entity for its review.
- Contractor will consult with the applicable Governmental Entity on the advisability of taking legally-available steps to resist or narrow any required response or disclosure.
- Contractor will use best efforts not to release Customer Data pending the outcome of any measures taken by the applicable Governmental Entity to contest, oppose, or otherwise seek to limit such disclosure by Contractor or any Third Party ultimately obtaining such Customer Data. Contractor will cooperate with and provide assistance to the applicable Governmental Entity regarding such measures.
- Solely the extent Contractor is required to disclose Customer Data to a Third Party, Contractor will furnish only such portion of Customer Data as it is required to disclose and will exercise best efforts to obtain an order or other reliable assurances that Customer Data will be held in confidence by any Third Party to which it is disclosed.
- Notwithstanding any such compelled disclosure by Contractor, such compelled disclosure will not otherwise affect Contractor's obligations hereunder with respect to Customer Data so disclosed.

6.3.2.2 Treatment of Contractor's Confidential Information

6.3.2.2.1 Safeguarding Obligation

Except as otherwise provided or contemplated herein, and subject to applicable state, federal, and/or international laws, rules, regulations, or orders (including Iowa Code Chapter 22 and any corresponding implementing rules, regulations, or orders), Governmental Entities shall not intentionally disclose Contractor's Confidential Information to a Third Party (excluding other

Governmental Entities and Authorized Contractors) without the prior written consent of Contractor.

6.3.2.2.2 Destruction or Return of Contractor's Confidential Information

On termination or expiration of any General Terms, the applicable Governmental Entity shall, except to the extent otherwise required by applicable laws, rules, procedures, or record retention schedules/requirements, return or destroy, at Contractor's option, all of Contractor's Confidential Information (excluding items subject to any continuing licenses inuring to the benefit of the applicable Governmental Entity hereunder or that are required for use of any Deliverables).

6.3.2.2.3 Compelled Disclosures

Notwithstanding and in addition to the foregoing, Governmental Entities may disclose Contractor's Confidential Information:

- Pursuant to any legal, judicial, regulatory, or administrative proceedings, subpoena, summons, deposition, interrogatory, requests for documents, order, ruling, civil investigative demand, or other legal, administrative or regulatory processes;
- Pursuant to any applicable laws, rules, or regulations;
- If the applicable Governmental Entity reasonably determines such information is not a confidential record pursuant to Iowa Code Section 22.7 or other applicable laws, rules, and regulations; or
- If the applicable Governmental Entity, in the Governmental Entity's sole discretion, determines Contractor has not provided or is unwilling to provide facts sufficient to enable the Governmental Entity to make a determination as to whether such information constitutes a confidential record under Iowa Code Section 22.7 or other applicable laws, rule, and regulations.

Prior to disclosing any of Contractor's Confidential Information as permitted above, a Governmental Entity shall provide reasonable notice to Contractor of the circumstances giving rise to such disclosure. In addition, Contractor agrees to indemnify and hold harmless any Governmental Entity and its officers, directors, employees, officials, and agents from and against any and all claims, demands, liabilities, suits, actions, damages, losses, taxes, penalties, costs and expenses of every kind and nature whatsoever (including the reasonable value of time of the Attorney General's Office and the costs, expenses, and attorney fees of other counsel retained by or on behalf of the Governmental Entity) arising out of, resulting from, or in any way related to any judgments or damages awarded against any Governmental Entity in favor of the party requesting any of Contractor's Confidential Information.

6.3.2.3 Ancillary Agreements and Non-Disclosure Agreements

Contractor or Contractor's subcontractors will execute any agreements to address any compliance, legal, confidentiality, or privacy concerns that may be unique to an applicable Governmental Entity making purchases hereunder, such as a Business Associate Agreement ("BAA") or Criminal Justice Information System ("CJIS") Security Addendum, or any other non-disclosure or confidentiality agreements in connection with any General Terms deemed necessary by the applicable Governmental Entity ("Ancillary Agreement(s)").

6.3.2.4 Non-Exclusive Equitable Remedy

Each Party acknowledges and agrees that due to the unique nature of Confidential Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach or threatened breach may allow a Party or Third Parties to unfairly compete with the other Party resulting in irreparable harm to such Party, and therefore, that upon any such breach or any threat thereof, each Party, including any Governmental Entity, will be entitled to appropriate equitable remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies either of them might have at law or equity. Any breach of this Section will constitute a material breach of this Agreement and be grounds for immediate termination of any General Terms in the exclusive discretion of the non-breaching Party.

6.3.2.5 Survives Termination

Contractor's duties as set forth in this Section shall survive termination of this Agreement and shall apply to all acts or omissions taken or made in connection with Contractor's, Contractor Contractor's, or Contractor Personnel's performance of this Agreement regardless of the date any potential claim is made or discovered by a Governmental Entity.

6.3.3 Security

6.3.3.1 Compliance

Contractor and Contractor's subcontractors shall comply with state and federal data security and privacy statutes, regulations, rules, and other laws relating to data security and privacy. Contractor further represents, warrants, and covenants that Contractor and its personnel and subcontractors will ensure that the Services (including the System and Application Services), will at all times comply with all applicable state and federal IT standards, policies and guidelines, including, but not limited to those relating to security, internet and the web, data backup, and the most current versions of standards and controls provided at:

- NIST 800-53- <http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>;
- ISO/IEC 27001:2013 - http://www.iso.org/iso/catalogue_detail?csnumber=54534;
- <https://secureonline.iowa.gov/laws-rules-and-standards>.

Annually throughout the Term of this Agreement, Contractor shall obtain and provide the State with the following, at no additional cost to the State of Iowa: a) an independent, third-party certificate of audit certifying that the Services comply with NIST 800-53, most current version controls; b) ISO/IEC 27001: most current version of Certification; c) test or assessment results of an independent, third party assessment of application scans using the Open Web Application Security Project (OWASP) Top Ten List; d) test results of a penetration test conducted by an independent, third-party firm; e) a copy of Contractor's annual SOC 2 type 2 report (for all Trust Services Principles); and f) a Contractor produced remediation plan resulting from items a through e, inclusive.

Upon the State's request, Contractor shall also provide the State with a copy of a system security plan (SSP), or other comparable report, for inspection by the State. The State shall bear any and all costs incurred in connection with its inspection of the SSP. The State may, in its sole discretion, utilize a third-party contractor to inspect the SSP; provided, however, that the State shall be responsible for all costs associated with such inspection. The inspection of the SSP shall be completed according to mutually agreeable terms and timelines, but no less frequently than annually, unless agreed to by both parties in writing.

Contractor acknowledges and agrees that it will be subject to and bound by all of the terms and provisions set forth in this Section and shall require and, to the extent applicable, cause any subcontractor used by Contractor in connection with this Agreement to agree to be subject to and bound by all of the foregoing. In addition, Contractor and its personnel and subcontractors will ensure that all networks, servers, computer systems, hardware, IT infrastructure and other hardware on which the Services are hosted, installed, operated, processed, stored or otherwise located, comply with all such State of Iowa and federal IT laws, rules, regulations, standards, policies and guidelines, and all of the other standards and controls noted above.

6.3.3.2 Reporting

Contractor will notify the State of Iowa Security Operations Center at soc@iowa.gov and call 1.855.442.4357 within two (2) hours of Contractor's discovery of any actual or suspected breach of confidentiality, privacy or security (or any unauthorized access) with regard to any State of Iowa Confidential Information, and/or any breach of Contractor's or the State of Iowa's data security procedures, which includes, but is not limited to, instances in which internal personnel access systems in excess of their user rights or use the systems inappropriately, any Breach of Security as defined in Iowa Code Chapter 715C and any other breach of security as defined by any applicable law, rule, or regulation. Such notification to the State must be given in the most expedient time possible and without unreasonable delay. Written confirmation must be sent within forty-eight (48) hours of discovery or notification of the breach or suspected breach.

6.3.3.3 Investigations and Remedies

In addition to Contractor's other obligations under this Agreement, or under any law or regulation, Contractor agrees, at its sole expense, to take all steps necessary to promptly remedy any breach and to fully cooperate with the State of Iowa in resolving such breach and mitigating any damage from such breach at Contractor's sole cost. At no additional cost to the State, Contractor will fully cooperate with the State of Iowa in investigating the breach, including, but not limited to, providing to the State and assisting the State in reviewing system, application, and access logs, conducting forensic audits of relevant systems, imaging relevant media, and making personnel available for interview. On notice of any actual or suspected breach, Contractor will immediately institute appropriate controls to maintain and preserve all electronic evidence relating to the breach in accordance with industry best practices. Contractor will deliver to the State of Iowa a root cause assessment and future incident mitigation plan with regard to any breach of security or unauthorized access affecting State of Iowa Property, including State of Iowa Confidential Information. Contractor will deliver a preliminary assessment and plan as soon as practical, and regularly maintain and update such assessment and plan throughout the course of any investigation based on any findings. Contractor agrees that it will not notify any regulatory authority or any User relating to any such security breach on behalf of the State of Iowa unless the State of Iowa specifically requests in writing that Contractor do so. Contractor and the State of Iowa will work together to formulate a plan to rectify all security breaches.

6.3.3.4 Additional Procedures in the Event of Security Breach

Upon the State of Iowa's determination that a breach of security (including but not limited to any Breach of Security as defined in Iowa Code Chapter 715C and any other breach of security as defined by any applicable law, rule, or regulation) involving or relating to any State of Iowa Confidential Information has occurred or is reasonably possible, Contractor shall fully cooperate with the State of Iowa in rectifying any breach or misuse, including notifying all of the State of Iowa's affected Users. The State of Iowa shall determine, in its sole discretion, the content and means of delivery of the User notice. Notwithstanding any provision in this Agreement to the contrary, Contractor will be solely responsible and liable for all costs, expenses, damages, fines, penalties, taxes, assessments, legal fees, claims, service fees and any and all other amounts of any kind or nature whatsoever (including, without limitation, the reasonable value of time of the Iowa Attorney General's Office and the costs, expenses and attorney fees of other counsel retained by any Indemnitee) related to, arising out of or incurred by or on behalf of the State of Iowa as a result of, any security breach caused directly or indirectly, in whole or in part, by Contractor, its affiliates, employees, or subcontractors, including, but not limited to, the costs of notifications of affected individuals and businesses and any applicable regulators or governmental entities (including, preparation, printing, mailing and delivery); the cost of opening and closing accounts, printing new checks, embossing new cards; the costs of forensic and other audits, investigations, public relations services, call center services, websites and toll-free numbers for affected individuals; the costs of obtaining credit monitoring services and identity theft insurance for any person or entity whose

Personal Data has or may have been acquired or compromised; and all other costs associated with corrective or other actions that are taken to mitigate or address the security breach. Contractor will reimburse or pay to the State of Iowa all such expenses, fees, damages and all other amounts within fifteen (15) business days of the date of any written demand or request delivered by the State of Iowa to Contractor.

6.3.3.5 Security Audits by the State of Iowa

During the Term, the State of Iowa or its third-party designee may, but is not obligated to, perform audits of Contractor's environment, including unannounced penetration and security tests, as it relates to the receipt, maintenance, use or retention of the State of Iowa's Confidential Information. Any of the State of Iowa's regulators (and any federal agencies providing grant funds used to pay for Services, in whole or in part) shall have the same right upon request. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

6.3.3.6 Security Testing; Compliance Audits

Contractor will periodically test its systems for potential areas where security could be breached. During the Term, to the extent Contractor engages a third-party auditor to perform an SSAE 16 of Contractor's operations, information security program, and/or disaster recovery/business continuity plan, Contractor shall promptly furnish a copy of the test report or audit report to the State of Iowa. In addition, Contractor shall disclose its non-proprietary security processes and technical limitations to the State of Iowa, such that adequate protection and flexibility can be attained between the State of Iowa and Contractor. For example, Contractor shall disclose its security processes with respect to virus checking and port sniffing to the State of Iowa such that the State of Iowa is capable of identifying necessary compensating controls to adequately safeguard and protect its data, information, and systems. Required testing shall also include:

- Web application scanning:
 - Before website goes to production;
 - Annually; and
 - When the system is updated.
 - Vulnerability scanning\pen testing at least annually.

6.3.3.7 Data Ownership

All data, including all State of Iowa Confidential Information, obtained by Contractor in the performance of or during the Term of this Agreement shall be and remain the sole and exclusive property of the State of Iowa, including without limitation all data in any way provided, submitted, modified, processed, abstracted, adapted, compiled, reproduced, utilized or altered by or on behalf of the State of Iowa, any Governmental Entity or any User (including but not limited to by or through Contractor on behalf of the State of Iowa, any Governmental Entity, or any User, or in any way related to the State of Iowa's, any Governmental Entity's or any User's use of the System or Application Services).

6.3.3.8 Data Protection

Protection of personal privacy and data shall be an integral part of the business activities of Contractor to ensure there is no inappropriate or unauthorized use of the State of Iowa's Confidential Information at any time. To this end, Contractor shall safeguard the confidentiality, integrity and availability of the State of Iowa's Confidential Information. In so doing, Contractor shall comply with the following conditions:

- Contractor shall implement and maintain appropriate administrative, technical and organizational security measures to safeguard against unauthorized access, disclosure or theft of State of Iowa Confidential Information. Such security measures shall be in accordance with recognized industry practice (including the most current versions of NIST 800-53 and ISO27001 standards and controls) and not less stringent than the measures the Contractor applies to its own personal data and non-public data of similar kind. Additionally, such securities measures, to the extent applicable, shall comply with, and shall enable the State to at all time comply fully with, all applicable federal, state, and local laws, rules, ordinances, codes, regulations and orders related to such security measures or other data security or safeguarding requirements, including but not limited to IRS Publication 1075.
- All State of Iowa Confidential Information shall be encrypted at rest and in transit with controlled access and shall utilize the most up to date version of TLS. Unless otherwise expressly provided herein or otherwise agreed to by the Parties in writing, Contractor is responsible for encryption of all State of Iowa Confidential Information. Additionally, Contractor shall ensure hard drive encryption consistent with validated cryptography standards as referenced in Federal Information Processing Standards (FIPS) 140-2, Security Requirements for Cryptographic Modules for all Personal Data, unless the State of Iowa approves in writing the storage of Personal Data on a Contractor portable device.
- At no time shall any State of Iowa Confidential Information be copied, disclosed or retained by Contractor, any subcontractor, or any party related to Contractor for subsequent use in any transaction that does not include the State of Iowa.
- Contractor shall not use any State of Iowa Confidential Information collected, processed, stored or transmitted in connection with the Services provided under this Agreement for any purpose other than fulfilling Contractor's express obligations and duties under this Agreement.

6.3.3.9 Data Location

Contractor shall provide Services to the State of Iowa, Governmental Entities, and Users solely from data centers located in the continental United States of America. Storage of State of Iowa Confidential Information, or any other State data, at rest and all backups shall be located solely in data centers located in the continental United States of America. Contractor shall not allow its personnel or subcontractors to store State of Iowa Confidential Information or any data on any portable devices, including personal computers, tablets, or cell phones, except for devices that are used and permanently stored at all times

only at its continental United States of America data centers. Contractor shall permit its personnel and subcontractors to access State of Iowa Confidential Information remotely only as required to provide technical support.

6.3.3.10 Background Checks

Contractor shall conduct nationwide criminal background checks and not utilize any staff, including subcontractors, to fulfill the obligations of this Agreement who have been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or misdemeanor offense for which incarceration for up to 1 year is an authorized penalty. Contractor shall promote and maintain an awareness of the importance of securing the State of Iowa Confidential Information among the Contractor's employees, affiliates, subcontractors, and agents.

6.3.3.11 Access to Security Logs and Reports

Contractor shall provide security logs and reports to the State of Iowa in a mutually agreeable format. Such reports shall include at least latency statistics, user access summaries, user access IP address summaries, user access history and security logs for all System access related to this Agreement. Contractor shall forward logs to the State of Iowa in real time.

6.3.3.12 Security Breach Notification

Contractor shall immediately, within 2 hours of discovery, inform the State of Iowa Security Operations Center at soc@iowa.gov and call 1.855.442.4357, of any Security Breach or incident. It is within State of Iowa Security Operations Center discretion to determine whether a particular incident is a security incident or a Security Breach. Contractor shall promptly report a Security Breach or incident to the State of Iowa Security Operations Center when the breach affects the security of Customer Data.

6.3.3.13 Security Breach Responsibilities

Contractor shall comply with all applicable laws that require the notification of individuals in the event of a Security Breach. In the event of a Security Breach or other event requiring notification in accordance with applicable law, Contractor shall: (a) share information relevant to the Security Breach with OCIO and the Participating Agency; (b) promptly implement necessary remedial measures; and (c) document responsive action related to the Security Breach. If the Security Breach requires public notice, all communication must be coordinated with OCIO and the Participating Agency. Contractor is responsible for all notification and remedial costs and damages.

6.3.3.14 This section, and Contractor's duties, obligations and liability shall survive termination or expiration of this Agreement.

6.3.4 Disaster Recovery/Business Continuity/Data Backup/Loss of Data

6.3.4.1 Creation, Maintenance and Testing

Contractor shall maintain a Business Continuity and Disaster Recovery Plan for the Services (the "Plan"), and implement such plan in the event of any

unplanned interruption of the Services. On or before the Effective Date, Contractor shall provide the State of Iowa with a copy of Contractor's current Plan, revision history, and any reports or summaries relating to past testing of the Plan. Contractor shall actively test, review, and update the Plan on at least an annual basis using American Institute of Certified Public Accountants standards and other industry best practices as guidance. Contractor shall promptly provide the State of Iowa with copies of all reports and/or summaries resulting from any testing of the Plan and with copies of all such updates to the Plan. All updates shall be subject to the requirements of this Contract. Any future updates or revisions to the Plan shall be no less protective than the plan in effect as of the Effective Date. Throughout the Term, Contractor shall maintain disaster avoidance procedures designed to safeguard the State of Iowa's Confidential Information and the data processing capability and availability of the Services.

6.3.4.2 Activation of Plan

Contractor shall immediately notify the State of Iowa Security Operations Center at soc@iowa.gov and call 1.855.442.4357 of any disaster or other event in which the Plan is activated. If Contractor fails to reinstate the Services within the periods of time set forth in the Plan, the State of Iowa may in addition to any other remedies available hereunder, in its sole discretion, immediately terminate this Agreement as a non-curable default. Without limiting Contractor's obligations under this Agreement, whenever a disaster causes Contractor to allocate limited resources between or among Contractor's customers, the State of Iowa shall receive at least the same treatment as comparable Contractor customers with respect to such limited resources.

6.3.4.3 Backup and Recovery

Contractor is responsible for maintaining a backup of State of Iowa Confidential Information. Unless stated otherwise in this Contract, Contractor shall maintain a contemporaneous backup of State of Iowa Confidential Information that may be recovered within two (2) hours at any point in time. Contractor shall store a backup of State of Iowa Confidential Information in an off-site "hardened" facility no less than daily, maintaining the security of State of Iowa Confidential Information, and consistent with the security requirements set forth in this Contract. To the extent applicable, any backups of State of Iowa Confidential Information shall not be considered in calculating storage used by the State of Iowa.

6.3.4.4 Loss of Data

In the event of any act, error or omission, negligence, or misconduct that compromises or is suspected to compromise the security, confidentiality, or integrity of State of Iowa Confidential Information or the physical, technical, administrative, or organizational safeguards put in place by Contractor or any of its Subcontractors related to the protection of the security, confidentiality, or integrity of State of Iowa Confidential Information, Contractor shall, in addition to any other remedies available pursuant to this Agreement, or otherwise available at law or in equity, to the extent applicable: (a) notify the State of Iowa Security Operations Center at soc@iowa.gov and call

1.855.442.4357 as soon as practicable but no later than two (2) hours of becoming aware of such occurrence; (b) send the State of Iowa written confirmation within forty-eight (48) hours of discovery or notification of the occurrence; (c) cooperate with the State of Iowa in investigating the occurrence, including, but not limited to providing to the State and assisting the State in reviewing system, application, and access logs, conducting forensic audits of relevant systems, imaging relevant media, and making personnel available for interview; (d) indemnify and hold harmless the State of Iowa, State Users, Governmental Entities, and their employees, officers, board members, agents, representatives, and officials from and against any and all claims, actions, suits, liabilities, damages, losses, settlements, demands, deficiencies, judgments, fines, penalties, taxes, costs and expenses (including, without limitation, the reasonable value of time of the Iowa Attorney General's Office and the costs, expenses and attorney fees of other counsel retained by any Indemnitee) directly or indirectly related to, resulting from, or arising out of such occurrence; (e) be responsible for recreating lost State of Iowa Confidential Information in the manner and on the schedule specified by the State of Iowa without charge to the State of Iowa; and, (f) provide to the State of Iowa a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence.

6.3.4.5 This section, and Contractor's duties, obligations and liability under this Section, shall survive termination or expiration of this Agreement.

6.3.5 Industry Standards

Contractor shall render and perform services pursuant to this Contract in a professional and workmanlike manner in accordance with the terms of this Contract and applicable professional standards for similar tasks and projects. In the absence of a detailed specification for the performance of any portion of this Contract, the parties agree the applicable specification shall be the generally accepted industry standard.

6.3.6 Personnel to Perform the Services

As part of the consideration for this Contract, Agency is relying upon the personal skills of the key individuals identified in the Contractor's proposal to perform the services described in the scope of work. Except in the event of disability, illness, grave personal circumstances, or separation from service, the Contractor must receive the Agency's written approval prior to making any substitutions of key personnel who are identified herein as such by the Contractor during the term of this Contract or any extensions thereof.

6.3.7 Nature of Services

It is understood and agreed the Contractor's services may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, the Agency. In connection with its services hereunder, the Contractor shall be entitled to rely upon all decisions and approvals of the Agency.

6.3.8 Cooperation

The Agency shall cooperate with the Contractor in the Contractor's performance of its services hereunder, including, without limitation, providing the Contractor with reasonable facilities and timely access to data, information and personnel of the Agency. The Agency shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of all data and information provided by the Agency.

6.3.9 Services

6.3.9.1 Services Defined

In connection with this Agreement, Contractor will provide the State of Iowa, State Users, and, to the extent applicable, Users, with access to and use of the Application Services and perform and provide the Services, all as more particularly described herein and in the Scope of Work.

6.3.9.2 Application Services

Subject to the terms and conditions of this Agreement, Contractor grants to the State of Iowa, State Users and their Authorized Contractors for the State of Iowa's business activities, including without limitation the provision of information and services to State Users, Users (to the extent applicable), and the federal government during the Term a non-exclusive license to: (i) access, use and, to the extent applicable, maintain and support, the Application Services; and (ii) access, use, reproduce and distribute Documentation.

6.3.9.3 Software

To the extent Contractor provides or delivers any software to the State of Iowa in connection with this Agreement for installation on the State of Iowa servers or personal computers or laptops, the State of Iowa will have a non-exclusive license to use, maintain, modify, copy, distribute and support the software solely in connection with its use of the Services as contemplated hereunder. The State of Iowa shall not disassemble, decompile, or reverse engineer the software or remove any proprietary notices thereon. The software will be deemed part of and included in the definition of the Services.

6.3.9.4 Third-Party Intellectual Property

Any Third-Party Intellectual Property shall be deemed part of and included in the definition of "Services" and subject to all terms and conditions of this Agreement relating to the Services. The State of Iowa shall not be bound by any terms and conditions relating to the Third-Party Intellectual Property unless such terms and conditions are expressly identified by Contractor and agreed to by the State in writing.

6.3.9.5 Import and Export of Data

The State of Iowa shall have the ability to import or export data and information (including but not limited to State of Iowa Confidential Information) in whole or in part from the System at its discretion, at no charge to the State, and in such formats as may be acceptable to the State or any State User, without interference from Contractor. This includes the ability for the State of Iowa to import or export such information and data to/from other contractors (including Authorized Contractors). In the event the State of Iowa is unable to

successfully import or export data and information in whole or in part from the System, Contractor shall assist the State of Iowa in doing so upon the State of Iowa's request, at no charge to the State; as it relates to the export of such data and information, Contractor shall provide to or ensure the State of Iowa has obtained an export of the requested data and information within one day of any request in the format specified by the State of Iowa.

6.3.9.6 If all or a portion of the funding used to pay for the Deliverables is being provided through a grant from the federal government, Contractor acknowledges and agrees that pursuant to applicable federal laws, regulations, circulars and bulletins, the awarding agency of the federal government reserves certain rights including, without limitation a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal government purposes, the Deliverables developed under this Agreement and the copyright in and to such Deliverables.

6.3.9.7 Documentation

At no additional charge to the State of Iowa, Contractor shall provide the State of Iowa with all Documentation relating to the Services. If the Documentation for the Services is revised or supplemented at any time, Contractor shall promptly deliver a copy of such revised or supplemental Documentation to the State of Iowa, at no additional cost. The State of Iowa and State Users may, at any time, reproduce copies of all Documentation and other materials provided by Contractor, distribute such copies to the State of Iowa personnel and Authorized Contractors, and incorporate such copies into its own technical manuals, provided that such reproduction relates to the State of Iowa's and its personnel's use of the Services as permitted in this Agreement, and all copyright and trademark notices, if any, are reproduced thereon. To the maximum extent available, Contractor shall deliver the Documentation in electronic form to the State of Iowa, unless otherwise requested by the State.

6.3.10 Compliance with Law

Contractor represents, warrants, covenants, and promises that Contractor, Contractor subcontractors, and Contractor Personnel have complied with, and shall continue to comply with, and, to the extent applicable, the Deliverables will comply with all applicable federal, state, foreign, and local laws, rules, regulations, codes, standards, ordinances, and orders, both generally and in connection with the performance of any General Terms, including the following:

6.3.2.1 Those prohibiting discriminatory employment practices or related to equal opportunity in employment or affirmative action under federal or state law, rules, regulations, or orders, including Iowa Code chapter 216 and section 19B.7 and the rules of the Iowa Department of Administrative Services and the Iowa Civil Rights Commission. Upon the applicable Governmental Entity's or its designee's written request, Contractor shall submit a copy of its affirmative action plan, containing goals, time specifications, accessibility plans, and policies as required by Iowa Administrative Code chapter 11—121.

6.3.2.2 Those requiring the use of targeted small businesses as subcontractors and

suppliers in connection with government contracts.

- 6.3.2.3** Those pertaining to any permitting and licensure requirements in carrying out the work performed under any General Terms.
- 6.3.2.4** Those relating to prevailing wages, occupational safety and health standards, payment of taxes, gift laws, and lobbying laws.
- 6.3.2.5** Applicable provisions of Section 508 of the Rehabilitation Act of 1973, as amended, including Web Content Accessibility Guidelines (WCAG) 2.0, including any amendments thereto or any subsequent versions thereof, and all standards and requirements established by the Architectural and Transportation Barriers Access Board.
- 6.3.2.6** All applicable I.T. Governance Document(s).
- 6.3.2.7** To the extent a portion of the funding used to pay for the Deliverables is being provided through a grant from the Federal Government, any applicable federal requirements, including those found at 2 CFR 200.

Contractor shall take such steps as necessary to ensure Contractor's subcontractors and Contractor Personnel are bound by the terms and conditions contained in this Section. Notwithstanding anything in this Amendment or any General Terms to the contrary, Contractor, Contractor subcontractors, and Contractor Personnel's failure to fulfill any requirement set forth in this Section shall be regarded as a material breach and the applicable Governmental Entity may cancel, terminate, or suspend, in whole or in part any General Terms, in whole or in part. In addition, Contractor may be declared ineligible for future State contracts in accordance with authorized procedures or Contractor may be subject to other sanctions as provided by law or rule.

6.3.11 Support Services

Contractor shall provide the Support Services as follows:

6.3.11.1 Support Responsibilities

In addition to any warranty obligations of Contractor under this Agreement, Contractor shall:

- Promptly correct any Error or any failure of the Services to perform in accordance with the Specifications, including without limitation, defect repair, programming corrections, and remedial programming, and provide such services and repairs required to ensure that the Services operate properly and conform to the Specifications on an ongoing basis during the Term of this Agreement;
- Provide telephone support to State Users relating to the use and operation of the Services and Error Correction. Such telephone support shall be available twenty-four (24) hours a day, seven (7) days a week. All telephone support shall be accessible to State Users through a toll-free phone number

and shall be provided by Contractor from within the continental United States;

- Provide online access to technical support bulletins and other user support information and forums;
- Provide all other Support Services as set forth in this Contract.
- Contractor may not provide technical user support on a 24/7 basis using a Follow the Sun model.

6.3.11.2 Contractor's Changes and Upgrades

Contractor may from time to time during the Term make available new enhancements, upgrades, updates, versions, or releases of the Application Services (collectively, "**Changes**"). Contractor shall provide the Changes to the State of Iowa at no additional charge, cost, or expense. In the event of such Changes, the new version of the Services will include at least the functionality, level and quality of services that the State of Iowa previously received and shall continue to comply with all of the requirements of this Agreement. If any Changes result in material adverse effects on functionality or operation of the Services, including, but not limited to, a failure to comply with the requirements of this Agreement, or compatibility with the State of Iowa's business, legal, funding or regulatory requirements, then the State of Iowa may in its sole discretion: (a) terminate this Agreement immediately upon notice and without penalty or liability; or (b) cease use of the portion of the Services affected by the Change. In the event the State exercises option (b), any fees related to the Services shall be reduced in proportion to the Services affected by such Change.

6.3.11.3 Support Not to be Withheld

Contractor will not under any circumstances withhold Support Services under this Agreement even if there is a dispute (including but not limited to a payment dispute) between the Parties under this Agreement.

6.3.12 Management and Control; Reporting

6.3.12.1 Contractor Manager

Contractor shall assign a manager ("**Contractor Manager**") to manage Contractor's performance of the Services. The Contractor Manager shall be responsible for Contractor's day-to-day activities under this Agreement and for providing the State of Iowa reports. The Contractor Manager shall also serve as Contractor's liaison with the State of Iowa, assign and schedule Contractor Personnel to perform all of the Services required by Contractor under this Agreement, and act as Contractor's initial representative for dispute resolution. Any change of the Contractor Manager (other than death, disability or Contractor Manager's voluntary departure from Contractor) shall be subject to the State of Iowa's (State of Iowa Manager) prior approval, which approval shall not be unreasonably withheld or delayed.

6.3.12.2 Reports

The Contractor Manager and the State of Iowa Manager shall communicate at least once every two (2) weeks (the "**Status Report**"). The communications shall

include a conference call or an in-person meeting (the “**Status Meeting**”) and a report from the appropriate Contractor Personnel regarding:

- Overview of the Services occurring during the reporting period;
- Issues to be resolved;
- Issues resolved;
- Any other information that the State of Iowa or Contractor may, from time-to-time, reasonably request in writing that Contractor or the State of Iowa, as the case may be, may deem appropriate.

6.3.12.3 Problem Reporting Omissions

The State of Iowa’s receipt of a report that identifies any problems shall not relieve Contractor of any obligation under this Agreement or waive any other remedy under this Agreement or at law or equity that the State of Iowa may have. The State of Iowa’s failure to identify the extent of a problem or discrepancy with Specifications, or the extent of damages incurred as a result of a problem or discrepancy with Specifications, shall not act as a waiver of performance under this Agreement.

6.3.12.4 State of Iowa Manager

The State of Iowa shall assign a manager (“**State of Iowa Manager**”) who will be responsible for the State of Iowa’s day-to-day activities with respect to such project under this Agreement. The State of Iowa Manager shall serve as the State of Iowa’s initial representative for dispute resolution. The State of Iowa Manager shall respond to the Contractor Manager’s reports to the extent that a response is appropriate as determined by the State of Iowa Manager. All Services provided by Contractor hereunder shall be subject to approval by the State of Iowa Manager. Any change of the State of Iowa Manager shall be in the State of Iowa’s sole discretion; provided the State of Iowa shall notify Contractor in writing of any change. The State of Iowa Manager shall be the only individual authorized to approve changes or additional fees or charges under this Agreement on behalf of the State of Iowa, which approval must be in writing.

6.3.12.5 Semi Annual Review Meetings

Contractor and the State of Iowa shall, at semiannual intervals, hold a review meeting at the State of Iowa’s offices, or at such other place as is mutually agreed to by the Parties, to review the performance of the Services, service levels as set forth in Attachment 1, discuss fee and expense issues, and address such other issues as may be relevant at the time. The Contractor Manager (and any other Contractor Personnel who attend) will attend at the sole cost of Contractor.

6.3.12.6 Alert Reports

The Contractor shall promptly notify the State of Iowa both in writing (i.e., facsimile transmission or courier) and by phone on becoming aware of any change or problem that would negatively impact completion or performance of the Services and/or Deliverables, the progress of tasks assigned under a Statement of Work, or any schedule in a Statement of Work. Both the written

notice and phone notice shall include a detailed description or explanation, respectively, of the relevant change or problem. The Contractor shall provide the State of Iowa Manager with additional details and updates on a frequent basis by secure email regarding the status of any such change or problem.

6.3.13 Captions and Terms

Unless the context otherwise clearly requires, references to the plural include the singular, references to the singular include the plural, and the word “or” has the inclusive meaning represented by the phrase “and/or.” The words “include” and “including” shall be deemed to be followed by the phrase “without limitation.”

6.3.14 Performance Security

Agency shall retain ten percent (10%) of each payment due under the Contract. Agency shall pay the retained amount only after all Deliverables have been completed by Contractor and accepted by the Agency.

6.3.15 Term Length

The Contract shall have an initial term of two(2) years, beginning on the date of contract execution(the “**Effective Date**”). At the end of the Contract’s initial term, the State shall have the option, in its sole discretion, to renew the Contract on the same terms and conditions for up to a total of four(4) not to exceed a total contract term of six (6) years additional one-year terms. The State will give the Vendor written notice of its intent whether to exercise each option no later than thirty (30) days before the end of the Contract’s then-current term.

6.3.16 Payment Terms

6.3.16.1 Payment Methods

The State of Iowa, in its sole discretion, will determine the method of payment for goods and/or services as part of the Contract. The State Pcard and EAP are preferred payment methods, but payments may be made by any of the following methods: Pcard/EAP, EFT/ACH, or State Warrant. Respondents shall indicate in their Cost Proposals all of the payment methods they will accept. **This information will not be scored as part of the Cost Proposal or evaluated as part the Technical Proposal.**

6.3.16.2 Electronic Funds Transfer (EFT) by Automated Clearing House (ACH)

The State of Iowa may make payment by EFT by ACH. Payments are deposited into the financial institution of the claimant's choice three working days from the issue date of the direct deposit.

https://das.iowa.gov/sites/default/files/acct_sae/man_for_ref/forms/eft_aut_horization_form.pdf

6.3.16.3 State Warrant

The State of Iowa's warrant drawn on the Treasurer of State is used to pay claims against the departments of the State of Iowa. The warrant is issued upon receipt of proper documentation from the issuing department.

6.3.16.4 Credit card or ePayables

The State of Iowa's Purchasing Cards (Pcards) and ePayable solution (EAP) are commercial payment methods utilizing the VISA credit card network. The State of Iowa will not accept price changes or pay additional fees if Respondent uses the Pcard or EAP payment methods. Pcard-accepting Respondents must abide by the State of Iowa's Terms of Pcard Acceptance. Respondents must provide a statement regarding their ability to meet the requirements of this subsection, as well as identifying their transaction reporting capabilities (Level I, II, or III).

6.3.16.5 Terms and Conditions for State of Iowa Purchasing Cards

The State of Iowa shall pay Contractor's invoices using its Purchasing Card Program (Pcard) whenever possible. The Pcard is a VISA credit card issued by U.S. Bank to allow authorized employees to make purchases on behalf of the State. It is a faster, more convenient alternative to traditional invoicing and remittance processing, allowing US Bank to pay the Contractor directly, generally within 48 hours of the transaction. Contractor shall comply with security measures for Pcard payments including:

- 6.3.16.5.1** Contractor shall comply with Payment Card Industry Data Security Standard (PCI DSS) to assure confidential card information is not compromised;
- 6.3.16.5.2** Contractor shall adhere to Fair and Accurate Credit Transactions Act requirements that limit the amount of consumer and account information shared for greater security protection;
- 6.3.16.5.3** Contractor shall not write down card numbers or store card information. When accepting orders by phone, Contractor shall process the transaction during the call and send itemized receipts (excluding card numbers) to the cardholder by fax, email, or mail (with delivery);
- 6.3.16.5.4** Contractor shall process payment for items when an order is placed only for items currently in stock and available for shipment, and only for services already rendered;
- 6.3.16.5.5** Contractor shall confirm that the name of purchaser matches the name on the card;
- 6.3.16.5.6** Contractor shall ensure Internet orders are processed via secure websites, featuring Verisign, TRUSTe, BBBOnline, or "https" in the web address;
- 6.3.16.5.7** Contractor shall shred any documentation with credit card numbers.

6.3.16.6 Payment Terms

Per Iowa Code 8A.514 the State of Iowa is allowed sixty (60) days to pay an invoice submitted by a Contractor.

6.3.16.7 Respondent Discounts

Respondents shall state in their Cost Proposals whether they offer any payment discounts.

6.3.16.8 Prompt Payment Discount

The State can agree to pay in less than sixty (60) days if an incentive for earlier payment is offered.

6.3.16.9 Invoices

Any invoices submitted must comply with applicable rules concerning payment of claims, including but not limited to those set forth at Iowa Administrative Code chapter 11—41.

6.3.17 Insurance

The Contract will require the successful Respondent to maintain insurance coverage(s) in accordance with the insurance provisions of the General Terms and Conditions and of the type and in the minimum amounts set forth below, unless otherwise required by the Agency.

Type of Insurance	LIMIT	AMOUNT
General Liability (including contractual liability) written on an occurrence basis	General Aggregate Products – Comp/Op Aggregate Personal injury Each Occurrence	\$2 million \$1 Million \$1 Million \$1 Million
Automobile Liability (including contractual liability) written on an occurrence basis	Combined single limit	\$1 Million
Excess Liability, Umbrella Form	Each Occurrence Aggregate	\$1 Million \$1 Million
Errors and Omissions Insurance	Each Occurrence	\$1 Million
Property Damage	Each Occurrence Aggregate	\$1 Million \$1 Million
Workers Compensation and Employer Liability	As Required by Iowa law	As required by Iowa law

Acceptance of the insurance certificates by the Department shall not act to relieve Contractor of any obligation under this Contract. It shall be the responsibility of Contractor to keep the respective insurance policies and coverages current and in force during the life of this Contract. Contractor shall be responsible for all premiums, deductibles and for any inadequacy, absence or limitation of coverage, and the Contractor shall have no claim or other recourse against the State or the Department for any costs or loss attributable to any of the foregoing, all of which shall be borne solely by the

Contractor. Notwithstanding any other provision of this Contract, Contractor shall be fully responsible and liable for meeting and fulfilling all of its obligations under this section of the Contract.

6.3.18 Performance Security

The Contract may require the Respondent to provide security for performance [e.g. performance bond, escrow, letter of credit, liquidated damages]. Agency shall retain ten percent (10%) of each payment due under the Contract. Agency shall pay the retained amount only after all Deliverables have been completed by Contractor and accepted by the Agency.

6.3.19 Quarterly Report

The Contractor shall provide an electronic detailed quarterly report on all sales made under this agreement within the State of Iowa via E-Mail to the Iowa Department of Administrative Services, Central Procurement, Attn: Sara Grier, sara.grier@iowa.gov. The report file format shall be Microsoft Excel compatible format. The report at minimum shall include the date of sale, customer name and address, full product description, SKU Numbers, quantity, invoice number, unit and extended invoice prices. Respondent proposals must include a sample report and a description of the reporting that will be provided. The State reserves the right to request more detailed information (ad-hoc reporting) at any time and on an individual or specific basis for a specific product, department, time frame, or for a range of products, departments or time frames.

6.3.20 Administrative Fee

Without affecting the approved Good or Service prices or discounts specified in the Master Agreement, the State of Iowa shall be entitled to receive a one percent (1.00%) administrative fee on all sales made within the State of Iowa against this agreement. The administration fee due to the State of Iowa shall be paid quarterly by Contractor directly to the State, made payable to the "Iowa Department of Administrative Services – Central Procurement."

6.4 Order of Precedence

If there is a conflict or inconsistency between any documents comprising the Terms and Conditions, such conflict or inconsistency shall be resolved according to the following priority, ranked in descending order: (1) any terms and conditions specifically set forth in this Section 6 (Contract Terms and Conditions & Administration) under a subsection with a heading entitled Special Terms & Conditions; (2) the General Terms and Conditions for Services Contracts or Goods Contracts to the extent referenced and linked to on the RFP cover page the Contract; (3) if neither the General Terms and Conditions for Service Contracts or Goods Contracts are linked to on the RFP cover page, any terms and conditions attached to and accompanying this RFP as attachment 5 (Terms and Conditions); and (4) any terms and conditions specifically set forth in this Section 6 (Contract Terms and Conditions & Administration) set forth under a subsection with a title other than Special Terms & Conditions.

Response Check List

RFP REFERENCE SECTION	RESPONSE INCLUDED	
	Yes	No
Technical Proposal		
Exhibit 1 - Transmittal Letter		
Exhibit 2 - Executive Summary		
Exhibit 3 - Firm Proposal Terms		
Exhibit 4 - Respondent Background Information		
Exhibit 5 - Experience		
Exhibit 6 - Termination, Litigation, and Debarment		
Exhibit 7 - Criminal History and Background Investigation		
Exhibit 8 - Acceptance of Terms and Conditions		
Exhibit 9 - Mandatory Technical Specifications		
Exhibit 10 - Equipment Description		
Exhibit 11 - Implementation Plan		
Exhibit 12 - Options		
Exhibit 13 - Service and Maintenance		
Exhibit 14 - Warranty		
Public Copy of Technical Proposal with Confidential Information Excised (Optional)		
Cost Proposal		