

15618749319-000-9
14 Digit Payee I.D. Number

3123ADM019
Contract Number



Texas Workforce Commission

BET Beverage and Snack Vending Machine Services

I. PARTIES

This contract (hereafter referred to as "Contract") is entered into between the Texas Workforce Commission, 101 E. 15th Street, Austin, Texas 78778-0001, (hereafter referred to as "TWC"), and:

Legal Name of Contractor: COMPASS GROUP USA INC

Mailing Address: 2400 YORKMONT ROAD

City and Zip: CHARLOTTE, NC 28217

Telephone: 704-328-4000

FAX number: N/A

Contact Person: STACIE RUIZ

e-mail address of Contact Person: stacie.ruiz@compass-usa.com

hereafter referred to as the "Contractor."

II. PURPOSE AND SCOPE

The purpose of this Contract is for TWC to partner with Contractor to furnish all labor, equipment, materials, and services required to provide Beverage and Snack Vending Machine Services in support of the TWC Business Enterprises of Texas (TWC-BET) program in the Dallas South Area. Services shall be provided in accordance with Request for Proposal (RFP) #320-23-00013.

Any alterations, additions, or deletions to the terms of this award required by changes in federal or state law or by regulations are automatically incorporated into this award without written amendment hereto and shall become effective on the date designated by such law or regulation.

Contractor agrees to provide services in compliance with all applicable State laws, regulations, and rules, and in accordance with the provisions of this Contract consisting of the following parts, listed in order of precedence, which are hereby incorporated as part of this Contract and constitute promised

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performances by Contractor:

- This Contract 3123ADM019 Sections I – XIII;
- ATTACHMENT 1 – TWC Terms & Conditions (11/04/2021);
- RFP 320-23-00013; and
- Proposal Form

III. CONTRACT PERIOD

This Contract is effective 09/01/2022 through 08/31/2024.

IV. RENEWAL

TWC may, at its option, amend the Contract for purposes of extending the Contract term for up to one (1) additional two (2) year period. Prior to the onset of any renewal period, Contractor shall be required to provide evidence that all required insurance and sureties are current and will remain enforce throughout the Contract term. Any contract resulting from this RFP may also be extended for up to three (3) months during any changeover period as defined herein.

V. LEGAL AUTHORITY

Pursuant to its authority under Texas Labor Code, Title 4, Chapter 355, § 355.016 and Texas Administrative Code Title 40 Part 20, Tex. Admin. Code § 854.10, TWC is authorized to enter into this contract (Contract).

VI. DEFINITIONS

Conflict of Interest: A situation that creates a risk that professional judgment or actions will be unduly influenced by a personal interest or relationship and creates substantial conflicts with the proper discharge of duties required by a contract and the public interest.

Service Site: The premises where the TWC-BET vending services are performed.

TWC Vending Specialist: The TWC staff person within TWC-BET assigned to interact with Contractor.

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VII. PAYMENT RATES AND TERMS

- A.** Part 4 of Vendor's Proposal is herein incorporated into this Contract.
- B.** Contractor must pay all State, federal, and local taxes, including sales taxes on vended products, that may be assessed against its equipment or merchandise while in or upon the service site, as well as all State, federal, and local taxes assessed in connection with the operation of its vending services upon the service site. Sales taxes deducted must conform to the rules of the Texas Comptroller of Public Accounts regarding food sales, which require only 50% sales tax payment on perishable food items. Contractor must not deduct taxes greater than 50% of the total sales tax rate on perishable items (34 Tex. Admin. Code (TAC) §3.293, Food; Food Products; Meals; Food Service and Texas Tax Code, §§151.007, 151.314, 151.315). Contractor must comply with all State, federal, and local laws and regulations governing the preparation, handling and serving of food, and to procure and keep in effect all necessary licenses, permits, and food handler's cards required by law.

VIII. SCOPE OF WORK

A. Contractor Responsibilities:

1. Contractor must install, service, and maintain all vending machines in a first-class operating condition with respect to cleanliness and mechanical or electrical operations.
2. Contractor must correct any defects, problems, violations, or conditions relative to the vending machines that may prove hazardous or detrimental to the health and safety of the public. TWC-BET OR SERVICE SITE RESERVES THE RIGHT TO DISCONNECT FROM ITS POWER SOURCE ANY MACHINE DEEMED BY TWC OR SERVICE-SITE TO REPRESENT A SAFETY OR HEALTH VIOLATION OR HAZARD, UNTIL THE NECESSARY CORRECTIONS ARE MADE BY CONTRACTOR.
3. CONTRACTOR'S TITLE TO VENDING MACHINES AND EQUIPMENT: All equipment and automatic vending machines installed, and all products offered for sale by Contractor are the property of Contractor. TWC will have no interest in said products, vending machines, and/or other Contractor equipment.
4. Contractor must establish a reimbursement system for each service site and provide to TWC a copy of its refund and/or reimbursement system for each service site. Signs indicating that the Vendor is

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not responsible for refunds are not acceptable. Refunds must be made each time the machine is serviced.

5. Contractors must state refunds must be made available by in person or by mail.
6. Contractor must maintain a refund log.
7. Contractor must provide TWC-BET Vending Specialist and the service site with the service schedule for each machine within 90 calendar days after the beginning date of the Contract.
8. Contractor is responsible for maintaining meter readings and accurate dollar sales data.
9. Contractor must allow TWC-BET access to all machine meters during regular business hours.
10. Contractor must permit authorized representatives of TWC-BET to accompany Contractor's employees during cash collection and counting and to randomly examine the receipts of the vending machines operated by Contractor.
11. Contractor must schedule and conduct regular inspections of service sites, as proposed in the Contractor's proposal.
12. Contractor's inspections must include a review of meter sales trends versus dollars collected.
13. Contractor must provide TWC-BET Vending Specialist with the dates of all machine installations, removals, and machine type changes. If the service site requests that Contractor remove machines due to the service site moving or no longer needing machines, Contractor must notify TWC-BET immediately or a penalty equal to the estimated monthly gross sales average shown in the Area Site Locations listing on the due date for proposals and on each subsequent contract renewal date may be assessed.
14. Contractor must provide adequate vending services to achieve customer satisfaction.
15. Contractor must hire all employees necessary for the performance of the requirements of this Contract. Upon being hired, such employees must be subject to such health examination as city, State, or federal authority may require in connection with their employment. Contractor must maintain a staff of properly trained and experienced personnel to ensure satisfactory performance of the Contract. Contractor, in performing the requirements of this Contract, must not discriminate against any employee or applicant for employment based on race, color, religion, sex, national origin, age, disability, or veteran status (i.e., protected class).
16. Contractor must comply with all applicable State, federal and local laws and regulations pertaining to the wages and hours of employment of its employees.

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17. Contractor employees must abide by any dress code rules of the service site where the vending machines are located. All Contractor employees must be clean and present a professional appearance at all times.
18. Contractor must observe and comply with all regulations of the service sites, including but not limited to those regarding smoking, parking, and security.
19. Contractor must submit and comply with service site regulations pertaining to background checks to install and service machines.
20. Contractor must keep all records related to this Contract and payments made hereunder on file for a period of three (3) years from the end date of the Contract. Contractor must, upon reasonable notice, give TWC the right to inspect, examine, and audit, during normal business hours, such Contractor's business records as are directly or indirectly relevant to the financial arrangements set forth in this Contract.
21. Contractor is responsible for the rotation and adequate supply of products.
22. Contractor must keep its machines and all adjacent areas neat and sanitary. Contractor must clean spills that occur while filling or cleaning its machines, clean the front of its machines each time Contractor restocks or services them, and remove packaging and waste from affected areas following each service call.
23. Contractor must maintain its service sites, where the vending services are performed, in a safe operating condition such that no employee of Contractor or customer is exposed to or subjected to any unsafe situation that would violate Title 29 U.S.C., Chapter 15, Occupational Safety and Health Act, including but not limited to the general duty and the specific duty clauses thereof, or any similar federal, State, or local law or regulation.
24. Contractor may not add or remove machines without the express written approval of TWC-BET. All additions or deletions will be made in writing by TWC through written notice with a revised Area Site Locations listing. Contractor must provide TWC-BET Vending Specialist with the installation or removal dates of all machines.
25. Price adjustments, changes in the commission rates reflected in the Contract document, service site additions or deletions, and changes in the number or type of vending machines must be approved by the TWC-BET Director or TWC-BET Vending Specialist.

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26. **COMPLIANCE:** In performing the requirements of this Contract, Contractor must comply with any and all applicable State, federal, and local laws, including but not limited to occupational safety and health, employment opportunity, immigration and naturalization, the Americans with Disabilities Act, State tax law, and State insurance law.
27. Contractor may request an evaluation of the sales volume of a specific machine to determine profitability and possible removal. This evaluation must be for a minimum of 90 calendar days but may be longer at the option of TWC-BET. The sales figures used to determine profitability will come from the Sales and Commissions Reports. TWC-BET will notify the service site if Contractor has requested removal of a specific machine and that sales of the machine have been evaluated. TWC-BET will determine if a machine must be removed and will inform Contractor.
28. Vending machines, security cages, or ancillary equipment associated with providing services under this Contract shall not be located where they may restrict vehicle or pedestrian traffic. Vending machines, security cages, and ancillary equipment must be accessible as prescribed in the Texas Accessibility Standards (TAS) and the Americans with Disabilities Act Accessibility Guidelines (ADAAG) and must conform to all requirements of Vernon's Texas Civil Statutes, Article 601(b). Contractor must obtain all locks necessary to secure vending machines, security cages, and ancillary equipment.

B. Products

1. All product types shall be offered year-round, including products containing chocolate. Contractor shall maintain fresh products in its vending machines and shall comply with any State, federal and local laws and regulations concerning the storage and transport of candy and snacks.
2. Products not listed in this Contract must be approved, in writing, by TWC-BET Director or TWC-BET Vending Specialist before new products are placed in any vending machine.
3. TWC-BET may add new products and/or new categories of products to the Contract at any time by written agreement.
4. Lower prices on machines containing drinks are only permitted with prior written approval of TWC-BET Director or TWC-BET Vending Specialist.
5. If Contractor or subcontractor is a national brand vendor, Contractor or subcontractor must provide up to two (2) items of a competing brand, should there be customer demand.

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6. Any additional items or machines requested by the Contractor must be made in writing and approved by TWC-BET Director or TWC-BET Vending Specialist prior to implementation.

C. Vending Machines

1. Must contain only products that provide expiration dates on each package and no products will be sold beyond these dates;
2. Must contain only prepackaged, standard vending machine products;
3. Must be furnished new or refurbished, and each machine must be refinished or refurbished as necessary to keep units in working order, with exteriors free of rust and major dents, all knobs and labels present, and with no scratched or stained glass. TWC and service-site owners or managers will be the sole judges of the appearance of the machines. Machines must be replaced upon request of TWC-BET;
4. Must be equipped with coin change makers and dollar bill validators. Cashless options such as card readers, mobile wallets, and other cashless payment options are also acceptable;
5. Must meet the specifications established by State, federal and local laws as well as those established by the National Automatic Merchandising Association (NAMA) and the National Sanitation Foundation (NSF). All electrically operated equipment must be installed in accordance with the standards of the National Electrical Code (NEC). All electrical items must meet all applicable Occupational Safety and Health Administration (OSHA) standards and regulations and bear the appropriate listing from Underwriters Laboratories (UL), Factory Mutual Research Corporation (FMRC), National Electrical Manufacturers Association (NEMA), and/or the Federal Communications Commission (FCC);
6. Must be in compliance with Texas Government Code, Title 10, Subtitle D, § 2165.058, Energy-Saving Management: Vending Machines; Energy-Saving Device Required, as follows:
 - i. This section does not apply to a vending machine that contains a perishable food product, as defined by Texas Civil Practice and Remedies Code § 96.001.
 - ii. An entity that owns or operates a vending machine located in a building owned or leased by the State must activate and maintain any internal energy-saving or energy-management device or option that is already part of the machine or contained in the machine.

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- iii. An external energy-saving or energy-management device must be used for each vending machine that:
 - a. Is located in a building owned or leased by the State;
 - b. Operates with a compressor; and
 - c. Does not have an activated and operational internal energy-saving or energy-management device or option.
 - iv. An entity that owns or operates a vending machine subject to this section will be responsible for any expenses associated with the acquisition, installation, or maintenance of an energy-saving device required by this section.
 - v. The State may impose an administrative fine on an entity that operates a vending machine subject to this section in an amount not to exceed \$250 per year for each machine found to be in violation of this section or rules adopted by the State under this section.
 - vi. The State may adopt and enforce additional rules relating to the specifications for and regulation of energy-saving devices required by this section.
7. Not allow force vends (e.g., if an item is sold out, the customer must be able to get his or her money back by depressing the coin return instead of having to select another product);
 8. Not display advertising except such identification signs as approved by the TWC-BET Director or TWC-BET Vending Specialist;
 9. Must be equipped with a conspicuous professional-looking sign or decal (handwritten signs or decals are NOT acceptable) prominently placed on the front of the machine, displaying the Vendor name, telephone number, and customer refund procedural information for lost money or receipt of inferior product from the vending machine;
 10. Must be equipped with professional-looking labels or tags for each product selection and vend price (handwritten labels or tags are NOT acceptable);
 11. Must be repaired or serviced as needed and when requested by TWC or service-site owners or managers. Some service sites may require service five (5) to seven (7) days per week. All repair, service, or customer complaint responses must be made within 24 hours of notice to Contractor. If for any reason the repair or service cannot be made within 24 hours, Contractor must contact TWC-BET Vending Specialist immediately. Contractor must notify TWC-BET Vending Specialist if consistent complaint issues are experienced;

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12. Combination machines may be utilized. Contractor must notify TWC-BET in writing as to the type of machine combination prior to installation. Meter readings must still be submitted.
13. Must be provided and serviced at all locations on Service Site Listing;
14. May not be removed without prior authorization from TWC-BET Director or TWC-BET Vending Specialist. If a machine is removed without prior authorization from TWC, it must be reinstalled and a penalty equal to the estimated monthly gross sales average listed on Service Site Listing on the due date for proposals and on each subsequent contract renewal date may be assessed. A penalty may be assessed for each month the equipment is not at the service site;
15. Must be equipped with non-resettable counters (meters) that monitor the number of vends and/or dollar sales. The readings from these counters must be sufficient for a TWC audit of the dollar amount of sales. These amounts will be verified by TWC.
16. Must be equipped with non-resettable vend meters for single-price machines, wherein Ending Meter Reading less Beginning Meter Reading less Test Vends yields Units Sold; Gross Sales divided by Sales Tax Rate yields Net Sales; and Gross Sales less Net Sales equals Sales Tax Dollars (e.g., Gross Sales \$300.00. Sales Tax Rate 8.25%. Convert 8.25% to decimal [0.0825] and add 1 [1.0825]. Divide Gross Sales [\$300.00] by Sales Tax Rate factor [1.0825], resulting in Net Sales [\$277.14]). To calculate Sales Tax, subtract Net Sales [\$277.14] from Gross Sales [\$300.00], resulting in \$22.86 Sales Tax collected). Net Sales is the figure on which commissions must be paid.
17. Must be equipped with non-resettable dollars sold meters for multiple-price machines, wherein Ending Dollars Sold less Beginning Dollars Sold less Test Vends equals Gross Sales; Gross Sales divided by Sales Tax Rate yields Net Sales; and Gross Sales less Net Sales equals Sales Tax Dollars (e.g., Gross Sales \$300.00 Sales Tax Rate 8.25%. Convert 8.25% to decimal [0.0825] and add 1 [1.0825]. Divide Gross Sales [\$300.00] by Sales Tax Rate factor [1.0825], resulting in Net Sales [\$277.14]. To calculate Sales Tax, subtract Net Sales [\$277.14] from Gross Sales [\$300.00], resulting in \$22.86 Sales Tax collected). Net Sales is the figure on which commissions must be paid.

D. Special Locations

1. Texas Department of Criminal Justice Prisons: All prisons must be serviced twice per week and may require servicing on weekends. The visitation areas must be serviced on either Thursdays or Fridays, and the employee areas must be serviced on either Mondays or Tuesdays.

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- i. Delivery/service technicians must wait for an escort for fifteen (15) minutes only; after fifteen (15) minutes, Contractor must notify TWC-BET Vending Specialist.
- ii. TWC-BET Vending Specialist will contact the prison administration office to inquire as to the delay and determine if an escort may be secured or if the delivery/service technician(s) must depart.
- iii. Contractor must notify the prison warden's office prior to moving any vending equipment within a prison or removing any vending equipment from a prison.

E. TWC Responsibilities

1. TWC assumes no responsibility for protection of machines against damage or the unauthorized removal of machines or any parts or contents thereof.
2. Unless otherwise stipulated in this Contract, TWC may, without cost to Contractor, provide Contractor with the necessary space for the operation of the services required in this Contract and will furnish, without cost to Contractor, all service sites and utilities reasonable and necessary for the efficient performance of the Contract.
3. TWC will grant to Contractor the exclusive right to operate Vending Machine Services listed on or added to the Service Sites Listing, pursuant to this Contract.
4. TWC will grant to Contractor the exclusive right to sell to employees, guests, and other persons at the service sites, food products, nonalcoholic beverages, and other such products as approved by TWC. Products to be sold, selling prices, and commissions are specified in this Contract. All products listed in this Contract must be made available upon customer demand. Contractor must pay TWC all commissions as proposed per this Contract.

F. Adding or Deleting Service Sites

1. TWC-BET reserves the right to amend the Contract by adding or deleting service sites listed in the Service Site Listing. If service site(s) are deleted, Contractor must continue to service all other service sites. All additions or deletions will be made in writing by TWC-BET through an amendment to the Contract with a revised Service Site Listing. Contractor must provide to TWC-BET Vending Specialist the installation or removal dates of all machines.

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2. TWC-BET reserves the right to add service sites within 30 miles of any service site listed in the Service Site Listing by amendment to this Contract. Contractor must provide the additional services within thirty (30) calendar days of the effective date of the amendment under the same terms and conditions as specified in this Contract.
3. Service sites may request additional services. After completion of a feasibility study and discussion, Contractor must provide the additional vending equipment within thirty (30) calendar days of notice from TWC-BET Vending Specialist, at the same prices and percentages and under the same terms and conditions as specified in this Contract.

G. Changeover Period

1. All machines must be delivered and installed no later than thirty (30) calendar days after the beginning date of the Contract.
2. Contractor must coordinate the exact delivery schedule with the outgoing contractor, the service site and the TWC-BET Vending Specialist. Contractor must submit TWC-BET Vending Specialist Contractor's proposed plan to execute coordination, including service site surveys.
3. Contractor must provide TWC-BET Vending Specialist with the final changeover schedule for all machines not less than thirty (30) calendar days prior to the beginning date of the Contract. TWC-BET Vending Specialist will assist Contractor in resolving any disputes.
4. The outgoing Contractor must provide to TWC-BET Vending Specialist the proposed changeover schedule no less than forty-five (45) calendar days prior to the expiration date of the current contract term.

IX. Reports, Commissions, and Penalties

A. Sales and Commissions Report: The Sales and Commissions Report must document meter readings and other sales and commissions information for all machines by service site. Contractor must submit this report on a monthly basis to https://webp.twc.state.tx.us/bep_sac/sac/login.asp no later than the first day of the second following month (i.e., if the reporting period ends on the last day of February, reports are due April 1) If the first day of the second following month falls on a weekend or a postal holiday, reports are due on the following TWC business day. The report must be submitted prior to submitting commission payments. Sales and Commissions Report information

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must reflect a calendar month, with meter readings submitted for the beginning and end of that calendar month, only vending information reported in this manner will be accepted by TWC-BET. Failure to provide the information in the requested manner may result in penalties being assessed.

- B.** All transactions are the sole responsibility of Contractor. If Contractor subcontracts any portion of the Contract, Contractor must submit the Sales and Commissions Report(s). TWC-BET WILL NOT ACCEPT THE SALES AND COMMISSIONS REPORT(S) FROM ANY SUBCONTRACTOR(S). Failure to comply will result in penalties being assessed (reference Section 5.4).
- C.** During the Contract term, if for any reason Contractor does not report sales and commissions by the due dates, TWC-BET will compute an average sales figure based on reported sales for the past six (6) months, and Contractor will be required to pay commissions based on that average. When Contractor obtains the unreported sales and commissions, and if they are more or less than the computed six (6)-month average, Contractor must adjust the next month's Sales and Commissions Report accordingly.
- D.** TWC-BET reserves the right to assess penalties as set forth in this section if Contractor fails to follow the reporting instructions
1. Failure to accurately report any of the following information on the Sales and Commissions Report may result in assessment of a penalty equal to the estimated monthly gross sales average listed in Part 5 of the Proposal Form, Service Site Listing on the due date for proposals and on each subsequent contract renewal date per service site per machine:
 - i. Machine number
 - ii. Machine type
 - iii. Beginning meter reading
 - iv. Ending meter reading
 - v. Gross sales
 - vi. Sales tax dollars
 - vii. Commission percentage
 - viii. Commission paid
 2. If a meter malfunctions and meter readings are not reported using money collected, sales must still be reported. Failure to report sales may result in assessment of penalties equal to the

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estimated monthly gross sales average listed on the Service Site Listing on the due date for proposals and on each subsequent contract renewal date per service per machine.

3. If sales and commissions are not being reported on a machine, Contractor must provide justification in the Comments section of the report, or a penalty may be assessed equal to the estimated monthly gross sales average listed on the Service Site Listing on the due date for proposals and on each subsequent contract renewal date per service per machine.
- E.** All penalty payments are due ten (10) calendar days after the date of the notice and are payable to TWC-BET by separate check per penalty. If penalty payments are not received within ten (10) calendar days after the date of the notice of assessment, an additional \$20.00 penalty will be assessed.
- F.** Submit commission payment check(s) to TWC Accounts Payable at the following address:

TEXAS WORKFORCE COMMISSION

Accounts Payable

PO Box 322

Austin, TX 78767

Attach documentation that includes Contractor name, sales and commission month and year for which payment is being submitted, the service area, contract number, and the amount of the check. Separate commission payments must be sent for each contract area.

- G.** Commission payments must be received by TWC-BET no later than the fifth day of the second following month (i.e., if the reporting period ends on the last day of February, commission payments are due April 5). If the fifth day of the second following month falls on a weekend or a postal holiday, payments are due on the following TWC-BET workday. The monthly Sales and Commissions report must be submitted prior to submitting the commission payments. If either Sales and Commissions Report or a commission payment is received after its due date, Contractor is subject to a late penalty of 3% of that month's gross sales. If the payment received does not equal the amount on the Sales and Commissions Report, Contractor is subject to a late penalty of 3% of that month's gross sales. This penalty must be paid by separate check within ten (10) calendar days of the date of notice from TWC of the late penalty assessment and must be accompanied by the delinquent commission

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payment and/or Sales and Commission Report, if not previously submitted. If commission payments and penalties are not received by the end of the calendar month in which the report was due, an additional penalty of 3% of that month's gross sales plus \$20.00 will be assessed to Contractor. If these commission payments and penalties are not paid by the end of the month following the month in which the report was due, TWC may cancel the Contract in its entirety and exercise the performance bond.

- H. After the expiration date of this Contract, Contractor must submit payment(s) per the procedures established above. TWC-BET may exercise the performance bond if payments are not submitted on time under the terms and conditions of the Contract.
- I. TWC-BET will notify Contractor of any payment returned by a financial institution. Payment must then be made by cashier's check or money order within 10 calendar days from date of notification. All future payments must be in the form of a cashier's check or money order.

X. Performance Bond

- A. Contractor must procure and maintain enforce a performance bond in the amount which is equal to one (1) month average sales for the service sites at the time of proposal due date. The purpose of the performance bond is to ensure that all performance responsibilities, monetary or otherwise, of Contractor and its agents that are expressed in the Contract will be satisfactorily fulfilled. This includes Contractor's defaulting on the Contract. The original bond must be delivered to TWC-BET Vending Specialist prior to the installation of any machines or the commencement of any services. Subcontractors are not responsible for providing bonds to TWC.
- B. The following instruments may be submitted to TWC in lieu of a performance bond:
 - a. Surety or blanket bond from a company chartered or authorized to do business in Texas;
 - b. Irrevocable letter of credit issued by a financial institution subject to the laws of Texas;
 - c. Certificate of deposit;
 - d. Certified check; or
 - e. Cashier's check.
- C. Performance bond or any instrument submitted in lieu of a performance bond must be effective on the beginning date of the Contract and must not expire until six (6) months after the expiration date of the Contract (e.g., if the initial contract term is 6/1/2017-5/31/2019, the bond/surety term must be

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6/1/2017-11/30/2019.) This applies to any renewal periods exercised by TWC and ensures that all monthly sales, commissions, and commission reports have been submitted and paid in full.

- D.** Performance bonds completed (signed) by an out-of-Texas surety require a countersignature and a 7-digit license number by a Texas resident agent of a company chartered or authorized to do business in Texas or a copy of a reciprocal agreement between states.
- E.** A separate performance bond must be provided for each contract awarded and must reference the contract number for which the bond is provided.
- F.** All references to the performance bond by Contractor must reference the effective dates of the Contract and the TWC contract number in lieu of or in addition to the bonding company's number.
- G.** Performance bonds must be made payable to TWC. TWC may delay the installation of vending equipment if a bond or an approved alternative surety is not received.
- H.** Any default or breach of the Contract may result in exercise of the performance bond by TWC.

XI. Insurance Requirements

- A.** Contractor represents and warrants that it will, within seven (7) calendar days of notification by TWC, or by a time otherwise indicated by TWC, provide TWC with evidence of insurance as required herein which shall remain enforce throughout the term of the Contract.
- B.** If the required insurance coverage policies expire during the term of the Contract, to include any subsequent contract extensions, Contractor must provide TWC-BET Vending Specialist with a new insurance certificate at least ten (10) business days prior to the expiration of the existing insurance coverage. The certificate must show that the terms and financial amounts of the insurance coverage comply with the Contract requirements and will become effective as of the expiration date and time for the existing coverage.
- C.** Contractor is responsible for notifying the assigned TWC-BET Vending Specialist within five business days about any cancellation, non-renewal, or material change in insurance terms that affects required insurance coverage. In the event, that Contractor fails to keep in effect at all times the required insurance coverage,
- D.** TWC may, in addition to any other remedies it may have, terminate the Contract, subject to the provisions of the Contract. Contractor is responsible for any deductible or self-insured retention requirements in the required insurance coverage.

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E. Minimum Insurance Coverage:

1. **Commercial Automobile Liability:** Includes any automobile, including hired and non-owned automobile liability of \$1,000,000 combined single limit for each accident
2. **Commercial General Liability Insurance**, covering all operations by or on behalf of Contractor:

Occurrence based: Bodily Injury & Property Damage

Each Occurrence Limit: \$1,000,000

Aggregate Limit: \$2,000,000

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

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

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

3. **Workers Compensation & Employers Liability**

Workers Compensation: Statutory Limits

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

Disease: Each Employee \$1,000,000

Disease: Policy Limit \$1,000,000

F. All policies required herein must:

1. Be issued by companies authorized to do business in Texas with an A.M. Best Company rating of A VII or higher;
2. The Commercial General Liability and Auto Liability policies must be written on a primary and non-contributory basis with any other similar insurance coverage;
3. Include a Waiver of Subrogation Clause;
4. Provide 30 calendar days' advance written notice to TWC-BET Vending Specialist in the event any policy is canceled or non-renewed,;
5. Include TWC as an Additional Insured (except Worker's Compensation Insurance);
6. TWC as a Certificate Holder.

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- G.** Contractor must provide a certificate of insurance or binder to TWC **within fourteen (14) calendar days after the date of notice of award. The TWC contract number must appear on the certificate.**
- H.** Contractor must furnish TWC-BET with ORIGINAL COPIES of all required Certificates of Insurance prior to the installation of any machines or the commencement of any operations.
- I.** Renewal certificates must be furnished no less than ten (10) calendar days prior to the expiration of any changes thereto. Contractor must submit certified copies of said policies or certificates of insurance evidencing such insurance and waiver to TWC-BET before services begin.
- J.** Failure to maintain the required insurance may result in cancellation of the Contract.
- K.** SUBCONTRACTOR INSURANCE REQUIREMENTS: If Contractor uses a subcontractor, Contractor is responsible for ensuring that all subcontractors maintain the above insurance, as well. Contractor is required to have certified copies of its subcontractors' policies available for review by TWC-BET, upon request. **Do not send subcontractors' policies to TWC-BET.**

XII. Termination of Contract

- A.** If Contractor fails to perform in accordance with the provisions of the Contract, TWC-BET may, upon written notice to Contractor, take adverse action against Contractor, up to and including terminating the Contract in whole or in part. If notice of termination is given, all work by Contractor must cease on the effective date of the termination. Such termination will not be an exclusive remedy but rather an addition to any other rights and remedies of the State provided by law or under this Contract. Adverse action, including termination, may result from, but is not limited to:
1. without notice, any unsatisfactory performance, as deemed by TWC;
 2. without cause, with thirty (30) calendar days of written notice. Any monies that may be due to TWC must be paid in full within five (5) business days of termination of this Contract; and
 3. without notice, failure to comply with applicable safety and health requirements during the Contract period.
- B.** Upon written notice of Contract termination from TWC, Contractor must:
1. Remove all vending equipment within thirty (30) calendar days after the date specified on the notification letter for all service sites in the Contract area or service sites specified by TWC; and

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2. Provide written notice of removal dates for all equipment before any machine is removed. If a machine is removed prior to the written removal date, TWC may exercise the performance bond.
- C.** TWC reserves the right to remove, store, and sell any equipment not removed at the end of the thirty (30) calendar day notice. Contractor is responsible for removal and storage costs of all equipment. In the event equipment is not removed, TWC will remove equipment to storage for a maximum of thirty (30) calendar days. Contractor will be notified of equipment's removal and storage. At the end of the storage period, machines will be prepared for sale according to State procedures. Following vending equipment sale, TWC will issue a check to Contractor in the amount of sale proceeds, less the removal, storage, and sale cost.
- D.** Upon termination or expiration of the Contract, Contractor must vacate, within 30 calendar days, all parts of the premises occupied by Contractor, remove its vending machines and equipment, and return the premises to TWC, together with any equipment furnished by TWC pursuant to this Contract, in the same condition as when originally made available to Contractor, excepting reasonable wear and tear. First priority for removal of equipment should be given to service sites with security concerns and services sites with numerous vending machines.
- E.** Contractor must supply TWC-BET Vending Specialist the proposed removal schedule within seven (7) calendar days of a termination notification and prior to the removal of equipment.
- F.** The Contract may be terminated by Contractor with 120 calendar days of written notice to TWC purchasing contact.

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ATTACHMENT 1 – TWC Terms & Conditions (11/04/2021)

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

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

*****WARNING: Such terms and conditions may result in disqualification of the submitted Vendor's response (e.g., responses with a requirement to apply the laws of a State other than Texas.)**

1. SOLICITATION RESPONSE REQUIREMENTS

- 1.1. **Written Specifications:** TWC will not be bound by any oral statement or representation contrary to the written specifications contained in the solicitation.
- 1.2. **Incomplete Responses:** Late, illegible, incomplete and/or unsigned responses may be deemed non-responsive and may not be considered.
- 1.3. **Freight:** Prices quoted are to include freight prepaid, F.O.B. Destination (Free on Board). Enter unit price on quantity and unit of measure specified - extend and show total. In case of errors in extension, unit prices shall govern.
- 1.4. **Firm Pricing:** Prices submitted are expected to be firm for TWC acceptance for ninety (90) days from the solicitation deadline. "Discount from list" offers are not acceptable unless specifically requested. Cash discounts will not be considered in determining the low offer. All cash discounts submitted will be taken if earned. Prices must remain firm for the duration of the term of the PO/contract.
- 1.5. **Ties:** In the case of tie bids, the award will be made in accordance with the preferences listed under 34 Texas Administrative Code (TAC) §20.306.
- 1.6. **Preferences:** In making an award, TWC shall apply the preferences listed at 34 TAC §20.306. For purchase or lease of computer equipment TWC shall apply a preference for manufacturers that have a computer recycling program as described in 1 TAC §217.11.
- 1.7. **Bid Alteration/Withdrawal:** A submitted response to a solicitation cannot be altered or amended after the solicitation deadline, except by formal negotiation via the RFO/RFP processes. Any alteration made before the solicitation deadline is to be initialed by Vendor or the Vendor's authorized agent. Vendors are not allowed to withdraw their submitted response after the solicitation deadline without approval by TWC.

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- 1.8. **Rejection of Bids:** In accordance with Texas Government Code §2156.008, TWC reserves the right to reject a bid in which there is a material failure to comply with specification requirements. TWC may reject all bids or parts of bids if the rejection serves the State's best interest.
- 1.9. **Tax Exempt:** Purchases made for State use are exempt from the State Sales tax and Federal Excise tax. Do not include tax in bid. Excise Tax Exemption Certificates are available upon request.
- 1.10. **Other Entities:** TWC requests that the Vendor extend the same contract prices and conditions to Local Workforce Development Boards (LWDB) and Child Care Management Services (CCMS) entities contractually linked with TWC, if awarded the contract.
- 1.11. **Identify All Parties:** TWC requires all business partners, equipment, support or maintenance providers who will perform under an awarded contract to be identified prior to contract award for TWC approval. Substitutions of providers shall be submitted in writing for TWC approval during the term of the agreement.
- 1.12. **No Travel:** TWC will not reimburse a Vendor for travel and expenses unless specifically provided for in the contract documents. In that event, such reimbursement will not exceed the state travel reimbursement rates and limits established by the then current General Appropriations Act.

2. GENERAL CONDITIONS

- 2.1. **Certain Construction Liability Claims.** TWC will comply with the provisions of Texas Government Code, Chapter 2272 in the event that a claim for damages arises to which that chapter applies.
- 2.2. **Damage to Grounds and Buildings:** Vendor shall be financially responsible for any or all damage done by its employees, agents and subcontractors to TWC grounds and buildings. Vendor is responsible for the removal of all debris resulting from work performed under the contract.
- 2.3. **Disclosure of Information:** TWC, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records which are directly pertinent to this procurement.
- 2.4. **Texas Public Information Act:**
 - 2.4.1. Information, documentation, and other material in connection with this solicitation or any resulting contract may be subject to public disclosure pursuant to Texas Government Code, Chapter 552 (the "Public Information Act").
 - 2.4.2. All information submitted in response to the solicitation is subject to public disclosure pursuant to the Public Information Act. In the event of a request for information pertaining to the solicitation, TWC will comply with the provisions of the Public Information Act to protect the interests of the State of Texas. The Public Information Act allows the public to have access to information in the possession of a governmental body. Therefore, the Vendor must clearly identify any confidential or proprietary information on the page on which it appears in the solicitation response and reference the specific exception to disclosure in the Public Information Act that applies. Proprietary information identified by the Vendor in advance will be kept confidential to the extent permitted by state law. Any information not clearly identified as confidential or proprietary shall be deemed to be subject to disclosure pursuant to the Public Information Act.
 - 2.4.3. All information, documentation and other material in connection with the solicitation or any resulting contract will be retained by TWC for the period specified in the Records Retention Schedule created under Texas Government Code, Chapter 441. The information will not be returned to the Vendor who submitted it during the retention period time.

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- 2.4.4. In accordance with Texas Government Code § 2252.907, Vendor is required to make any public information created or exchanged with the State pursuant to any contract with TWC, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to TWC.
- 2.5. **Award of Contract:**
- 2.5.1. Responding to a solicitation is an offer to contract with the State based upon the terms, conditions, and specifications contained in the solicitation. Submitted responses do not become contracts unless and until they are accepted, and an award is made by TWC Procurement and Hub-Services and a PO or a fully executed contract is issued to the Vendor.
- 2.5.2. TWC reserves the right to negotiate price and terms with any and all Vendors, to accept or reject all or any part of a Vendor's response, waive minor technicalities, to request Best and Final Offers from all or any Vendors, and make an award that represents Best Value to the agency or the State.
- 2.5.3. Subsequent to award, TWC may, at its sole option, request the Vendor to negotiate contract amendments or renewals as is determined to be in the best interest of the agency or the State.
- 2.5.4. TWC reserves the right to use a third party to negotiate price related to any Information Technology solicitation or contract.
- 2.5.5. TWC reserves the right to make an award on the basis of low line item bid, low total of line items, or in any other combination that will serve the best interest of the State and to reject any and all bid items in the sole discretion of the State.
- 2.6. **Vendor Assignments:** Vendor may not assign or subcontract this Agreement to an unaffiliated business entity without the prior written consent of TWC, which shall not be unreasonably withheld or delayed. Any written request for assignment must be accompanied by written acceptance of the assignment by the assignee. Except where otherwise agreed in writing by TWC, assignment will not release Vendor from its obligations pursuant to the contract.
- 2.7. **TWC Assignments:** TWC may sub-lease or assign equipment and related services provided via the contract to other entities which contract with TWC to provide agency support or services.
- 2.8. **INDEMNIFICATION:**
- 2.8.1. **ACTS OR OMISSIONS: VENDOR SHALL INDEMNIFY AND HOLD HARMLESS TWC, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OF THE VENDOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND TWC AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.**
- THIS PARAGRAPH IS NOT INTENDED TO AND SHALL NOT BE CONSTRUED TO REQUIRE VENDOR TO INDEMNIFY OR HOLD HARMLESS THE STATE OR TWC FOR ANY CLAIMS OR LIABILITIES RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF TWC OR ITS EMPLOYEES.**
- 2.8.2. **INFRINGEMENTS: VENDOR SHALL INDEMNIFY AND HOLD HARMLESS TWC, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL THIRD-PARTY CLAIMS INVOLVING INFRINGEMENT OF UNITED STATES PATENTS,**

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COPYRIGHTS, TRADE AND SERVICE MARKS, AND ANY OTHER INTELLECTUAL OR INTANGIBLE PROPERTY RIGHTS IN CONNECTION WITH THE PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND TWC AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.

2.8.2.1. VENDOR SHALL HAVE NO LIABILITY UNDER THIS SECTION IF THE ALLEGED INFRINGEMENT IS CAUSED IN WHOLE OR IN PART BY: (1) USE OF THE PRODUCT OR SERVICE BY TWC FOR A PURPOSE OR IN A MANNER FOR WHICH THE PRODUCT OR SERVICE WAS NOT DESIGNED, (2) ANY MODIFICATION MADE BY TWC TO THE PRODUCT WITHOUT VENDOR'S WRITTEN APPROVAL, (3) ANY MODIFICATIONS MADE TO THE PRODUCT BY THE VENDOR PURSUANT TO TWC'S SPECIFIC INSTRUCTIONS, (4) ANY INTELLECTUAL PROPERTY RIGHT OWNED BY OR LICENSED TO TWC, OR (5) ANY USE OF THE PRODUCT OR SERVICE BY TWC THAT IS NOT IN CONFORMITY WITH THE TERMS OF ANY APPLICABLE LICENSE AGREEMENT.

2.8.2.2. IF VENDOR BECOMES AWARE OF AN ACTUAL OR POTENTIAL CLAIM, OR TWC PROVIDES VENDOR WITH NOTICE OF AN ACTUAL OR POTENTIAL CLAIM, VENDOR MAY (OR IN THE CASE OF AN INJUNCTION AGAINST TWC, SHALL), AT VENDOR'S SOLE OPTION AND EXPENSE; (1) PROCURE FOR TWC THE RIGHT TO CONTINUE TO USE THE AFFECTED PORTION OF THE PRODUCT OR SERVICE, OR (2) MODIFY OR REPLACE THE AFFECTED PORTION OF THE PRODUCT OR SERVICE WITH FUNCTIONALITY EQUIVALENT OR SUPERIOR PRODUCT OR SERVICE SO THAT TWC'S USE IS NON-INFRINGEMENT.

2.8.3. TAXES/WORKERS' COMPENSATION/UNEMPLOYMENT INSURANCE – INCLUDING INDEMNITY:

2.8.3.1. VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. TWC SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

2.8.3.2. VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS TWC, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND TWC AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

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- 2.9. **Vendor Performance:** In accordance with Texas Government Code §§2155.074, 2155.075, 2156.007, 2157.003 and 2157.125, Vendor performance may be used as a factor in the award.
- 2.10. **Force Majeure:** TWC may grant relief from performance of an awarded contract or PO, or extend a performance period, if the Vendor is prevented from compliance and performance by an act of war, order of legal authority, act of God, epidemic, pandemic, or other unavoidable cause not attributable to the fault of the Vendor. If the Vendor requests the relief, the burden of proof for the need of such relief shall rest upon the Vendor, who must file a written request for such release or extension. If TWC grants such relief due to circumstances known by the agency, the agency must document such reasons in the contract file.
- 2.11. **Dispute Resolution Procedures:**
- 2.11.1. **Procurement Disputes:** In accordance with Texas Government Code, §2155.076, TWC has adopted rules for resolving vendor protests relating to the solicitation, evaluation or award of a contract for goods and/or services. See 20 Tex. Admin. Code, Chapter 800, subchapter H. Such protests must be made via certified mail and received in the Director of Business Operations' office within ten (10) business days from the date the protestant knew or should have known of the occurrence of the action that is protested, but not later than ten (10) business days of the date of the announcement of the award. The protest must be in writing and contain:(1) the identifying name and number of the Solicitation being protested; (2) identification of the specific statute or regulation that the Protestant alleges has been violated; (3) a specific description of each act or omission alleged to have violated the statutory or regulatory provision identified above in (2) above; (4) a precise statement of the relevant facts including: (A) sufficient documentation to establish that the protest has been timely filed; and (B) a description of the resulting adverse impact to the Protestant; (5) a statement of the argument and authorities that the Protestant offers in support of the protest; (6) an explanation of the action the Protestant is requesting from the Agency; and (7) a statement confirming that copies of the protest have been mailed or delivered to any other Interested Party known to the Protestant. (8) The protest must be signed by an authorized representative for the Protestant and the signature notarized. TWC will make available to the protestor all requested documents not exempted from disclosure under Texas and federal law.
- TWC will provide copies of these documents upon payment of the fees adopted by TWC for record duplication. The Director will issue the final written decision to the protestor. TWC may move forward with a Solicitation or contract award without delay, in spite of a timely filed protest, to protect the best interests of the Agency or the state.
- 2.11.2. **Contract Disputes:** Disputes arising under this Contract shall be resolved in accordance with the dispute resolution process provided in Chapter 2260 of the Texas Government Code.
- 2.12. **Debt to the State:** Vendor agrees that any payments due under this contract will be applied towards any debt including, but not limited to, delinquent taxes and child support that is owed to the State of Texas.
- 2.13. **Hold-Over Contract Extension:** In the event contract renewal negotiations are not completed prior to the contract expiration date, both parties agree that services shall be provided by the Vendor and accepted by TWC, subject to all original terms and conditions of the contract, for a period not to exceed ninety (90) days following the original contract expiration date. During the hold over extension period, service costs shall be provided at the pro-rated rates, as applicable, in effect immediately prior to expiration of the original contract period and all other terms and conditions shall remain in effect. TWC may terminate such hold over extension period by providing written notice of cancellation not less than ten (10) business days prior to the cancellation date.
- 2.14. **Records Retention:** Vendor shall maintain and retain all records relating to the performance of the contract

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including supporting fiscal documents relevant to showing that any payments under this Contract were expended in accordance with the laws and regulations of the State of Texas, including but not limited to, requirements of the Comptroller of the State of Texas and the State Auditor. Vendor shall maintain all such documents and other records relating to this Contract and the State's property for a period of seven (7) years after the contract expiration date or until all audit, claim, and litigation matters are resolved, whichever is later. If Vendor chooses not to preserve contracting information for the retention period required by this section, Vendor agrees to provide at no cost to TWC all contracting information related to the Contract that is in the custody or possession of Vendor or any of its subcontractors.

- 2.15. **Agency's Right to Audit:** Vendor shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all documents and other information related to this Contract, including but not limited to work papers, reports, books, records, and supporting documents. Vendor and the subcontractors shall provide the State Auditor with any information that the State Auditor deems relevant to any investigation or audit. Vendor must retain all work and other supporting documents pertaining to this Contract, for the purposes of inspecting, monitoring, auditing, or evaluating by TWC and any authorized agency of the State of Texas, including an investigation of audit by the State Auditor.
- 2.16. **State Auditor:** Vendor shall cooperate with any authorized agents of the State of Texas and shall provide them with prompt access to all of such State's work as requested. Vendor's failure to comply with this Section shall constitute a material breach of Contract and shall authorize TWC and the State of Texas to immediately assess appropriate damages for such failure. Pursuant to Texas Government Code §2262.154, the acceptance of funds by Vendor or any other entity or person directly under this Contract, or indirectly through a subcontract under this Contract shall constitute acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Vendor acknowledges and understands that the acceptance of funds under this Contract shall constitute consent to an audit by the State Auditor, Comptroller or other agency of the State of Texas. Vendor shall ensure that this paragraph concerning the State's authority to audit funds received indirectly by subcontractors through Vendor and the requirement to cooperate is included in any subcontract it awards. Furthermore, under the director of the legislative audit committee, an entity that is subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit.
- 2.17. **Limitation on TWC's Liability:** TWC will not be liable for any incidental, indirect, special, or consequential damages under contract, Tort, (including negligence), or other legal theory. TWC's liability to Vendor under the contract will not exceed the total charges to be paid by TWC to Vendor under the contract.
- 2.18. **State Ownership: To the extent applicable,** the Parties agree that TWC will own all right, title and interest in and to the work products including deliverables, source and object code and documentation developed by the Vendor in connection with the contract.
 - 2.18.1. All work products including deliverables, source and object code and documentation, in whole or in part, will be deemed works made for hire of TWC for purposes of copyright law and copyright will belong solely to TWC.
 - 2.18.2. To the extent that any such work product or deliverable does not qualify as a work made for hire under applicable law, and to the extent that the deliverable or work product includes materials subject to copyright, patent, trade secret, or other proprietary right protection, Vendor agrees to assign, and hereby assigns, all right, title, and interest in and to the work products and deliverables, including without limitation all copyrights, inventions, patents, trade secrets, and other proprietary rights therein (including renewals thereof) to TWC.

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- 2.18.3. Vendor will assist TWC or its nominees (including but not limited to the State of Texas) to obtain copyrights, trademarks, or patents for all such work products or deliverables in the United States and any other countries. Vendor agrees to execute all papers and to give all facts known to it necessary to secure United States or foreign country copyrights and patents, and to transfer to TWC all the right, title, and interest in and to such work products or deliverables. Vendor agrees to not assert any moral rights under applicable copyright law with regard to such work products and deliverables.
- 2.18.4. Vendor agrees to reproduce and include TWC's copyright and other proprietary notices and product identifications provided by Vendor on such copies, in whole or in part, or on any form of the work products or deliverables.
- 2.19. **License:** In accordance with 2 C.F.R. §200.315, all appropriate State and Federal agencies will have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, translate or otherwise use, and to authorize others to use for State or Federal purposes all materials, deliverables and work products, including software and modifications thereof, and associated documentation designed, developed, or installed with Federal Financial Participation under the contract, including but not limited to those materials covered by copyright, all source and object code, instructions, files, and documentation composing the system.
- 2.20. **Most Favored Customer:** If during the term of the contract, the Vendor enters into another contract with any customer for substantially similar services at prices more favorable than those provided to TWC, the contract may be amended to provide the more favorable prices to TWC.
- 2.21. **Governing Law and Venue:** The contract shall be executed in and governed, construed and interpreted under the laws of the state of Texas, without regard to the conflicts of law provisions. Vendor agrees that proper venue for a claim arising under the contract shall be brought in a court of competent jurisdiction in Travis County, Texas.
- 2.22. **Survival:** Expiration or termination of the contract for any reason does not release Vendor from any liability or obligation set forth in the contract that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the contract, including without limitation the provisions regarding warranty, indemnification, confidentiality, and rights and remedies upon termination.
- 2.23. **Severability:** If any provision of the contract is construed to be illegal or invalid, such provision shall be deemed stricken and deleted to the same extent and effect as if never incorporated into the contract, but all other provisions shall remain in full force and effect.
- 2.24. TWC and the Vendor must adhere to the directions in the President's Executive Order (EO) 13224, Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism. This Executive Order prohibits any transaction or dealing by United States persons, including but not limited to the making or receiving of any contribution of funds, goods, or services to or for the benefit of those persons listed in the General Services Administration's Excluded Parties List System (EPLS) which may be viewed on the System for Award Management (SAM) site at <http://www.Sam.gov>
- 2.25. **No Waiver:** Nothing in this contract shall be construed as a waiver of the TWC's or the State's sovereign immunity. This contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the TWC or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to TWC or the State of Texas under this contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. TWC does not waive any privileges, rights, defenses, or immunities available to TWC by entering into this contract or by its conduct prior to or

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subsequent to entering into this contract.

- 2.26. **Redacted Electronic Copy:** Texas Government Code §322.020 and as per the following requirements, no later than two (2) business days after Vendor's receipt of notice from TWC, the Vendor must deliver to TWC two (2) electronic copies of its complete proposal. Vendor shall deliver these electronic copies to TWC via overnight delivery in compliance with all of the following requirements:
- 2.26.1. Two (2) compact discs (CDs), each containing a copy of Vendor's response to solicitation, in searchable Portable Document Format (PDF) format, which has excised, blacked out, or otherwise redacted information from its solicitation response that Vendor reasonably considers to be confidential and exempt from public disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code (this should be a de minimis portion, if any, of Vendor's solicitation response, such as social security numbers). Each CD shall also contain an Appendix for Vendor's solicitation response which provides a cross reference for the location of all information redacted by Vendor and a general description of the redacted information. These two (2) identical CDs should be entitled "For Public Release: Redacted Version of [Name of Vendor]'s Proposal and Exhibits. Texas Workforce Commission's RFP/RFO/IFB solicitation No. _."
- 2.26.2. Per Texas Government Code § 322.020, the Texas Legislative Budget Board (LBB) has now implemented a major contracts database.
- 2.26.3. TWC shall upload to the LBB's contracts database the text of the complete contract (with limited redaction and appendix) no later than thirty (30) days after date of contract award. By submitting a response to this solicitation, Vendors acknowledge that they understand and accept this requirement. See the LBB website at <http://www.lbb.state.tx.us/>.
- 2.27. **American Recovery and Reinvestment Act (ARRA or the Recovery Act)**
- 2.27.1. Buy American Requirements for Construction Material prohibits the use of funds appropriated for the Recovery Act for any project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States.
- 2.27.2. Whistleblower Protection: Pursuant to Section 1553 of the American Recovery and Reinvestment Act, Vendors shall promptly refer to the U.S. Department of Labor, Office of Inspector General any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving ARRA funds.
- 2.28. **Background Check:** Vendors must submit the pass/fail results of criminal background checks on all key personnel assigned to the services related to this solicitation, as authorized by Texas law, and at Vendor expense. Key personnel are defined as personnel whose oversight and guidance is essential to the subject services. TWC may provide any finalist for a contract position a Contractor Criminal History Report Investigation Request form P33c which contractor must complete and submit back to TWC as required on the form. To obtain a facility access badge, contractor must provide TWC with either a completed form P-33c or a recent criminal background check within fifteen (15) days of contract award. TWC will not issue a Purchase Order until the criminal background check has been completed and passed.
- 2.29. To the extent that Vendor's staff are provided access to and workspace within TWC buildings, Vendor's staff will abide by TWC policies and procedures expressed in Chapter 1 of the Texas Workforce Commission Personnel Manual in existence and as amended from time to time.

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- 2.30. **Privacy:** Vendor who has access to sensitive personally identifiable information (“Sensitive PII”), including anyone who views contracts, collects, uses, maintains, stores or destroys Sensitive PII of TWC employees, job seekers, employers, customers or partners (including any employees of the State of Texas), must safeguard that information.
- 2.30.1. Sensitive PII is anything that alone or in combination with available information can identify an individual, which if lost, compromised, or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience or unfairness to an individual.
- 2.30.2. Awarded Vendor must have a Non-Disclosure Agreement (NDA) on file with TWC prior to handling Sensitive PII.
- 2.30.3. In order to safeguard Sensitive PII, Awarded Vendor must:
- 2.30.3.1. Collect Sensitive PII only as authorized.
 - 2.30.3.2. Limit the use of Sensitive PII.
 - 2.30.3.3. Minimize the proliferation of Sensitive PII.
 - 2.30.3.4. Secure Sensitive PII both physically and in electronic form.
 - 2.30.3.5. Report suspected privacy incidents within twenty-four (24) hours to the TWC Contract Manager or, email the TWC Information Security Office at CISO@twc.texas.gov.
 - 2.30.3.6. Not transmit or store Sensitive PII in a server or storage device that is located in a foreign country.
 - 2.30.3.7. Awarded Vendor will not transmit Sensitive PII via email or store on CDs, DVDs, thumb drives and the like without prior review and encryption protocol approved by TWC.
 - 2.30.3.8. Failure to follow these requirements will constitute a breach of contract.
- 2.31. **Change in Law:** Any alterations, additions, or deletions to the terms of this Contract which are required by changes in federal or state law or regulations are automatically incorporated into this Contract without written amendment hereto, and shall become effective on the date designated by such law or by regulation.
- 2.32. **Anti-Kickback:** Vendor will comply with the Copeland “Anti-Kickback” Act (40 U.S.C. §3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”).
- 2.33. **Environmental Protection:** Vendor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the mandates of the Clean Air Act (42 U.S.C. §7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §1251 et seq.).
- 2.34. **Contracting Information Responsibilities:** If this contract has a stated value equal to or in excess of \$1 million or results in the expenditure of an amount equal to or in excess of \$1 million in public funds, in accordance with Texas Government Code §552.372, Vendor agrees to (1) preserve all contracting information related to the contract as provided by the records retention requirement applicable to TWC for the duration of the Contract, (2) promptly provide to TWC any contracting information related to the contract that is in the custody or possession of the Vendor on request of TWC, and (3) on termination or expiration of the contract, either provide at no cost to TWC all contracting information related to the contract that is in the custody or possession of the Vendor or preserve the contracting information related to the contract as provided by the records retention requirements applicable to TWC. Except as provided by Texas Government Code §552.374(c), the requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to the contract and Vendor agrees that the contract may be terminated if the Vendor knowingly or intentionally

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fails to comply with a requirement of that subchapter.

- 2.35. **Disaster Recovery Plan:** In accordance with 13 TAC § 6.94(a)(9), Vendor shall provide to TWC the description of its business continuity and disaster recovery plans.
- 2.36. **Media Releases:** Vendor shall not use TWC's name, logo, or other likeness in any press release, marketing material, or other announcement without TWC's or the relevant state agency's prior written approval. TWC does not endorse any vendor, commodity, or service. Vendor is not authorized to make or participate in any media releases or public announcements pertaining to this procurement, the solicitation response or the services to which they relate without the prior written consent of the relevant state agency, and then only in accordance with explicit written instruction from the relevant state agency. Vendors must obtain written approval from the TWC Contract Manager not more than fifteen (15) business days and not less than five (5) business days prior to any media release related to this Contract.
- 2.37. **Specific Conditions for Disclosing Federal Funding in Public Announcements:** The parties agree that all statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, the parties shall clearly state:
- 2.37.1. the percentage of the total costs of the program or project which will be financed with Federal money;
- 2.37.2. the dollar amount of Federal funds for the project or program; and,
- 2.37.3. the percentage and dollar amount of the total costs of the project or program that will be financed by non- governmental sources.
- 2.38. **Prohibition of Text Messaging and E-mailing While Driving During Official Federal Grant Business:** The parties and their employees and representatives are prohibited from text messaging while driving a government owned vehicle, or while driving their own privately-owned vehicle during official contract business, or from using government supplied electronic equipment to text message or email when driving. The parties must comply with these conditions under Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009.
- 2.39. **All work performed and Services provided under this Contract shall be performed in the United States.**

3. REQUIRED CERTIFICATIONS

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

- 3.1. Vendor represents and warrants that all statements and information prepared and submitted in this Proposal are current, complete, true and accurate. Submitting a Proposal with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void the submitted Proposal and any resulting contract.
- 3.2. **All Terms and Conditions Met:** that all terms and conditions listed in the solicitation will be met.
- 3.3. By submitting the Proposal, Vendor represents and warrants that the individual submitting this document and the documents made part of this Proposal is authorized to sign such documents on behalf of the Vendor and to bind the Vendor under any contract that may result from the submission of this Proposal.
- 3.4. **U.S. Department of Homeland Security's E-Verify System:** To the extent required by law, the Contractor certifies and ensures that it utilizes and will continue to utilize, for the term of this Contract, the U.S. Department of Homeland Security's E-Verify system to determine eligibility of:
- 3.4.1. All persons employed to perform duties within Texas, during the term of the Contract; and
- 3.4.2. All persons (including subcontractors) assigned by the Respondent to perform work pursuant to the

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Contract, within the United States of America.

- 3.4.3. The Contractor shall provide, upon request of TWC, an electronic or hardcopy screenshot of the confirmation or tentative non-confirmation screen containing the E-Verify case verification number for attachment to the Form I-9 for the three (3) most recent hires that match the criteria above, by the Contractor, and Contractor's subcontractors, as proof that this provision is being followed.
- 3.4.4. If this certification is falsely made, the Contract may be immediately terminated, at the discretion of TWC and at no fault to TWC, with no prior notification. The Contractor shall also be responsible for the costs of any re-solicitation that TWC must undertake to replace the terminated Contract.
- 3.5. **Inducements/Dealings with Public Servants:** Pursuant to Section 2155.003 of the Texas Government Code, the Vendor affirms it has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted solicitation response.
- 3.6. **Lobbying:** that the Vendor will not and has not used any federally appropriated funds to pay any person or organization for influencing or attempting to influence any officer or employee of any federal agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. §1352. Vendor certifies that it shall disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award by completing and submitting Standard Form LLL. Further, Vendor certifies that no funds provided under the contract will be used in any way to attempt to influence in any manner a member of Congress to favor or oppose any legislation or appropriation by Congress, or for lobbying with State or local legislators.
- 3.7. **Not Ineligible:** that neither the Vendor nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or excluded from participating in this contract by any state or federal agency.
- 3.8. **Non-Discrimination:** The Vendor agrees that no person will, on the ground of race, color, religion, sex, national origin, age, disability, political affiliation, or religious belief, be excluded from the participation in, be denied the benefits or, be subjected to discrimination under, or be denied employment in the administration of, or in connection with, any program or activity funded in whole or in part with funds available under this Contract. The Vendor certifies compliance with the Rehabilitation Act of 1998 § 508, 29 U.S.C. §794d, relating to the use of electronic and information technology for individuals with disabilities; the Housing and Urban Development Act §3, 12 USC §1701u, relating to economic opportunities for low and very low-income persons; Titles VI and VII of the Civil Rights Act of 1964 (42 U.S.C. §2000e); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794); Executive Order 11246, "Equal Employment Opportunity," as amended by Executive Order 11375, "Amending Executive Order 11246 relating to Equal Employment Opportunity," and as supplemented by regulations at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity Department of Labor."; the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101); and all amendments to each.
- 3.9. **Drug-Free Workplace:** The Vendor agrees to provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 (41 U.S.C. §81, Title V, Subtitle D).
- 3.10. **Franchise Tax:** The Vendor is not currently delinquent in the payment of any franchise tax owed to the State of Texas, pursuant to Chapter 171, Texas Tax Code.
- 3.11. **Child Support:** The Vendor is not ineligible to receive the specified grant, loan, or payment under Texas Family Code §231.006 (relating to child support) and acknowledges that the contract may be terminated, and payment may be withheld if certification is inaccurate. Pursuant to Texas Family Code §231.006(c), Vendor

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must provide the name and Social Security Number (SSN) of each person with at least 25% ownership of the business. This information must be provided prior to contract award.

- 3.12. **Certain Bids and Contracts Prohibited:** Under Texas Government Code §2155.004, Vendor certifies that the individual or business entity named in the solicitation response is not ineligible to receive the specified contract and acknowledges that the contract may be terminated and/or payment withheld if this certification is inaccurate.
- 3.13. **Fair Business Practices:** The Vendor has not been found guilty of unfair business practices in a judicial or state agency administrative proceeding during the preceding year. The Vendor further affirms that no officer of the Vendor has served as an officer of any company found guilty of unfair business practices in a judicial or state agency administrative proceeding during the preceding year.
- 3.14. **Antitrust Affirmation:** Affirms under penalty of perjury of the laws of the State of Texas that (1) in connection with this Response and any resulting contract, neither I nor any representative of the Vendor has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;(2) in connection with this Response and any resulting contract, neither I nor any representative of the Vendor have violated any federal antitrust law; and (3) neither I nor any representative of the Vendor have directly or indirectly communicated any of the contents of this Response to a competitor of the Vendor or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Vendor.
- 3.15. **No Compensation:** The Vendor has not received compensation for participation in the preparation of the solicitation. This section does not prohibit a Vendor or contract participant from providing free technical assistance.
- 3.16. **Conflict of Interest:** Vendor has disclosed any existing or potential conflict of interest relative to the performance of the contract. Failure to do so will be grounds for contract termination.
- 3.17. **Prohibition on Certain Bids and Contracts related to Disasters and Hurricanes Katrina and Rita:** Under Texas Government Code §2155.006 and §2261.053, the Vendor certifies that the individual or business entity named in response to this solicitation is not ineligible to receive the specified contract and acknowledges that any contract resulting from this solicitation may be terminated and payment withheld if this certification is inaccurate.
- 3.18. **Independent Contractor:** Vendor or Vendor's employees, representatives, agents and any subcontractors shall serve as an independent contractor in providing the services under any contract resulting from this solicitation. Vendor and Vendor's employees, representatives, agents and any subcontractors shall not be employees of TWC or the State of Texas. Should Vendor subcontract any of the services required in this solicitation, Vendor expressly understands and acknowledges that in entering into such subcontract(s), TWC or the State of Texas are in no manner liable to any subcontractor(s) of Vendor. In no event shall this provision relieve Vendor of the responsibility for ensuring that the services rendered under all subcontracts are rendered in compliance with this solicitation and any resulting contract.
- 3.19. **Workers' Compensation Insurance:** Vendor must maintain Workers' Compensation insurance coverage in accordance with statutory limits.

Workers Compensation: Statutory Limits

Employers Liability: Each Accident 1,000,000

Disease – Each Employee \$1,000,000

Disease – Policy Limit \$1,000,000

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Commercial General Liability:

Occurrence based:

Bodily Injury and Property

Damage

Each occurrence limit: 1,000,000

Aggregate limit: \$2,000,000

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

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

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

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

- 3.20. **Felony Criminal Convictions:** Vendor represents and warrants that Vendor has not and Vendor's employees have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Vendor has fully advised TWC as to the facts and circumstances surrounding the conviction.
- 3.21. **Restricted Employment for Former State Officers or Employees Under Texas Government Code §572.069:** Vendor certifies that it has not employed and will not employ a former TWC or state officer or employee who participated in a procurement or contract negotiations for TWC or the State of Texas involving Vendor within two (2) years after the state officer or employee left state agency employment or service. This certification only applies to former state officers or employees whose state service or employment ceased on or after September 1, 2015.
- 3.22. Vendor certifies that both of the following statements are true and correct, and that the Vendor understands that making a false statement is a material breach of the contract and is grounds for termination of contract award:
 - 3.22.1. Vendor is current in Unemployment Insurance taxes, Payday and Child Labor law monetary obligations, and Proprietary School fees and assessments payable to the State of Texas, to the extent applicable.
 - 3.22.2. Vendor has no outstanding Unemployment Insurance overpayment balance payable to the State of Texas.
- 3.23. **Entities that Boycott Israel:** In contracts worth \$100,000 or more in value, if Vendor is a Company as defined by Texas Government Code §808.001 with 10 or more full-time employees, and Vendor is not a sole proprietorship, Vendor represents and warrants that, pursuant to Texas Government Code § 2271.002, Vendor does not boycott Israel and will not boycott Israel during the term of any contract executed with TWC.
- 3.24. **Prohibition on Contracts with Companies Boycotting Certain Energy Companies, Texas Government Code Chapter 2274:** In contracts worth \$100,000 or more in value, if Vendor is a Company with 10 or more full-time employees, Vendor verifies that it does not boycott energy companies as defined in Texas Government Code, Section 2274.001(1) and will not boycott energy companies during the term of this contract.
- 3.25. **Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries, Texas Government Code, Chapter 2274:** In contracts worth \$100,000 or more in value, if Vendor is a company with 10 or more full-time employees, Vendor verifies, that it does not have a practice, policy, guidance or

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directive that discriminates against a firearm entity or firearm trade association and Vendor will not discriminate against a firearm entity or firearm trade association during the term of this contract.

- 3.26. **Prohibition on Contracts or Other Agreements with Certain Foreign-Owned Companies in Connection with Critical Infrastructure in this State, Texas Government Code, Chapter 2274:** If this contract involves Vendor accessing critical infrastructure as defined in Texas Government Code, Section 2274.0101, Vendor certifies that Vendor is not:
- (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by: (a) individuals who are citizens of China, Iran, North Korea, Russia or a designated country as defined in Section 2274.0101(4); or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia or other designated country as defined in Section 2274.0101(4); or
 - (2) headquartered in China, Iran, North Korea, Russia or other designated country as defined in Section 2274.0101(4).
 - (3) This provision applies regardless of whether the Vendor's or its parent company's securities are publicly traded, or the Vendor or its parent company is listed on a public stock exchange as a Chinese, Iranian, North Korean, or Russian company or a company of a designated country.
- 3.27. **Foreign Terrorist Organizations:** Vendor represents and warrants that it is not engaged in business with Iran, Sudan or a foreign terrorist organization, as prohibited by Texas Government Code §2252.152.
- 3.28. **COVID-19 Vaccine Passport Prohibition:** Under Section 161.0085 of the Texas Health and Safety Code, Vendor certifies that it does not require its customers to provide any documentation certifying the customer's COVID-19 vaccination or post-transmission recovery on entry to, to gain access to, or to receive service from the Vendor's business. Vendor acknowledges that such a vaccine or recovery requirement would make Vendor ineligible for a state-funded contract.
- 3.29. **Executive:** Vendor certifies it is in compliance with Texas Government Code §669.003, relating to contracting with the executive head of a State agency. If applicable, Vendor will complete the following for TWC evaluation:
- Former Executive Name:**
- State Agency Name:**
- Date Separated from Agency:**
- Position with Vendor:**
- Date employed with Vendor:**
- 3.30. **Buy Texas:** Vendor agrees to comply with Texas Government Code §2155.4441, pertaining to purchasing products and materials produced in the State of Texas.
- 3.31. **Texas Bidder Affirmation:** Vendor certifies that if a Texas address is shown as the address of the Vendor on this solicitation response, Vendor qualifies as a Texas Bidder as defined in Texas Government Code § 2155.444(c).
- 3.32. **Human Trafficking:** Under Texas Government Code §2155.0061, Vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated, and payment withheld if this certification is inaccurate.

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Further, Vendor acknowledges that TWC may not award a contract to person convicted of on any offense related to the direct support of promotion of human trafficking during the five-year period preceding the date of award and that if TWC determines that Vendor is ineligible to have accepted the Contract, TWC may immediately terminate the contract without further obligation to Vendor.

- 3.33. **Trafficking in Persons:** The parties acknowledge the requirements of 2 C.F.R. §175, including the U.S. Department of Education's modifications to these requirements, and agree to comply with the requirements regarding trafficking in persons.
- 3.34. **Disclosure of Prior State Employment:** In accordance with Section 2254.033 of the Texas Government Code, relating to consulting services, Vendor certifies that it does not employ an individual who has been employed by TWC or another agency at any time during the two (2) years preceding submission of the solicitation response or, in the alternative, Vendor has disclosed in its solicitation response the following: (a) the nature of the previous employment with TWC or the other agency; (b) the date employment was terminated; and (c) the annual rate of compensation for the employment at the time of termination.
- 3.35. **Former Agency Employees:** In accordance with Texas Government Code § 2252.901, Vendor represents and warrants that none of its employees, including but not limited to those authorized to provide services under the contract were former employees of TWC or another state agency during the twelve (12) month period immediately prior to the date of execution of the contract.
- 3.36. Vendor represents and warrants that if selected for award of a contract as a result of this solicitation, Respondent will submit to Agency a Certificate of Interested Parties, prior to contract execution as required by Texas Government Code §2252.908.

4. SPECIFICATIONS

- 4.1. Any catalog, brand name or manufacturer's reference used in the solicitation is descriptive only (not restrictive), and is used to indicate type and quality desired. Submitted responses containing other brands that are functionally equivalent will be considered unless TWC has advertised the solicitation as proprietary under Texas Government Code §2155.067. If Vendor takes an exception to the solicitation's specifications and Vendor's response contains equivalent product, Vendor is required to include additional information such as manufacturer, brand or trade name, illustrations, and specifications for the equivalent product as part of their response to the solicitation. If Vendor takes no exception to the specifications, the Vendor must furnish the item(s) as specified in the solicitation.
- 4.2. Manufacturer's standard warranty shall apply unless otherwise stated in the solicitation. Written warranty is to be provided with product, and is to include the point-of-contact name, phone number, and all information needed to initiate a warranty service call.
- 4.3. **No Substitutions:** Vendor will not make any substitution to the specifications of any solicitation or PO, unless the substitution is (1) proposed to TWC in writing by the Vendor, and (2) supported by the expressed written prior approval of TWC.
- 4.4. **Replacement Parts Available:** The Vendor, in connection with an agreement with the manufacturer of the equipment, warrants that new or reconditioned replacement parts will be available until five (5) calendar years after the date of the award of the contract. All replacement parts must meet or exceed original manufacturer's specifications and be compatible with existing equipment.
- 4.5. All electrical items must meet all applicable standards and regulations, and bear the appropriate listing from Underwriters Laboratory (UL), Factory Mutual Resource Corporation (FMRC), or National Electrical Manufacturers Association (NEMA).

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- 4.6. Vendor guarantees product offered will meet or exceed specifications; that the product is new, in current production, including the manufacturer's standard equipment and accessories; and is qualified for full maintenance coverage, service and support at, or below, the manufacturer's standard maintenance rates.
- 4.7. **Projects Using Iron or Steel Products:** Pursuant to Texas Government Code §2252.202, iron or steel products produced through a manufacturing process and used in the project must be produced in the United States.

5. DELIVERY

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

6. VALIDATION, INSPECTION & TESTS

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

7. INVOICING INSTRUCTIONS

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

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7.8. Trade-in values must be stated on the invoice.

8. PAYMENT

- 8.1. Payment shall be made in accordance with Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act. Chapter 2251 governs remittance of payment and remedies for late payment and non-payment.
- 8.2. TWC will incur no penalty for late payment if payment is made within thirty (30) days of acceptance of goods or services, or within thirty (30) days of receipt of an uncontested invoice submitted according to the instructions on the PO, whichever comes last.
- 8.3. In no event shall use of the product by TWC, for any purpose during any phase of the acceptance testing, constitute acceptance of any product by TWC.
- 8.4. Prior to any payment being made, the goods or services being invoiced must have been received and accepted by TWC.
- 8.5. The vendor must be notified of an error or disputed amount in an invoice submitted for payment not later than the 21st day after receipt of the invoice. Notification to the vendor must include the following: (1) Detailed statement of the amount of the invoice, which is disputed, (2) TWC may withhold payments no more than 110 percent of the disputed amount.

9. PATENT, TRADEMARK, COPYRIGHT AND OTHER INFRINGEMENT CLAIMS

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

10. TERMINATION PROVISIONS

- 10.1. TWC reserves the right to immediately terminate any PO or contract resulting from or connected to this solicitation, in whole or in part, without recourse or penalty for breach of contract by the Vendor. TWC reserves the right to terminate any PO or contract resulting from or connected to this solicitation, in whole or

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in part, without recourse or penalty upon TWC within thirty (30) calendar days advance written notice, if TWC determines that such termination is in the best interest of the state, including but not limited to the following reasons.

- 10.1.1. Failure to obtain or sustain funding from either Federal or State funding sources.
- 10.1.2. Amendment or judicial interpretation of State or Federal laws or regulations that render fulfillment of the contract substantially unreasonable, impossible, or unnecessary.
- 10.2. In the event of such termination, Vendor must, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. TWC and the State of Texas shall be liable for payments limited only to the portion of work TWC expressly authorized in writing and which Vendor has completed, delivered to TWC, and which has been accepted by TWC in writing. All such work shall have been completed, in accordance with contract requirements, prior to the effective date of termination. TWC and the State of Texas shall have no other liability, including no liability for any costs associated with the termination.
- 10.3. TWC expressly reserves any and all legal remedies to which it may be entitled to collect related to any and all damages directly or indirectly resulting from breach of contract, by the Vendor or any of its agents, representatives, subcontractors, employees, or any other party acting on behalf of the Vendor.

11. INFORMATION TECHNOLOGY (IT) PURCHASES

- 11.1. Vendor represents that the product and all its elements, including, but not limited to, documentation and source code, meet the standards issued by the American National Standards Institute.
- 11.2. Vendor agrees that TWC owns the source code to any jointly-developed application(s) resulting from the contract.
- 11.3. As required by 1 TAC, Chapter 213:
 - 11.3.1. Effective September 1, 2006, state agencies shall procure products which comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC, Chapter 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.
 - 11.3.2. Vendor shall provide TWC with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act of 1973, as amended (29 USC § 794d)), or indicate that the product/services accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<http://www.buyaccessible.gov>). Vendors not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide TWC with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.
 - 11.3.3. TWC will use either VPAT or the Buy Accessible Wizard to assess the degree of accessibility of a proposed product when making the procurement decision.
- 11.4. Vendor shall follow Web Content and Accessibility Guidelines. (WCAG 2.0) as applicable for new websites, applications or redesigns.
- 11.5. Vendor agrees that all products and/or services equipped with hard disk drives (i.e., computers, telephones, printers, fax machines, scanners, multifunction devices, etc.) shall have the capability to securely erase data written to the hard drive prior to final disposition of such products and/or services, either at the end of the

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Customer's Managed Services product's useful life or the end of the related Customer Managed Services Agreement for such products and/or services, in accordance with 1 TAC, Chapter 202.

- 11.6. In accordance with Texas Government Code, Section 2054.138, and to the extent that the Vendor is authorized to access, transmit, use, or store data for the agency, Vendor agrees to meet the security controls put in place by the Agency to protect Agency data. The Vendor agrees to provide the Agency evidence that the Vendor meets the security controls required by the contract annually or more often as requested by the Agency.

12. ADDITIONAL COMPTROLLER RECOMMENDED TERMS

- 12.1. **Abortion Provider and Affiliate Transactions Prohibited:** Respondent represents and warrants that the contract is not a taxpayer resource transaction prohibited by Section 2272.003 of the Texas Government Code and that payments made by Agency to Respondent and Respondent's receipt of appropriated funds under the contract are not prohibited by Article IX, Section 6.25 of the General Appropriations Act.
- 12.2. **Binding Effect:** The contract shall inure to the benefit of, be binding upon, and be enforceable against, each Party and their respective permitted successors, assigns, transferees and delegates.
- 12.3. **Federal Occupational Safety and Health Law:** Respondent represents and warrants that all articles and services shall meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Act of 1970, as amended (29 U.S.C. Chapter 15).
- 12.4. **Immigration:** Respondent represents and warrants that it shall comply with the requirements of the Immigration and Nationality Act (8 U.S.C. § 1101 et seq.) and all subsequent immigration laws and amendments.
- 12.5. **Legal and Regulatory Actions:** Respondent represents and warrants that it is not aware of and has received no notice of any court or governmental agency actions, proceedings or investigations, etc., pending or threatened against Respondent or any of the individuals or entities included in the Response within the five(5) calendar years immediately preceding the submission of the Response that would or could impair Respondent's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to Agency's consideration of the Response. If Respondent is unable to make the preceding representation and warranty, then Respondent instead represents and warrants that it has included as a detailed attachment in its Response a complete disclosure of any such court or governmental agency actions, proceedings or investigations, etc. that would or could impair Respondent's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to Agency's consideration of the Response. In addition, Respondent represents and warrants that it shall notify Agency in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update Agency shall constitute breach of contract and may result in immediate termination of the contract.
- 12.6. **Limitation on Authority:** Respondent shall have no authority to act for or on behalf of Agency or the State of Texas except as expressly provided for in the contract; no other authority, power or use is granted or implied. Respondent may not incur any debt, obligation, expense or liability of any kind on behalf of Agency or the State of Texas.
- 12.7. **No Third Party Beneficiaries:** The contract is made solely and specifically among and for the benefit of the parties named herein and their respective successors and assigns, and no other person shall have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the contract as a third-party beneficiary or otherwise.
- 12.8. **Use of State Property:** Respondent is prohibited from using State Property for any purpose other than performing Services authorized under the contract. State Property includes, but is not limited to, Agency's

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office space, identification badges, Agency information technology equipment and networks (e.g., laptops, portable printers, cell phones, iPads, external hard drives, data storage devices, any Agency-issued software, and the Agency Virtual Private Network (VPN client)), and any other resources of Agency. Respondent shall not remove State Property from the continental United States. In addition, Respondent may not use any computing device to access Agency's network or e-mail while outside of the continental United States. Respondent shall not perform any maintenance services on State Property unless the contract expressly authorizes such services. During the time that State Property is in the possession of Respondent, Respondent shall be responsible for (i) all repair and replacement charges incurred by Agency that are associated with loss of State Property or damage beyond normal wear and tear and (ii) all charges attributable to Respondent's use of State Property that exceeds the contract scope. Respondent shall fully reimburse such charges to Agency within ten (10) calendar days of Respondent's receipt of Agency's notice of amount due. Use of State Property for a purpose not authorized by contract shall constitute breach of contract and may result in termination of the contract and the pursuit of other remedies available to Agency under contract, at law, or in equity.

SIGNATURES:

Contractor hereby acknowledges that it has read and understands this entire Contract. All oral or written agreements between the parties hereto relating to the subject matter of this Contract that were made prior to the execution of this Contract have been reduced to writing and are contained herein. Contractor agrees to abide by all terms and conditions specified herein and certifies that the information provided to the Commission is true and correct in all respects to the best of its knowledge and belief.

The obligations of the TWC under this Contract are expressly contingent upon the availability of funds for such purposes. This Contract shall not be binding until expressly approved by the Executive Director of the TWC, or the Executive Director's designee.

TEXAS WORKFORCE COMMISSION

Tammy Martin for Cheryl Fuller

COMPASS GROUP USA INC

Shawn Grider

Signature

Signature

Cheryl Fuller

Print Name

Shawn Grider

Print Name

Director, Vocational Rehabilitation Services

Title

President

Title

1/10/2023

Date

1/10/2023

Date



TEXAS WORKFORCE COMMISSION

**REQUEST FOR PROPOSALS (RFP)
RFP #3202300013**

**Beverage and Snack Vending Machine Services
for Dallas South, TX area**

Date of Release: May 6, 2022

Proposal Due Date/Time: June 14, 2022, 3 p.m. (CT)

NIGP Class/Item Codes:

**961-15 Concessions, Catering, Vending: Mobile & Stationary
931-88 Vending Machine Maintenance, Repair, Installation or Removal**

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1. General Information

1.1 Purpose

TWC is interested in establishing a contract, in the **Dallas South, Texas** area, with qualified Respondents capable of furnishing all labor, equipment, materials, and services required to provide Beverage and Snack Vending Machine Services in support of the TWC Business Enterprises of Texas (TWC-BET) program.

1.2 TWC Point of Contact

The sole point of contact for inquiries concerning this RFP is:

Texas Workforce Commission
Rachel Dean CTCD
Procurement & HUB Services
VendorProposals@twc.texas.gov

All communications relating to this RFP must be directed to the TWC point of contact. All communications between Respondents and other TWC staff members concerning this RFP are strictly prohibited.

Failure to comply with these requirements may result in proposal disqualification.

- 1.3 Procurement schedule the following table represents the RFP procurement schedule. All dates are subject to change at the discretion of TWC.

Procurement Schedule	
RFP release date	May 6, 2022
Vendor questions due	May 18, 2022 3p.m. (CT)
TWC posts responses to vendor questions	May 27, 2022
Proposals due	June 14, 2022, 3p.m. (CT)
Anticipated contract start date:	September 1, 2022

- 1.4 Respondent questions regarding this RFP: Submit questions using Attachment 1 - Respondent Questions & Answers Template, no later than May 18, 2022 by 3:00 p.m. (CT). Include the RFP Section and Page for each question. TWC will post all Questions & Answers and, if appropriate, an Amended RFP to the Electronic State Business Daily (ESBD) by May 27, 2022.

1.5 Contract Type and Term

TWC intends to award a single revenue-generating contract in the Dallas South, Texas area to a successful Respondent based on the Scope of Work contained herein. The initial contract term for any contract resulting from this RFP will be for two (2) years commencing the date that the Notice of Award is issued by TWC and is executed by both parties. TWC may, at its option, amend the contract for purposes of renewing the contract term for one (1) additional two (2) year period. Prior to the onset of any renewal period, Contractor shall be required to provide evidence that all required insurance and sureties are current and will remain in force throughout the contract term.

Any contract resulting from this RFP may also be extended for up to three (3) months during any changeover period as defined herein.

1.6 Addenda to the RFP

TWC will post all addenda to the RFP on the Electronic State Business Daily (ESBD) website at <http://www.txsmartbuy.com/esbd>. TWC reserves the right to amend the RFP at any time. It is the responsibility of prospective Respondents to periodically check the ESBD for updates regarding the RFP prior to submitting a proposal. A Respondent's failure to rely on information contained in any addendum issued by TWC will not release the Successful Respondent from performing all services in accordance with the RFP.

1.7 Certifications

By signing and submitting the Execution of Offer form, Respondent attests to its compliance with the statements contained in the Respondent Certifications embedded below.



Respondent
Certifications

1.8 TWC Standard Terms and Conditions

Contracts resulting from this solicitation will include the TWC Standard Terms and Conditions embedded below.



Terms and
Conditions_11.04.2021

1.9 Costs Incurred

Respondents understand that issuance of this RFP in no way constitutes a commitment by TWC to award a contract or to pay any costs incurred by a Respondent in the preparation of a response to this RFP. TWC is not liable for any costs incurred by a Respondent prior to issuance of or entering into a formal agreement, contract, or purchase order. Costs of developing proposals, preparing for or participating in oral presentations and site visits, or any other similar expenses incurred by a Respondent shall be borne by the Respondent, and will not be reimbursed in any manner by TWC.

1.10 Definitions

Whenever the following terms are used in any part of this RFP the intent and meaning shall be interpreted as follows:

- A. **Addendum** means an amendment or modification of the specifications issued by TWC and made available to prospective Respondents on the ESBD.
- B. **BET** means the TWC Business Enterprise of Texas.
- C. **Contract** means the contract consisting of the RFP issued by TWC and any addenda thereto, the Respondent's proposal, and any revised proposal or best and final offer requested and accepted by TWC.

- D. **Contractor** means the individual; partnership or corporation awarded a contract resulting from this RFP.
- E. **RFP** means Request for Proposals, the written notice inviting the submission of proposals for the specified requirements.
- F. **Respondent** means the individual, partnership, corporation, or other entity that submits a proposal in response to this RFP.
- G. **TWC** means Texas Workforce Commission.

2. Proposal Instructions and Requirements

2.1 Questions and Comments

All questions and comments regarding this RFP must be submitted to the TWC Point of Contact indicated in Section 1.2. Questions must reference the appropriate RFP page and section number and must be submitted by the deadline set forth in Section 1.3. TWC may elect not to respond to questions received after the deadline. At TWC's discretion, responses to vendor questions will be posted to the ESBD at <http://www.txsmartbuy.com/esbd>. TWC reserves the right to amend answers prior to the due date/time for proposals.

Respondents must notify TWC of any ambiguity, conflict, discrepancy, exclusionary specification, omission, or other error in the RFP by the deadline for submitting questions and comments. If a Respondent fails to notify TWC of these issues, it will submit a proposal at its own risk, and if awarded a contract: (1) shall have waived any claim of error or ambiguity in the RFP or resulting contract, (2) shall not contest TWC's interpretation of such provision(s), and (3) shall not be entitled to additional compensation, relief or time by reason of the ambiguity, error, or its later correction.

2.2 Proposal Due Date/Time and Location

Submit the proposal to TWC no later than **3:00 p.m. (CT)** on **June 14, 2022**. to the following email addresses:

- TO: vendorproposals@twc.texas.gov
- Subject Line: **RFP BET Vending Machine Services Dallas South 32002300013**

TWC is not responsible for Offers received late, illegible, incomplete, or otherwise considered disqualified due to failure of electronic equipment or operator error.

TWC will accept email submissions ONLY.

2.3 Proposal Form, Contents, and Organization

Respondents are required to complete the applicable Proposal Forms, Tabs A and B. Use the Proposal Forms A and B located with this solicitation on the ESBD for the Dallas South Service Area.

Please note the following regarding the contents and organization of your proposal:

The proposal shall be organized as follows:

TAB A	Completed Proposal Form
TAB B	Include a list of machines available for use under the contract that shows each machine's serial and/or machine number and place behind this TAB B. Also, include a brochure(s) identifying each vending machine type that will be supplied.

2.4 Modification or Withdrawal of Proposal

Prior to the proposal submission deadline set forth in Section 1.3 and 2.2, a Respondent may: (1) withdraw its proposal by submitting a written request to the TWC Point of Contact prior to submission deadline; or (2) modify its proposal by submitting a written amendment to the TWC Point of Contact prior to the submission deadline. TWC may request proposal modifications at any time.

TWC reserves the right to waive minor informalities in a proposal and award a contract that is in the best interest of the State of Texas. A "minor informality" is an omission or error that, in TWC's determination, if waived or modified when evaluating proposals, would not give a Respondent an unfair advantage over other Respondents or result in a material change in the proposal or RFP requirements. When TWC determines that a proposal contains a minor informality, it may at its discretion provide the Respondent with the opportunity to correct.

2.5 Right to Reject Proposals

TWC may reject without further consideration a proposal that does not include a complete, comprehensive, or total solution as requested by the RFP. TWC may reject any, and all proposals or portions thereof.

2.6 Additional Information

By submitting a proposal, the Respondent grants TWC the right to obtain information from any lawful source regarding the Respondent's and its director's, officer's, and employees: (1) past business history, practices, and conduct; (2) ability to supply the goods and services; and (3) ability to comply with contract requirements. By submitting a proposal, a Respondent generally releases from liability and waives all claims against any party providing TWC information about the Respondent. TWC may take such information into consideration in evaluating proposals.

2.7 Use of Subcontractors

Subcontractors providing services under the contract shall meet the same requirements and level of experience as required of the Respondent. No subcontract under the contract shall relieve the Respondent of the responsibility for ensuring the requested services are provided. Respondents planning to subcontract all or a portion of the work to be performed shall identify proposed subcontractors where indicated in the Proposal Form (see 2.4 above).

During the contract term Contractor, may add subcontractors with the prior written approval of TWC. The Contractor is responsible for the performance of any subcontractor, including services as specified in the scope of work, terms and conditions, submission of the Sales and Commissions Reports, and insurance requirements. The Contractor must provide to the TWC-BET a copy of any subcontracting agreements upon request.

3. Proposal Evaluation and Award

3.1 TWC will use a formal evaluation process to select the successful Respondents. TWC will consider capabilities or advantages that are clearly described in the proposal, which may be confirmed by through technical discussions with qualified Respondents. TWC may determine that certain proposals receiving the highest or most satisfactory evaluations are within the competitive range for further consideration. Discussions may be carried out with Respondents that are within the competitive range, after which revised proposals may be requested. Discussions may be conducted for purposes of:

- a. Clarifying and discussing any aspect of a proposal.
- b. Obtaining clarification of proposal ambiguities.
- c. Requesting modifications to a proposal.
- d. Providing instructions for submitting a revised proposal.

TWC may select a proposal for award without any discussions or may elect to hold discussions with only the single most highly qualified Respondent. TWC may but is not required; to permit Respondents to prepare one or more revised offers therefore Respondents are encouraged to treat their original proposals as Best and Final Offers (BAFO).

3.2 Evaluation Criteria

Evaluation of proposals will be based on the following criteria and corresponding relative weights.

Commission Percentage	50%
Technical Approach	40%
Vendor Performance	<u>10%</u>
	100%

3.3 Bonds and Insurance Submittal

The Successful Respondent will be responsible for providing the following documents to TWC within thirty (30) calendar days after receipt of the fully executed Notice of Award issued by TWC.

1. Performance bond (or approved equivalent) as specified in Section 6 of this RFP.
2. Insurance Certificate meeting all requirements as specified in Section 7 of this RFP.

Failure to submit official copies of the required documents may result in disqualification of the proposal.

3.4 Delivery and Pre-work Instructions

Delivery and Pre-work Instructions: After award and prior to delivery and work, pre-work instructions will be given to the Contractor at a time and place designated by the TWC-BET Vending Specialist. Instructions may be provided in person or telephonically and will include a discussion of contract documents, submittal procedures, and contract administration. The Contractor's representative(s) must discuss, plan, and schedule the required service delivery with the TWC-BET Vending Specialist and/or other designated TWC-BET staff.

Nancy Greely, TWC-BET Vending Specialist
Texas Workforce Commission
4800 North Lamar Blvd #111
Austin TX 78723
Telephone: (512) 533-7132

4. Scope of Work

4.1 Contractor Responsibilities:

- 4.1.1 The Contractor must install, service, and maintain all vending machines in a first-class operating condition with respect to cleanliness and mechanical or electrical operations.
- 4.1.2 The Contractor must correct any defects, problems, violations, or conditions relative to the vending machines that may prove hazardous or detrimental to the health and safety of the public. TWC-BET OR SERVICE SITE RESERVES THE RIGHT TO DISCONNECT FROM ITS POWER SOURCE ANY MACHINE DEEMED BY THE TWC-BET OR SERVICE SITE TO REPRESENT A SAFETY OR HEALTH VIOLATION OR HAZARD, UNTIL THE NECESSARY CORRECTIONS ARE MADE BY THE CONTRACTOR.
- 4.1.3 CONTRACTOR'S TITLE TO VENDING MACHINES AND EQUIPMENT: All equipment and automatic vending machines installed, and all products offered for sale by the Contractor are the property of the Contractor. TWC will have no interest in said products, vending machines, and/or other Contractor equipment.
- 4.1.4 The Contractor must establish a reimbursement system for each service site and provide to the TWC-BET a copy of its refund and/or reimbursement system for each service site. Signs indicating that the Vendor is not responsible for refunds are not acceptable. Refunds must be made each time the machine is serviced.
- 4.1.5 The Contractor must state the method for making refunds available in person or by mail.
- 4.1.6 The Contractor must maintain a refund log.
- 4.1.7 The Contractor must submit the TWC-BET Vending Specialist and the service site with the service schedule for each machine within 90 calendar days after the beginning date for the contract.
- 4.1.8 The Contractor is responsible for maintaining meter readings and accurate dollar sales data.
- 4.1.9 The Contractor must allow the TWC-BET access to all machine meters during regular business hours.
- 4.1.10 The Contractor must permit authorized representatives of the TWC-BET to accompany the Contractor's employees during cash collection and counting and to randomly examine the receipts of the vending machines operated by the Contractor.
- 4.1.11 The Contractor must schedule and conduct regular inspections of service sites, as proposed in the Contractor's proposal.
- 4.1.12 The Contractor's inspections must include a review of meter sales trends versus dollars collected.
- 4.1.13 The Contractor must provide the TWC-BET Vending Specialist with the dates of all machine installations, removals, and machine type changes. If the service site requests that the Contractor remove machines due to the service site moving or no longer needing machines, the Contractor must notify the TWC-BET immediately or a penalty equal to the estimated monthly gross sales average shown in the Area Site Locations listing on the due date for proposals and on each subsequent contract renewal date may be assessed.

- 4.1.14 The Contractor must pay all State, federal, and local taxes, including sales taxes on vended products, that may be assessed against its equipment or merchandise while in or upon the service site premises, as well as all State, federal, and local taxes assessed in connection with the operation of its vending services upon the service site premises. Sales taxes deducted must conform to the rules of the Texas Comptroller of Public Accounts regarding food sales, which require only 50% sales tax payment on perishable food items. The Contractor must not deduct taxes greater than 50% of the total sales tax rate on perishable items (Title 34 Texas Administrative Code (TAC) §3.293, Food; Food Products; Meals; Food Service and Texas Tax Code, §§151.007, 151.314, 151.315). The Contractor must comply with all State, federal, and local laws and regulations governing the preparation, handling and serving of food, and to procure and keep in effect all necessary licenses, permits, and food handler's cards required by law.
- 4.1.15 The Contractor must provide adequate vending services to achieve customer satisfaction.
- 4.1.16 The Contractor must hire all employees necessary for the performance of the requirements of this RFP. Upon being hired, such employees must be subject to such health examination as city, State, or federal authority may require in connection with their employment. The Contractor must maintain a staff of properly trained and experienced personnel to ensure satisfactory performance of the contract. The Contractor, in performing the requirements of this RFP, must not discriminate against any employee or applicant for employment based on race, color, religion, sex, national origin, age, disability, or veteran status (i.e., protected class).
- 4.1.17 The Contractor must comply with all applicable State, federal and local laws and regulations pertaining to the wages and hours of employment of its employees.
- 4.1.18 All Contractor employees must abide by any dress code rules of the service site where the vending machines are located. All Contractor employees must be clean and present a professional appearance at all times.
- 4.1.19 The Contractor must observe and comply with all regulations of the service sites, including but not limited to those regarding smoking, parking, and security.
- 4.1.20 When applicable the Contractor must submit and comply with service site regulations pertaining to background checks to install and service machines.
- 4.1.21 The Contractor must keep all records on file for a period of three (3) years from the end date of the contract. The Contractor must, upon reasonable notice, give TWC staff the right to inspect, examine, and audit, during normal business hours, such Contractor's business records as are directly or indirectly relevant to the financial arrangements set forth in this RFP.
- 4.1.22 The Contractor is responsible for the rotation and adequate supply of products.
- 4.1.23 The Contractor must keep its machines and all adjacent areas neat and sanitary. The Contractor must clean spills that occur while filling or cleaning its machines, clean the front of its machines each time the Contractor restocks or services them, and remove packaging and waste from affected areas following each service call.
- 4.1.24 The Contractor must maintain its service sites, where the vending services are performed, in a safe operating condition such that no employee of the Contractor or customer is exposed to or subjected to any unsafe situation that would violate Title 29 U.S.C., Chapter 15, Occupational Safety and Health Act, including but not limited to the general duty and the specific duty clauses thereof, or any similar federal, State, or local law or regulation.
- 4.1.25 The Contractor may not add or remove machines without the express written approval of TWC-BET. All additions or deletions will be made in writing by TWC through written notice with a revised Area Site Locations listing. The Contractor must provide the TWC-BET Vending Specialist with the installation or removal dates of all machines.

- 4.1.26 Price adjustments, changes in the commission rates reflected in the RFP document, service site additions or deletions, and changes in the number or type of vending machines must be approved in writing by the TWC-BET Director or the TWC-BET Vending Specialist.
- 4.1.27 COMPLIANCE: In performing the requirements of this RFP, the Contractor must comply with any and all applicable State, federal, and local laws, including but not limited to occupational safety and health, employment opportunity, immigration and naturalization, the Americans with Disabilities Act, State tax law, and State insurance law.
- 4.1.28 The Contractor may request an evaluation of the sales volume of a specific machine to determine profitability and possible removal. This evaluation must be for a minimum of 90 calendar days but may be longer at the option of TWC-BET. The sales figures used to determine profitability will come from the Sales and Commissions Reports. TWC-BET will notify the service site if the Contractor has requested removal of a specific machine and that sales of the machine have been evaluated. TWC-BET will determine if a machine must be removed and will inform the Contractor.
- 4.1.29 In no case may vending machines/security cages/etc., be located where they may restrict vehicle or pedestrian traffic. Vending machines/security cages/etc., must be accessible as prescribed in the Texas Accessibility Standards (TAS) and the Americans with Disabilities Act Accessibility Guidelines (ADAAG) and must conform to all requirements of Vernon's Texas Civil Statutes, Article 601(b). The Contractor must obtain all locks necessary to secure vending machines/security cages/etc.

4.2 Products

- 4.2.1 All product types must be offered year-round, including products containing chocolate. The Contractor must maintain fresh products in its vending machines and must comply with any State, federal and local laws and regulations concerning the storage and transport of candy and snacks.
- 4.2.2 Products not listed in the Proposal Requirement section of this RFP must be approved, in writing, by the TWC-BET Director or the TWC-BET Vending specialists before they are placed in any vending machine.
- 4.2.3 TWC-BET may add new products and/or new categories of products to the contract at any time.
- 4.2.4 Lower vend prices on drink machines are only permitted with prior written approval of the TWC BET Director or the TWC-BET Vending Specialist.
- 4.2.5 If the Contractor or subcontractor is a national brand vendor, they must provide up to two (2) items of a competing brand, should there be customer demand.
- 4.2.6 Any additional items or machines requested by the contractor must be made in writing and approved by the TWC-BET Director or TWC-BET Vending Specialist prior to implementation.

4.3 Vending Machines

- 4.3.1 Must contain only products that provide expiration dates on each package and no products will be sold beyond these dates.
- 4.3.2 Must contain only prepackaged, standard vending machine products. Products not listed in Proposal Requirement section of this RFP must be approved, in writing, by the TWC-BET Director or the TWC-BET Vending Specialist before they are placed in the vending machine.
- 4.3.3 Must be furnished new or refurbished, and each machine must be refinished or refurbished as necessary to keep units in working order, exteriors free of rust and major dents, all knobs

- and labels present, with no scratched or stained glass. TWC-BET and service sites will be the sole judges of the appearance of the machines. Machines must be replaced upon request of TWC-BET;
- 4.3.4 Must be equipped with coin change makers and dollar bill validators. Cashless options such as card readers, mobile wallets, etc., are also acceptable;
- 4.3.5 Must meet the specifications established by State, federal and local laws as well as those established by the National Automatic Merchandising Association (NAMA) and the National Sanitation Foundation (NSF). All electrically operated equipment must be installed in accordance with the standards of the National Electrical Code (NEC). All electrical items must meet all applicable Occupational Safety and Health Administration (OSHA) standards and regulations and bear the appropriate listing from Underwriters Laboratories (UL), Factory Mutual Research Corporation (FMRC), National Electrical Manufacturers Association (NEMA), and/or the Federal Communications Commission (FCC);
- 4.3.6 Must be in compliance with Texas Government Code, Title 10, Subtitle D, §2165.058, Energy-Saving Management: Vending Machines; Energy-Saving Device Required, as follows:
- 4.3.6.1 Exception: This section does not apply to a vending machine that contains a perishable food product, as defined by Texas Civil Practice and Remedies Code, §96.001.
 - 4.3.6.2 An entity that owns or operates a vending machine located in a building owned or leased by the State must activate and maintain any internal energy-saving or energy-management device or option that is already part of the machine or contained in the machine.
 - 4.3.6.3 An external energy-saving or energy-management device must be used for each vending machine that:
 - A. Is located in a building owned or leased by the State;
 - B. Operates with a compressor; and
 - C. Does not have an activated and operational internal energy-saving or energy-management device or option.
 - 4.3.6.4 An entity that owns or operates a vending machine subject to this section will be responsible for any expenses associated with the acquisition, installation, or maintenance of an energy-saving device required by this section.
 - 4.3.6.5 The State may impose an administrative fine on an entity that operates a vending machine subject to this section in an amount not to exceed \$250 per year for each machine found to be in violation of this section or rules adopted by the State under this section.
 - 4.3.6.6 The State may adopt and enforce additional rules relating to the specifications for and regulation of energy-saving devices required by this section.
- 4.3.7 Not allow force vend (e.g., if an item is sold out, the customer must be able to get his or her money back by depressing the coin return instead of having to select another product);
- 4.3.8 Not display advertising except such identification signs as approved by the TWC-BET Director or the TWC-BET Vending Specialist.
- 4.3.9 Must be equipped with a conspicuous professional-looking sign or decal (handwritten signs or decals are NOT acceptable) prominently placed on the front of the machine, displaying the Vendor name, telephone number, and customer refund procedural information for lost money or receipt of inferior product from the vending machine.
- 4.3.10 Must be equipped with professional-looking labels or tags for each product selection and vend price (handwritten labels or tags are NOT acceptable):

- 4.3.11 Must be repaired or serviced as needed and when requested by the TWC-BET or service site. Some service sites may require service five (5) to seven (7) days per week. All repair, service, or customer complaint responses must be made within 24 hours of notice to the Contractor. If for any reason the repair or service cannot be made within 24 hours, the Contractor must contact the TWC-BET Vending Specialist immediately. The Contractor must notify the TWC-BET Vending Specialist if consistent complaint issues are experienced;
- 4.3.12 Combination machines maybe utilized. The contractor must notify the TWC-BET in writing as to the type of machine combination prior to installation. Meter readings must still be submitted.
- 4.3.13 Must be provided and serviced at all locations on Service Site Listing.
- 4.3.14 May not be removed without prior authorization from the TWC-BET Director or TWC-BET Vending Specialist. If a machine is removed without prior authorization from the TWC-BET, it must be reinstalled and a penalty equal to the estimated monthly gross sales average listed on Service Site Listing on the due date for proposals and on each subsequent contract renewal date may be assessed. A penalty may be assessed for each month the equipment is not at the service site;
- 4.3.15 Must be equipped with non-resettable counters (meters) that monitor the number of vends and/or dollar sales. The readings from these counters must be sufficient for a TWC-BET audit of the dollar amount of sales. These amounts will be verified by TWC-BET.
- 4.3.16 Must be equipped with non-resettable vend meters for single-price machines, wherein Ending Meter Reading less Beginning Meter Reading less Test Vends yields Units Sold; Gross Sales divided by Sales Tax Rate yields Net Sales; and Gross Sales less Net Sales equals Sales Tax Dollars (e.g., Gross Sales \$300.00. Sales Tax Rate 8.25%. Convert 8.25% to decimal [0.0825] and add 1 [1.0825]. Divide Gross Sales [\$300.00] by Sales Tax Rate factor [1.0825], resulting in Net Sales [\$277.14]). To calculate Sales Tax, subtract Net Sales [\$277.14] from Gross Sales [\$300.00], resulting in \$22.86 Sales Tax collected). Net Sales is the figure on which commissions must be paid; and
- 4.3.17 Must be equipped with non-resettable dollars sold meters for multiple-price machines, wherein Ending Dollars Sold less Beginning Dollars Sold less Test Vends equals Gross Sales; Gross Sales divided by Sales Tax Rate yields Net Sales; and Gross Sales less Net Sales equals Sales Tax Dollars (e.g., Gross Sales \$300.00 Sales Tax Rate 8.25%. Convert 8.25% to decimal [0.0825] and add 1 [1.0825]. Divide Gross Sales [\$300.00] by Sales Tax Rate factor [1.0825], resulting in Net Sales [\$277.14]. To calculate Sales Tax, subtract Net Sales [\$277.14] from Gross Sales [\$300.00], resulting in \$22.86 Sales Tax collected). Net Sales is the figure on which commissions must be paid.

4.4 Special Locations

- 4.4.1 TDCJ PRISONS: All prisons must be serviced twice per week and may require servicing on weekends. The visitation areas must be serviced on either Thursdays or Fridays, and the employee areas must be serviced on either Mondays or Tuesdays.
 - A. Delivery/service technicians must wait for an escort for 15 minutes only; after 15 minutes, the Contractor must notify the TWC-BET Vending Specialist.
 - B. The TWC-BET Vending Specialist will contact the prison administration office to inquire as to the delay and determine if an escort may be secured or if the delivery/service technician(s) must depart.
 - C. The Contractor must notify the prison warden's office prior to moving any vending equipment within a prison or removing any vending equipment from a prison.

4.5 TWC-BET Responsibilities

- 4.5.1 TWC-BET assumes no responsibility for protection of machines against damage or the unauthorized removal of machines or any parts or contents thereof.
- 4.5.2 Unless otherwise stipulated in this RFP, TWC-BET may, without cost to the Contractor, provide the Contractor with the necessary space for the operation of the services required in this RFP and will furnish, without cost to the Contractor, all service sites and utilities as are reasonable and necessary for the efficient performance of the contract.
- 4.5.3 The TWC-BET will grant to the Contractor the exclusive right to operate Vending Machine Services listed on or added to Service Site Listing, pursuant to this RFP.
- 4.5.4 The TWC-BET will grant to the Contractor the exclusive right to sell to employees, guests, and other persons at the service sites, food products, nonalcoholic beverages, and other such products as approved by TWC-BET. Products to be sold, selling prices, and commissions are specified in this RFP. All products listed in this RFP must be made available upon customer demand. The Contractor must pay the TWC-BET all commissions as proposed per this RFP.

4.6 Adding or Deleting Service Sites

- 4.6.1 The TWC-BET reserves the right to amend the contract by adding or deleting service sites listed in the Service Site Listing. If service site(s) are deleted, the Contractor must continue to service all other service sites. All additions or deletions will be made in writing by the TWC through an amendment to the contract with a revised Service Site Listing. The Contractor must provide to the TWC-BET Vending Specialist the installation or removal dates of all machines.
- 4.6.2 TWC-BET reserves the right to add service sites within 30 miles of any service site listed in the Service Site Listing. In the event site(s) are added, TWC will notify the contractor and provide an updated service site listing. The Contractor must provide the additional services within thirty (30) calendar days of notice under the same terms and conditions as specified in this RFP.
- 4.6.3 Service sites may request additional services. After completion of a feasibility study and discussion, the Contractor must provide the additional vending equipment within thirty (30) calendar days of notice, at the same prices and percentages in the current contract, under the same terms and conditions as specified in this RFP.

4.7 Changeover Period

- 4.7.1 All machines must be delivered and installed no later than thirty (30) calendar days after the beginning date of the contract.
- 4.7.2 The Contractor must coordinate the exact delivery schedule with the outgoing vendor, service site, and BET Vending Specialist; the new incoming Contractor must submit the TWC-BET Vending Specialist with the proposed plan to execute coordination, including service site survey.
- 4.7.3 The Contractor must provide the TWC-BET Vending Specialist with the final changeover schedule for all machines not less than (thirty) 30 calendar days prior to the beginning date of the contract. The TWC-BET Vending Specialist will assist the Contractor in resolving any disputes.
- 4.7.4 The outgoing Contractor must provide to the TWC-BET Vending Specialist the proposed changeover schedule no less than forty-five (45) calendar days prior to the expiration date of the current contract term.

Outgoing contractor submits machine removal schedule no later than	April 15th
Incoming contractor submits machine installation schedule no later than	May 1st
Contract begins	June 1st
Incoming contractor must deliver & install all machines no later than 30 days after the beginning date of the contract	June 30th
Incoming contractor must submit a service schedule for each machine no later than	September 1st

(Dates above are for reference only)

5. Reports, Commissions, and Penalties

- 5.1 Sales and Commissions Report: This report must document meter readings and other sales and commissions information for all machines by service site. The Contractor must submit this report on a monthly basis to https://webp.twc.state.tx.us/bep_sac/sac/login.asp no later than the first day of the second following month (i.e., if the reporting period ends on the last day of February, reports are due April 1) If the first day of the second following month falls on a weekend or a postal holiday, reports are due on the following TWC-BET workday. The report must be submitted prior to submitting commission payments. Sales and Commissions Report information must reflect a calendar month, with meter readings submitted for the beginning and end of that calendar month, only vending information reported in this manner will be accepted by TWC. Failure to provide the information in the requested manner may result in penalties being assessed.
- 5.2 All transactions are the sole responsibility of the Contractor. If the Contractor subcontracts any portion of the contract, the Contractor must submit the Sales and Commissions Report(s). TWC-BET WILL NOT ACCEPT THE SALES AND COMMISSIONS REPORT(S) FROM ANY SUBCONTRACTOR(S). Failure to comply will result in penalties being assessed (reference Section 5.4).
- 5.3 During the contract term, if for any reason the Contractor does not report sales and commissions by the due dates, TWC-BET will compute an average sales figure based on reported sales for the past six (6) months, and the Contractor will be required to pay commissions based on that average. When the Contractor obtains the unreported sales and commissions, and if they are more or less than the computed six (6)-month average, the Contractor must adjust the next month's Sales and Commissions Report accordingly.

**IF THE CONTRACTOR DOES NOT FOLLOW THESE REPORTING INSTRUCTIONS
TWC-BET RESERVES THE RIGHT TO ASSESS THE FOLLOWING PENALTIES:**

- 5.3.1 Failure to accurately report any of the following information on the Sales and Commissions Report may result in assessment of a penalty equal to the estimated monthly gross sales average listed in Part 5 of the Proposal Form, Service Site Listing on the due date for proposals and on each subsequent contract renewal date per service site per machine:
- a. Machine number
 - b. Machine type
 - c. Beginning meter reading
 - d. Ending meter reading
 - e. Gross sales
 - f. Sales tax dollars
 - g. Commission percentage
 - h. Commission paid

- 5.3.2 If a meter malfunctions and meter readings are not reported using money collected, sales must still be reported. Failure to report sales may result in assessment of penalties equal to the estimated monthly gross sales average listed on the Service Site Listing on the due date for proposals and on each subsequent contract renewal date per service site per machine.
- 5.3.3 If sales and commissions are not being reported on a machine, the Contractor must provide justification in the Comments section of the report, or a penalty may be assessed equal to the estimated monthly gross sales average listed on the Service Site Listing on the due date for proposals and on each subsequent contract renewal date per machine.
- 5.4 All penalties are due ten (10) calendar days after notice and are payable to the TWC-BET by separate check per penalty. If penalties are not received within ten (10) calendar days, an additional \$20.00 penalty will be assessed
- 5.5 Submit commission payment check(s) to TWC Accounts Payable at the following address:

TEXAS WORKFORCE COMMISSION
Accounts Payable
PO Box 322
Austin TX 78767

- Attach documentation that includes the **Contractor name, sales and commission month and year for which payment is being submitted, the service area, contract number, and the amount of the check.** Separate commission payments must be sent for each contract area.
- 5.6 Commission payments must be received by TWC-BET no later than the fifth day of the second following month (i.e., if the reporting period ends on the last day of February, commission payments are due no later than April 5). If the fifth day of the second following month falls on a weekend or a postal holiday, payments are due on the following TWC-BET workday. The monthly Sales and Commissions report must be submitted prior to submitting the commission payments. If either Sales and Commissions Report or a commission payment is received after its due date, the Contractor is subject to a late penalty of 3% of that month's gross sales. If the payment received does not equal the amount on the Sales and Commissions Report, the Contractor is subject to a late penalty of 3% of that month's gross sales. This penalty must be paid by separate check within 10 calendar days of notice by TWC-BET and must be accompanied by the delinquent commission payment and/or Sales and Commission Report, if not previously submitted. If commission payments and penalties are not received by the end of the calendar month in which the report was due, an additional penalty of 3% of that month's gross sales plus \$20.00 will be assessed to the Contractor. If these commission payments and penalties are not paid by the end of the month following the month in which the report was due, the TWC-BET may cancel the contract in its entirety and exercise the performance bond.
- 5.7 After the expiration date of its Contract, the Contractor must submit payment(s) per the procedures established above. TWC-BET may exercise the performance bond if payments are not submitted on time under the terms and conditions of the Contract.
- 5.8 TWC-BET will notify the Contractor of any payment returned by a financial institution. Payment must then be made by cashier's check or money order within ten (10) calendar days from date of notification. All future payments must be in the form of a cashier's check or money order

6. Performance Bond

- 6.1 The Contractor must procure and maintain enforce a performance bond in the amount which is equal to one (1) month's average sales for the service sites at the time of proposal due date. The purpose of the performance bond is to ensure that all performance responsibilities, monetary or otherwise, of the Contractor and its agents that are expressed in the contract will be satisfactorily fulfilled. This includes the Contractor's defaulting on the contract. **The original bond must be delivered to the TWC-BET Vending Specialist prior to the installation of any machines or the commencement of any services.** Subcontractors are not responsible for providing bonds to TWC.
- 6.2 The following instruments may be submitted to TWC in lieu of a performance bond:
 - a. Surety or blanket bond from a company chartered or authorized to do business in Texas;
 - b. Irrevocable letter of credit issued by a financial institution subject to the laws of Texas;
 - c. Certificate of deposit;
 - d. Certified check; or
 - e. Cashier's check.
- 6.3 Performance bond submitted must be effective on the beginning date of the contract and must not expire until six (6) months after the expiration date of the contract (e.g., if the initial contract term is 6/1/2017-5/31/2019, the bond/surety term must be 6/1/2017-11/30/2019. This applies to any renewal periods exercised by TWC and ensures that all monthly sales, commissions, and commission reports have been submitted and paid in full.
- 6.4 Performance bonds completed (signed) by an out-of-Texas surety require a countersignature and a 7-digit license number by a Texas resident agent of a company chartered or authorized to do business in Texas or a copy of a reciprocal agreement between states.
- 6.5 A separate performance bond must be provided for each contract awarded and must reference the contract number for which the bond is provided.
- 6.6 All references to the performance bond by the Contractor must reference the effective dates of the contract and the RFP number or contract number in lieu of or in addition to the bonding company's number.
- 6.7 Performance bonds must be made payable to TWC. TWC may delay the installation of vending equipment if a bond or an approved alternative surety is not received.
- 6.8 Any default or breach of the contract may result in exercise of the performance bond by TWC.

7. Insurance Requirements

- 7.1 The Contractor represents and warrants that it will, within seven (7) calendar days of notification by TWC, or by a time otherwise indicated by TWC, provide TWC with evidence of insurance as required herein which shall remain enforce throughout the term of the contract.
- 7.2 If the required insurance coverage policies expire during the term of the Contract, to include any subsequent contract extensions, the Contractor must provide TWC's contract manager with a new insurance certificate at least ten (10) business days prior to the expiration of the existing insurance coverage. The certificate must show that the terms and financial amounts of the insurance coverage comply with the Contract requirements and will become effective as of the expiration date and time for the existing coverage.
- 7.3 The Contractor is responsible for notifying the TWC contract manager within five business days about any cancellation, non-renewal, or material change in insurance terms that affects required

insurance coverage. In the event, that the Contractor fails to keep in effect at all times the required insurance coverage,

7.4 TWC may, in addition to any other remedies it may have, terminate the Contract, subject to the provisions of the Contract. The Contractor is responsible for any deductible or self-insured retention requirements in the required insurance coverage.

7.5 Minimum Insurance Coverage:

7.5.1 **Commercial Automobile Liability:** Includes any automobile, including hired and non-owned automobile liability of \$1,000,000 combined single limit for each accident

7.5.2 **Commercial General Liability Insurance**, covering all operations by or on behalf of the Contractor:

Occurrence based: Bodily Injury & Property Damage

Each Occurrence Limit: \$1,000,000

Aggregate Limit: \$2,000,000

Medical Expense Each Person: \$5,000

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

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

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

7.5.3 **Workers Compensation & Employers Liability**

Workers Compensation: Statutory Limits

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

Disease: Each Employee \$1,000,000

Disease: Policy Limit \$1,000,000

7.6 All policies must:

7.6.1 Be issued by companies authorized to do business in Texas with an A.M. Best Company rating of A VII or higher

7.6.2 Be written on a primary and non-contributory basis with any other insurance coverage

7.6.3 Include a Waiver of Subrogation Clause;

7.6.4 Provide 30 calendar days' advance written notice to the TWC-BET Vending Specialist in the event any policy is canceled, non-renewed or materially changed, including the following language: "It is a condition of this policy that the Contractor must furnish written notice to TWC-BET Vending Specialist, 101 E. 15th St., Austin TX 78778, thirty (30) calendar days in advance of the effective date of any reduction in or cancellation of this policy.

7.6.5 Name TWC as an Additional Insured (except Worker's Compensation Insurance);

7.6.6 Name TWC as a Certificate Holder

7.7 The Contractor must provide a certificate of insurance or binder to TWC **within fourteen (14) calendar days after the date of notice of award. The RFP number or contract number must appear on the certificate.**

7.8 The Contractor must furnish TWC with Original Copies of all required certificates of Insurance prior to the installation of any machines or the commencement of any operations.

7.8 Renewal policies must be furnished no less than thirty (30) calendar days prior to the expiration of any changes thereto. The Contractor must submit certified copies of said policies or certifications evidencing such insurance and waiver to TWC before services begin.

7.10 Failure to maintain the required insurance may result in cancellation of the contract.

- 7.11 **SUBCONTRACTOR INSURANCE REQUIREMENTS:** If the Contractor uses a subcontractor, the Contractor is responsible for ensuring that all subcontractors maintain the above insurance, as well. The Contractor is required to have certified copies of its subcontractors' policies available for review by TWC-BET, upon request. **Do not send subcontractors' policies to TWC.**

8. Termination of Contract

- 8.1 If the Contractor fails to perform in accordance with the provisions of the contract, TWC may, upon written notice to the Contractor, take adverse action against the Contractor, up to and including terminating the contract in whole or in part. If notice of termination is given, all work by the Contractor must cease on the effective date of the termination. Such termination will not be an exclusive remedy but rather an addition to any other rights and remedies of the State provided by law or under this contract. Adverse action, including termination, may result from, but is not limited to:
- 8.1.1 without notice, any unsatisfactory performance, as deemed by TWC;
 - 8.1.2 without cause, with thirty (30) calendar days of written notice. Any monies that may be due to the TWC-BET must be paid in full within five (5) business days of termination of this contract; and
 - 8.1.3 without notice, failure to comply with applicable safety and health requirements during the contract term.
- 8.2 Upon written notice of contract termination from TWC, the Contractor must:
- 8.2.1 Remove all vending equipment within thirty (30) calendar days after the date specified on the notification letter for all service sites in the contract area or service sites specified by TWC; and
 - 8.2.2 Provide written notice of removal dates for all equipment before any machine is removed. If a machine is removed prior to the written removal date, TWC may exercise the performance bond.
- 8.3 The TWC-BET reserves the right to remove, store, and sell any equipment not removed at the end of the thirty (30) calendar day notice. The Contractor is responsible for removal and storage costs of all equipment. In the event equipment is not removed, the TWC-BET will remove equipment to storage for a maximum of thirty (30) calendar days. The Contractor will be notified of equipment's removal and storage. At the end of the storage period, machines will be prepared for sale according to State procedures. Following vending equipment sale, TWC will issue a check to the Contractor in the amount of sale proceeds, less the removal, storage, and sale cost.
- 8.4 Upon termination or expiration of the contract, the Contractor must vacate, within 30 calendar days, all parts of the premises occupied by the Contractor, remove its vending machines and equipment, and return the premises to the TWC-BET, together with any equipment furnished by the TWC-BET pursuant to this contract, in the same condition as when originally made available to the Contractor, excepting reasonable wear and tear. First priority for removal of equipment should be given to service sites with security concerns and services sites with numerous vending machines.
- 8.5 The Contractor must supply the TWC-BET Vending Specialist the proposed removal schedule within seven (7) calendar days of a termination notification and prior to the removal of equipment.
- 8.6 If for any reason the Contractor defaults on the contract, TWC may exercise the performance bond.

8.7 The contract may be terminated by the Contractor with one hundred twenty (120) calendar days of written notice to TWC.

ATTACHMENT 1 – Respondent Questions & Answers

Texas Workforce Commission - RFP NO. 3202300013

Respondents must submit their questions via email to the following address: **vendorproposals@twc.texas.gov** using this template, including the specific RFP Section and Page number related to each question. TWC will respond in the same format and will include an Amended RFP if needed. The answers refer to a specific location in the RFP whenever possible. If similar questions are asked, TWC may reference a response to another question. If TWC modifies the RFP in response to a Respondent’s question, then TWC notes “Yes” in the last column on the right, RFP Modified to Clarify?

No.	RFP Section	Page	Question	Answer	RFP Modified to Clarify?
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

canteen

Love Your Choices



**Beverage and Snack Vending Machine Services for Texas Workforce Commission
for Dallas South, TX Area**

**Request for Proposals (RFP)
RFP #3202300013**

June 14, 2022



Rachel Dean
Procurement and HUB Services
Texas Workforce Commission
4899 N. Lamar Blvd., Suite 111
Austin, TX 78723

Dear Rachel,

Everything around us is changing, no matter the environment. As on-site snack and beverage options evolve, it's necessary to keep innovating. Our customized vending services do just that, offering an amazing variety of high-quality, delicious choices.

Canteen and Vend Pro are now operating as the same company as of May 2022, leveraging even more resources and industry knowledge as well as support to our clients. We keep guests energized by not only giving them a quick snack, but by providing fuel to keep them going. From great coffee to kickstart the morning to customized snacks for all-day grazing, we make it easy for your guests to keep moving forward.

Tailored localization. Your location is unique and your offerings should be too. We'll work with you to create a customized vending program that highlights exceptional service, market trends and your one-of-a-kind needs.

Big business footprint, small business mindset. We're adamant about maintaining authenticity and product integrity, whether we're servicing one account or one hundred. Our team focuses on meaningful ways to improve the guest experience, from product sourcing to delivery and maintenance to merchandising. Our locally run operations are backed by the support and resources of a global organization, giving us the opportunity to excel in daily operations while driving innovation, technology and efficiency in cost. As the nation's oldest and largest vending company, we know how to get it done.

Always innovative. We're passionate about purposeful innovation that elevates the choices guests are excited about. We know that speed, convenience and flexibility are all qualities that matter to you, driving us to search for the latest in technology, wellness offerings and trend-forward products.

We appreciate the opportunity to transform the vending experience at Texas Workforce Commission. We're excited to share our variety of options and setup possibilities with you. Together, we will make your vending program the industry standard for innovation and customer experience. We look forward to partnering with Texas Workforce Commission.

Sincerely,

A handwritten signature in black ink that reads "Stacie Ruiz". The signature is written in a cursive, flowing style.

Stacie Ruiz
Regional Vice President

This proposal, designed specifically for Texas Workforce Commission, is confidential and proprietary to Compass Group USA Inc. (Compass). Any unauthorized dissemination to others outside your organization would irreparably harm Compass and entitle Compass to judicial equitable relief, including injunction and specific performance. This proposal is valid for 30 days after its presentation and/or delivery to you.

Canteen does not provide dining foodservices within any correctional facilities, nor does any other Compass Group operating company in the United States.

CANTEEN EXCEPTIONS TO THE REQUEST FOR PROPOSAL (“RFP”)

Compass Group USA, Inc., by and through its Canteen Division (“Canteen”), has successfully negotiated and executed contracts with universities, hospitals, and clinics throughout the country. We are confident that we will be able to partner with the Texas Workforce Commission (“TWC”) to develop an agreement that meets the needs of both parties (the “Agreement”). Accordingly, Canteen’s proposal is subject to and conditioned upon the negotiation of a mutually agreeable resulting Agreement between the parties.

Upon review of the documents provided in the RFP, please note the following:

1. Canteen requests the following provisions from TWC’s Terms and Conditions be omitted as they are not applicable to the services to be provided by Canteen:
 - a. Terms & Conditions. §2.32 Davis-Bacon Act;
 - b. Terms & Conditions. §2.34 Contract Work Hours and Safety Standards Act;
 - c. Terms & Conditions. §3.11 Child Support;
 - d. Terms & Conditions. §3.37 Cybersecurity Training;
 - e. Terms & Conditions. §3.38 Computer Equipment Recycling Program;
 - f. Terms & Conditions. §3.39 Television Equipment Recycling Program;
 - g. Terms & Conditions. §12.4 License;
 - h. Terms & Conditions. §11.1 Information Technology Purchases; and
 - i. Terms & Conditions. §10.4 Termination.
 - j. Terms & Conditions. §3.4. U.S. Department of Homeland Security’s E-Verify System.

2. **Terms & Conditions. §2.6. Vendor Assignments:** Canteen requests this section to be replaced with the following: “Neither party may assign or subcontract this Agreement to an unaffiliated business entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed.”

3. **Terms & Conditions. §2.17. Limitation on TWC’s Liability:** Canteen requests the following language “TWC will not be liable for any incidental, indirect, special, or consequential damages under contract, Tort, (including negligence), or other legal theory. TWC's liability to Vendor under the contract will not exceed the total charges to be paid by TWC to Vendor under the contract.” from this section to be replaced with the following: “Neither Party will not be liable for any incidental, indirect, special, or consequential damages under contract, Tort, (including negligence), or other legal theory. Neither Party’s liability under the contract will not exceed the total charges paid by one Party to another.”

4. **Terms & Conditions. §2.10. Force Majeure:** Canteen requests this section to be replaced with the following: “In the event either Party is unable to perform its obligations under the terms of this contract because of acts of God, strikes, equipment or transmission failure or damage reasonably beyond its control, or other causes reasonably beyond its control, such party shall not be liable for damages to the other for any damages resulting from such failure to perform or otherwise from such causes.”

5. **Terms & Conditions. §2.22. Survival:** Canteen requests to add the following language to the end of this section: “This provision shall survive up to a time period permitted by law, but not to exceed a maximum of five (5) years from the termination date of the contract.”

6. **Terms & Conditions. §10; and RFP. §8. Termination:** Canteen requests the foregoing sections to be replaced with the following: “If either party breaches this contract, the party claiming such breach will give written notice citing specifics. If, within 60 days from such notice, the breach is not corrected, the non-breaching party may terminate this Agreement on 30 days written notice. Additionally, either party may terminate this Agreement at the end of each renewal term upon 90 days prior written notice to the other party.”

7. **Terms & Conditions. §2.10 Indemnification:** Canteen requests the language from this section to be replaced with the following:

Each party shall indemnify, defend, and hold harmless the other party from any and all losses, damages, or expenses, including reasonable attorneys' fees, arising out of or resulting from claims or actions for bodily injury, death, sickness, property damage, any breach or default hereunder, or other injury or damage if caused by any negligent act or omission of, or breach by, the indemnifying party. To effectively submit an indemnification claim, the indemnifying party must receive notice of the claim no later than ten days after the party to be indemnified receives notice of the claim or lawsuit. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY DAMAGES CONSTITUTING LOST PROFITS, SUFFERED BY EITHER PARTY UNDER THIS AGREEMENT.

8. **RFP. §4.1.26:** Canteen requests the language from this section to be replaced with the following: "If there are changes in assumptions of population, hours, other conditions, labor costs (including benefits and insurance), product costs, fuel costs, Federal, state and local taxes or laws (including regulatory or legislative mandates) or other levy or tax that impacts Contractor's Services, Contractor may modify the prices and/or commission rate(s) accordingly. Notwithstanding the foregoing, product prices may be adjusted by Contractor annually at a rate equal to the greater of the then-current, relevant rate published for the Employment Cost Index or the national or regional Consumer Price Index.

9. **RFP. §4.5.1:** Canteen requests the following language, "TWC-BET assumes no responsibility for protection of machines against damage or the unauthorized removal of machines or any parts or contents thereof." from this section to be replaced with the following: "TWC-BET assumes no responsibility for third-party damage or the unauthorized removal of machines or any parts or contents thereof."

10. **RFP. §4.6.3:** Canteen requests to replace the language from the foregoing section with the following language:

"Service sites may request additional services. After completion of a feasibility study and discussion, the Contractor must provide the additional vending equipment within thirty (30) calendar days of notice. Prices may be adjusted by Contractor at a rate equal to the greater of the then-current, relevant rate published for the Employment Cost Index or the national or regional Consumer Price Index."

11. **RFP. §7.6.3:** If awarded the business, Canteen would like to discuss these insurance requirements with TWC to ensure they meet the TWC's needs and conform to Canteen's written policies.



TAB A



EXECUTION OF OFFER

By signing below Applicant agrees to provide the services described in this RFP, and to the TWC Standard Terms and Conditions and Applicant Certifications in sections 1.7 and 1.8 of this solicitation documents.

Shawn Grider

Printed Name

Authorized Signature

____ President Canteen Texas ____
Title

____ 06/13/22 ____
Date Signed

Instructions

1. Provide complete organizational information in the spaces provided below.
2. Enter either your organization's Texas Identification Number or Federal Tax I.D. Number.
3. Provide your business organization type, e.g. sole proprietorship, partnership, non-profit corporation, for profit corporation etc.

Legal Entity Name	Compass Group USA Inc. by and through its Canteen Division
Mailing Address	2400 Yorkmont Road
City, State & Zip Code	Charlotte, NC 28217
Phone No.	704-328-4000
E-Mail Address	stacie.ruiz@compass-usa.com
Texas Identification Number (TIN)	
Federal I.D. Tax Number (14 digits)	56-1874931
Business Organization Type	Compass Group USA Inc. is a private, wholly owned subsidiary of Compass Group USA Investments Inc.

PROPOSAL INFORMATION

PART 1 – GENERAL INFORMATION

Vendor Point-of-Contact (post award): Provide the name and contact information for the individual who will serve as the primary point of contact to TWC for performance-related issues, communications, service calls and quality assurance.

Contact name: Stacie Ruiz

Title: Regional Sales Director

Street Address: 4301 Beltwood Parkway N

City/State/Zip Code: Dallas, TX 75244

Telephone: 469-387-0553

E-Mail: stacie.ruiz@compass-usa.com

Equipment:

a) How many machines are currently in your inventory and will be available on to be placed in service? ,? 50+

b) How many additional machines will need to be procured? 0

c) Would your company use cash on hand or finance the purchase of additional machines? N/A

d) Does your company have an existing account with any of the national brands (i.e. Coca Cola, Pepsi, or Dr. Pepper)?

Yes, we have accounts with all of the national brands

Include the following items behind **TAB B** in your proposal:

- List of machines, including serial and/or machine numbers.
- Brochure(s) identifying each vending machine type that will be supplied.

Subcontracting: If utilizing subcontractor(s) please complete the following information:

Texas Identification Number (TIN) or Federal Employer Identification number (EIN): _____

Subcontractor Name: _____

Address: _____

Telephone number: _____

Contact Name: _____

Work to be performed by Subcontractor: _____

Use this same format to identify any additional subcontractors.

PART 2 – COMMISSION PERCENTAGE

Refer to Part 4 (Vending Price List) and Part 5 (Area Site Locations) of this Proposal Form for data and information regarding the service sites where vending services will be required.

Employee Name: Nancy Greely

Request: Administrative Contracts

Details: This is for a BET Revenue Generating RFP, Dallas I-30 South Contract area as the current contract expires 9/1/2022.

TWC has established a baseline of \$2,631 in gross monthly sales from all vending machines in the Dallas I-30 South contract area. The current contractor offers 27% for drinks, 27% for snacks and 27% for miscellaneous.

The current contractor charges \$1.25 for 12 oz. canned and \$2.50 for 20 oz. bottled drinks at state/federal locations.

BIDDER MUST FILL IN ALL PERCENTAGES FOR BID TO BE CONSIDERED.

Drinks (65%): 27.5 %

Snacks (30%): 27.5 %

Miscellaneous (5%): 27.5 %

Weighted average formula (weighted percent equals 100%):

A weighted average formula will be used to determine the contract award. The Bidder's bid percentage for each machine type will be multiplied by the percentage in the weighted average formula for each machine type.

Part 3 – Technical Approach

REFUND SYSTEM

Describe your company's and any proposed subcontractor's refund system.

We make it easy to get in touch. Vending machines feature a **Connect** label, where customers can connect directly to our app to access nutritional information, request service or a refund, and provide valuable feedback on the products and services provided. The Connect system also allows us to build reports and share insights tailored to your needs, continually identifying opportunities for improvement.

Describe your company's and any proposed subcontractor's policy and procedures regarding petty cash.

A petty cash fund can be given to a designated person who makes refunds to those who lose money on the spot.

Describe your company's and any proposed subcontractor's process of maintaining the required Refund Log (see Scope of work Section 4.1.7).

All electronic refunds are logged in the system with e-check numbers and dates. All in-person refunds are logged with incident sheets that each person requesting a refund must hand in at the same time as getting the refund. Those sheets are then turned into the route driver when they replenish the refund bank with the on-site contact.

Describe how refunds will be handled, in person, by mail, or by some other method? If in person how will you contact the customer to ensure refund is made?

We have multiple ways to handle refunds, such as petty cash funds that can be left at each location; a QR code that will be on each machine and, when scanned with your smartphone, you can request a refund and an e-check will be emailed to you.

How often will your company process refunds?

These can be processed immediately on a daily basis as the refund requests come in. With the e-check technology for refunds, end users typically have those within 48 - 72 hours maximum.

SERVICE SCHEDULE

Describe your company's and any proposed subcontractor's service schedule for inspection and restocking of each service site listed in Part 5 of this Proposal Form.

Our SmartService generates live updates from our machines every six hours, informing us what has sold and when machines need maintenance. We analyze the selling data, using it to select the exact products needing replenishment in each machine, guaranteeing you have the right product mix at all times. With a heads up on maintenance needs, we can sub-route drivers, keeping them in a smaller geographic area for faster, more efficient service.

Some locations require specific servicing schedules. How will your company and any proposed subcontractor comply with those schedules (e.g. prisons require to be serviced twice weekly per section 4.3.11 and 4.4.1)?

Canteen will work with you on the specific days and time frames that certain locations need servicing and we will schedule the route accordingly to accommodate those needs.

Provide a preliminary restocking and service schedule based on the service site listing referenced in Part 5, Service Site Location of this form.

With our Lightspeed technology, the stocking of the machines are computer-generated based on the reports that come back to our office telling us what each machine needs and when service is needed. Every machine has a different usage, so the deliveries will vary from weekly to biweekly to monthly on lower volume equipment.

PHASE-IN STRATEGY

Describe your company's and any proposed subcontractor's anticipated phase-in strategy, including coordination with incumbent vendor, TWC-BET Specialist, and Site contact.

Canteen will work directly with each site contact and TWC-BET specialist to work on a schedule of equipment placement. Our team is well versed in working directly with incumbents to put together a plan of seamless transition.

Describe your company's and any proposed subcontractor's plan for conducting site surveys and proposed timetable for implementation of set-up?

We make transitioning easy. A typical implementation takes 30 to 45 days. The process begins once a letter of intent or a contract is signed. This includes a detailed survey of your measured available space for machines, an evaluation of details that need to be taken into consideration, and market research. We understand the ratio of total population versus the amount of equipment you'll need and will make recommendations accordingly.

Describe company's and any proposed subcontractor's process if a site requests that machines be removed due to service moving or no longer needing the machine (see RFP Section 4.1.15)

Should there be a need for removal of equipment, the POC can notify the Canteen customer service manager over the account and a removal work order will be put in. Our service department will schedule it and have a team come out on a designated date to remove the machine(s).

TRACKING SALES

Describe your company's and any proposed subcontractor's method of tracking sales.

All of our machines are equipped with devices that automatically transfer sales and usage data to our systems. We can run reports by machine, product and date range for you to see those necessary details.

Describe your company's and any proposed subcontractor's plan for handling meter readings on differing machine type (see RFP Section 4.3.16-4.3.18).

All of the vending machines will be equipped with digital meter reading technology that can be downloaded from the machine to route drivers' handheld and that will be synced back at the office at the end of each route day.

Describe your company's and any proposed subcontractor's process for the collection and calculating of sales (see RFP Section 4.3.12)

We will run our reports in accordance with your reporting timeline and needs. In the event there are ever reports needed off-schedule, the Canteen customer service manager can have those run and prepared.

Describe your company's and any proposed subcontractor's sales review schedule. Indicate whether the review is performed daily, weekly, monthly, or quarterly?

We develop true partnerships with our clients. We know providing exceptional service to you and your guests is paramount to success. The Quarterly Business Review is more than just a meeting between our teams - it's a chance for our clients to tell our director of innovation how we can serve them better.

Our comprehensive approach to managing your business includes reviews of innovative technology, new programs we're inventing and implementing, and proactive ways to address potential opportunities.

Topics Covered:

- Program review with our corporate director of innovation
- Financial review
- Customer service review
- Accomplishments
- Opportunities
- Innovations
- Moving forward/next steps



CUSTOMER SERVICE (Complaints, Suggestions and Requests)

Describe your company's process for handling customer complaints, suggestions, and requests.

OneTicket interfaces with i-vend, our award-winning equipment management software, to log every step of the repair process. From where the problem started to the exact date and time the first service call was requested, OneTicket doesn't close the ticket until each problem is fixed.

OneTicket allows us to track and report the service and repair history of any machine by day, week or month. This powerful tool performs on two levels:

- We can respond quickly and efficiently to service calls.
- You can monitor our quality of service.

OneTicket allows us to track and report the service and repair history of any machine. OneTicket generates a comprehensive suite of reports detailing call frequencies, response times and service completion, so each location can be properly monitored and repaired.

Here's how it works:

- A customer logs a service or repair into our Connect web interface or calls our support line.
- The service request is logged into OneTicket, noting date, time, machine, location and problem.
- Your technician is notified via text message. Date and time are entered into OneTicket.
- Repair is completed. Date and time are entered into OneTicket.
- Our staff will call to notify you of repair completion.

Describe your company's and any proposed subcontractor's policy and approach regarding communicating with customers, service site representatives, and TWC-BET specialists.

Each of our clients will have a direct line to their route representative who stocks the machines as well as a dedicated customer service manager who manages and oversees your account. We utilize all lines of communication from in-person, email, phone and even text if that is what a particular site contact prefers.



COMPANY STABILITY

Is your company currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, provide an explanation of the impact to your company, both in organizational and directional terms.

No.

Provide details of all past or pending litigation or claims filed against your company that may affect your company's performance under a contract with the TWC-BET.

As a large foodservice company, Compass Group USA Inc. by and through its Canteen Division ("Compass") is a party to litigious actions from time to time in the ordinary course of its business. However, the terms of such litigious actions are confidential and such litigious actions will not cause Compass to be unable to perform or fulfill any of its obligations under a contract with Texas Workforce Commission.

Is your company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, specify date(s), details, circumstances, and prospects for resolution.

No.

Have you previously bid on any Invitation for Bids (IFB) or Request For Proposals (RFP) issued by the Texas Workforce Commission (TWC) a different business name than is being proposed? If yes, specify the former business name, business address, contract area, and month and year of bid.

No.



VENDOR PERFORMANCE

How many years has your company been performing vending machine services using the same company name?

Canteen was founded in 1929, and a member of Compass Group since 1994.

Provide examples of up to three (3) current or past contracts awarded to your firm for vending services. For each example provide the client name, client point-of-contact name and telephone number, period of performance, contract value, and scope of work performed including the number of sites and types and numbers of vending machines provided for each site. Companies or organizations referenced must still be in business or operating. Respondent may be asked for additional examples of past performance in the event the reference provided is unavailable.

Amazon DFW 7

700 Westport Parkway
Fort Worth, TX 76177

Jimma Hernden
814-520-3071
herndenj@amazon.com

Client for 5 years
Contract value: \$76,000 for vending
11 total machines

Lockheed Martin

1 Lockheed Blvd.
Fort Worth, TX 76108

Blake Arnold
682-309-6318
blake.arnold@lmco.com

Client for 5 years
Contract value: \$276,000 for vending
87 total machines

Children's Medical Center

Annette Mica, MS, RDN, LD
214-456-2182
annette.mica@childrens.com

Client for 9 years
Contract value: \$170,000 for vending
57 total machines

TAB B



TAB B PROPOSED EQUIPMENT

LOCATION	TYPE	SERIAL NUMBER
#0408 DARS - Defense Contract Audit Agency (DCAA)	Crane 147 5 Wide Snack	147-0311579
#0448 DARS TX Health & Human Services Commission	AP7600	0
#0448 DARS TX Health & Human Services Commission	Vendo - 721	DP - 1254935
#0498 DARS - TX Dept. of Aging & Disability (DADS)	Vendo - 721	DP - VN00109424 - 00001328789
#1345 DARS - TX Dept of Family & Protective Svcs Arlington	AP-123	123C04114040
#1345 DARS - TX Dept of Family & Protective Svcs Arlington	National 147	0
#1345 DARS - TX Dept of Family & Protective Svcs Arlington	Vendo - 721	DP - VN00102982 - 1310799
#1345 DARS - TX Dept of Family & Protective Svcs Arlington	Vendo - 721	DP - 10197539 - 1290856
#1345 DARS - TX Dept of Family & Protective Svcs Arlington #2	Vendo - 721	DP - VN00119498 - 1362967
#1460 DARS - US Citizenship & Immigration Services (USCIS)	AP 7600 Snack	7035033
#1460 DARS - US Citizenship & Immigration Services (USCIS)	Bev	RY12004466 - 201214BA00120
#1684 DARS - US Post Office Grapevine	AP 113 Snack	0
#1685 DARS - US Post Office Burleson	SNACK-AP-6600	6029620
#1685 DARS - US Post Office Burleson	Vendo 721 RED DISPLAY	DP - VN427189 - 1236090
#1703 DARS - US Post Office Mansfield	AP 113 5 Wide Snack	0000000000000
#1704 DARS - US Post Office Bardin Rd Station	Snack (AP 11x)	31005720
#1707 DARS - US Post Office Melear Station	AP-LCM2	L200023740
#1708 DARS - US Post Office Oakwood Station	Crane 147 5 Wide Snack	147-24405
#1710 DARS - US Post Office Watson Comm. Station	AP LCM3 5 Wide Snack	LCM3B01200058
#1714 DARS - US Post Office Euless	AP LCM Snack	LCM2B01197036
#1715 DARS - US Post Office Hurst	Snack	31011026
#1765 DARS - US Post Cedar Hill	AP 7600 Snack	7013597
#1765 DARS - US Post Cedar Hill	Vendo 721 BLUE DISPLAY	DP - VN00104228 - 1316136
#1766 DARS - US Post Office Coppell	AP 113 5 Wide Snack	31012738
#1766 DARS - US Post Office Coppell	Vendo - 721	DP - VN00114631 - 1342122
#1767 DARS - US Post Office Desoto	Crane 147 5 Wide Snack	147-018132
#1767 DARS - US Post Office Desoto	Vendo - 821	DP - 100445 - 1303096
#1772 DARS - US Post Office Irving	Studio 3	302233010
#1781 DARS - US Post Office Lewisville	AP 113	31011036
#1781 DARS - US Post Office Lewisville	Vendo - 721	DP - 1279884
#1880 DARS - US Post Office Duncanville Main Office	AP 113 Snack	0
#1882 DARS - US Post Office Valley Ranch	AP 113 Snack	0
#1883 DARS - US Post Office Central Station	SNACK-CRANE-147	0
#1912 DARS - US Post Office Flower Mound	Vendo 721 BLUE DISPLAY	DP - VN00117509 - 1354621
#1912 DARS - US Post Office Flower Mound	CRANE 168	168-020382
#2224 DARS - US Post Office Bedford Station	AP 113 Snack	99991
#2266 DARS - Department of Public Safety	Bev	DP - VN00119184 - 1361783
#2266 DARS - Department of Public Safety	Snack (AP LCM)	LCM300321071
#1682 DARS - US Post Office Ennis	Bev (Vendo 621/721/821)	1302699
#1703 DARS - US Post Office Mansfield	Vendo - 721	NA
#1704 DARS - US Post Office Bardin Rd Station	Vendo - 721	DP - VN00103016 - 1310833
#1707 DARS - US Post Office Melear Station	Vendo - 721	DP - VN00124424 - 00001394147

LOCATION	TYPE	SERIAL NUMBER
#1708 DARS - US Post Office Oakwood Station	Vendo - 721	DP - VN00113513 - 00001339081
#1710 DARS - US Post Office Watson Comm. Station	Vendo - 721	DP - VN00108236 - 00001326570
#1714 DARS - US Post Office Euleess	Vendo - 721	DP - VN00119289 - 1362166
#1715 DARS - US Post Office Hurst	Vendo - 721	DP - VN0009332 - 1328697
#1772 DARS - US Post Office Irving	Vendo 721 BLUE DISPLAY	DP - VN00115954 - 1348412
#1880 DARS - US Post Office Duncanville Main Office	Vendo - 721	DP - 1357123
#1883 DARS - US Post Office Central Station	Vendo - 721	DP - VN00119683 - 1363195
#2224 DARS - US Post Office Bedford Station	Vendo - 721	DP - VN00105833 - 1320223
#0439 DARS - TX Health & Human Services Commission (HHSC)	Snack (Crane 159/160)	15913203
#1409 DARS - Food & Drug Administration (NEW)	Vendo - 721	DP - 00112796 - 00001337767
#1746 DARS US Post Office Lake Highlands Station	Crane 147 5 Wide Snack	0
#1755 DARS - US Post Office Richland Station	Snack (AP LCM)	L20008494
#1756 DARS - US Post Office Robert E. Price	AP - 113	33104018
#1760 - DARS US Post Office University Station	AP - 112	N/A 98765
#1760 - DARS US Post Office University Station	Vendo - 721	DP - VN00112587 - 1337024
#1763 DARS - US Post Office Allen	Crane - 167D	167-052018
#1770 DARS - US Post Office Garland Main	SNACK-AP-6600	6016391
#1770 DARS - US Post Office Garland Main	Vendo - 821	DP - 10185272 - 1271220
#1776 - DARS US Post Office Richardson	Snack (Crane 147)	N/A 737363
#1776 - DARS US Post Office Richardson	Vendo 721 BLUE DISPLAY	DP - 10228173 - 1234745
#1777 - DARS US Post Office Rockwall	Vendo - 721	DP - 10005881 - 1254524
#1777 DARS US Post Office Rockwall	Crane - 167D	167-053163
#1778 DARS US Post Office Rowlett	Vendo - 721	DP - VN00123880 - 1385947
#1778 DARS US Post Office Rowlett	AP - 113	31010572
#1784 DARS - US Post Office Mckinney	Ap 113	N/A 4567
#1787 DARS - US Post Office Wylie	AP - 113	31051868
#1878 DARS - US Post Office Carrollton Rosemeade	Snack (Crane 148)	14823670
#1878 DARS - US Post Office Carrollton Rosemeade	Vendo 721 BLUE DISPLAY	DP - 00114014 - 1340482
#1885 DARS US Post Office Huffines Park	Snack	11399063027
#1886 DARS - US Post Office North Station	AP 7600	7058680
#1886 DARS - US Post Office North Station	Vendo - 821	DP - 10827
#1887 DARS US Post Office Kingsley	AP 6600 4 Wide Snack	6038975
#1887 DARS US Post Office Kingsley	Vendo - 821	DP - VN00108447 - 1326834
#1888 DARS US Post Office South Station Garland	AP 6600 4 Wide Snack	6003205
#1888 DARS US Post Office South Station Garland	Vendo - 821	DP - VN00102246 - 00001308664
#1909 DARS - US Post Office Garland VMF	AP - 113	31058855
#2201 DARS - TX Department of Public Safety (DPS)	Snack (AP AP 113)	31015662
#2267 DARS - DPS Regional Office	Vendo 821	1328745
#2267 DARS - DPS Regional Office	GF Bev (DN BevMax)	DP - 15DN24310006 - 24310006
#2267 DARS - DPS Regional Office	Snack	11399063034
#1755 DARS - US Post Office Richland Station	Vendo 721 RED DISPLAY	dp - 10184677 - 1218771
#1756 DARS - US Post Office Robert E. Price	Vendo - 721	DP - VN0013515 - 00001339083

LOCATION	TYPE	SERIAL NUMBER
#1763 DARS - US Post Office Allen	Vendo - 721	DP - VN00118201 - 00001357211
#1784 DARS - US Post Office Mckinney	Vendo - 721	DP - 423988 - 1247027
#1885 DARS US Post Office Huffines Park	Vendo - 721	DP - 1322660
#2201 DARS - TX Department of Public Safety (DPS)	Vendo - 721	DP - VN00121556 - 00001373699
#0404 DARS - Environmental Protection Agency (EPA)	Bev (Vendo 621/721/821)	0
#0404 DARS - Environmental Protection Agency (EPA)	Bev (Vendo 621/721/821)	0
#0404 DARS - Environmental Protection Agency (EPA)	AP - LCM3	L300003367
#0404 DARS - Environmental Protection Agency (EPA)	Bev (Vendo 621/721/821)	0
#0404 DARS - Environmental Protection Agency (EPA)	AP-113	0
#0404 DARS - Environmental Protection Agency (EPA)	Bev (Vendo 621/721/821)	0
#0404 DARS - Environmental Protection Agency (EPA)	Crane - 157	157-022420
#0404 DARS - Environmental Protection Agency (EPA)	Bev (Vendo 621/721/821)	0
#0404 DARS - Environmental Protection Agency (EPA)	V721	VN-00118862
#0404 DARS - Environmental Protection Agency (EPA)	Crane - 159D	159-019048
#0670 DARS - TX Dept of Family	Vendo - 721	DP - 123891 - 0001385958
#0670 DARS - TX Dept of Family	Vendo - 721	DP - VN00113793 - 0001339788
#0670 DARS - TX Dept of Family	Vendo - 721	DP - VN00111774 - 0001334634
#0670 DARS - TX Dept of Family & Protective Services	AP 112	2-21021849
#0670 DARS - TX Dept of Family & Protective Services	Snack (AP SnackShop 7600)	6049857
#1362 - DARS Drug Enforcement Administration (DEA)	AP - 113	11399035007
#1362 - DARS Drug Enforcement Administration (DEA)	Vendo 721 BLUE DISPLAY	VN00122687 - 1379197
#1736 DARS - Post Office Bent Tree Station	AP - LCM3	L300004068
#1738 DARS - US Post Office Brookhollow Station	Snack (Crane 147)	1471034
#1748 DARS - Post Office Northhaven Station	Snack (AP AP 113)	1015788
#1749 DARS - US Post Office Northwest Station	AP 113	31052920
#1749 DARS - US Post Office Northwest Station	Vendo 721 RED DISPLAY	DP - 10214180 - 1216487
#1753 DARS - Post Office Preston Station	Snack (AP AP 113)	3-1052922
#1753 DARS - US Post Office Preston Station	Vendo - 721	DP - 10281308 - 1293693
#1754 DARS - US Post Office Preston Wood Station	Snack (Crane 147)	14731498
#1754 DARS - US Post Office Preston Wood Station	Vendo 721 RED DISPLAY	DP - 10249327 - 1277233
#1758 DARS - US Post Office Spring Valley Station	Snack (Crane 147)	147-23554
#1764 DARS - US Post Office Carrollton	AP - 113	31064284
#1769 DARS - US Post Office Frisco	Snack (VE)	N/A5498
#1785 DARS - US Post Office Plano	Snack (inOne LCM)	LCM3B01058082*
#1914 DARS - Post Office Coit Station	AP113	3-1014799
#1915 DARS - US Post Office Northwest Plano	Snack	3-1052950
#1916 DARS - US Post Office Wildcat	Snack (VE)	N/A459
#2038 DARS - US Court House	Bev (Vendo 621/721/821)	DP - VN0010117 - 1305352
#2038 DARS - US Court House	Snack (AP AP 113)	31052924
#2114 - DARS Drug Enforcement Agency (DEA) Lab	Vendo - 721	DP - VN00117064 - 1352798
#2214 DARS - Post Office Frisco East Carrier Annex	AP - 113	113 N/A
#2290 DARS - ICE & DHS Office	Vendo - 821	Dp - 10150021 - 1289445
#2290 DARS - ICE & DHS Office	Crane - 159	159-012359

LOCATION	TYPE	SERIAL NUMBER
#1738 DARS - US Post Office Brookhollow Station	Vendo - 721	DP - VN00104610 - 10001317029
#1758 DARS - US Post Office Spring Valley Station	Vendo - 721	DP - VN00111962 - 00001335182
#1769 DARS - US Post Office Frisco	Vendo - 721	DP - VN00101994 - 1308063
#1785 DARS - US Post Office Plano	Vendo - 721	DP - 10186737 - 1247035
#1915 DARS - US Post Office Northwest Plano	Vendo 721 BLUE DISPLAY	DP - VN00103599 - 1312700
#2214 DARS - Post Office Frisco East Carrier Annex	Vendo - 721	DP - VN00101734 - 1307324
#0486 - DARS TX Health & Human Services Commission	Vendo - 721	DP - VN00111779 - 00001334639
#0486 - Texas Health & Human Services Commission	Crane 147 5 Wide Snack	0
#0496 - DARS TX Health & Human Services Commission 1111	Vendo 721 BLUE DISPLAY	DP - VN00112798 - 1337769
#0496 - TX Health & Human Services Commission 1111	Crane 147 5 Wide Snack	0
#1737 DARS - US Post Office Beverly Hills Station	Crane - 167D	167-050424
#1743 - DARS - US Post Office Joe Pool Station	Snack	0
#1744 DARS - US Post Office Juanita Craft Station	Vendo - 721	DP - VN00124541 - 0001395795
#1744 DARS - US Post Office Juanita Craft Station	AP 6600 4 Wide Snack	6029623
#1751 - DARS - US Post Office Parkdale Station	AP - LCM3	LCM300339056
#1751 - DARS - US Post Office Parkdale Station	Vendo - 721	DP - 10206250 - 51923686
#1757 - DARS - US Post Office Caesar Clark Station	AP 6600 4 Wide Snack	6014403
#1768 - DARS - US Post Office Forney	AP - 113	31064215
#1774 DARS - US Post Office Lancaster	Crane 147 5 Wide Snack	0
#1774 DARS - US Post Office Lancaster	Vendo - 621	DP - VN00118151 - 1357123
#1775 DARS - US Post Office Mesquite	Crane 147 5 Wide Snack	N/A
#1775 DARS - US Post Office Mesquite	Vendo 721 BLUE DISPLAY	????????
#1990 DARS - TDCJ Parole Office Dallas I DRC	Snack (AP)	7038400
#1990 DARS - TDCJ Parole Office Dallas I DRC	Vendo - 721	DP - VN00113431 - 1338982
#1991 DARS - TDCJ Parole Office Dallas I DRC	Snack	31015661
#2269 DARS Dept of Public Safety (DPS)	Bev (Vendo 621/721/821)	DP - 10238302 - 1283480
#2269 DARS Dept of Public Safety (DPS)	Snack	3-31026448
#1737 DARS - US Post Office Beverly Hills Station	Vendo - 821	DP - 10185802 - 1289417
#1768 - DARS - US Post Office Forney	Vendo - 721	DP - VN00110928 - 1333054
#1991- DARS TDCJ Parole Office Dallas I DRC	Vendo - 721	DP - VN00114553 - 1341957

FINANCIALS



The Power of Compass Group

Our specialized teams, data-driven approach and financial strength consistently set us apart from the competition.



CYBERSECURITY

We invest \$15 million each year to ensure the data of our clients, as well as their employees, customers and guests, is protected against all cyber intrusion attempts. Our cybersecurity team works around the clock so our clients can focus on their core businesses.



STRATEGIC PROJECTS

This internal team's deep knowledge of transition - and their extensive experience in change management - are key to us ensuring the contract transition for each new Compass Group client is seamless and successful.



HUMAN RESOURCES: PEOPLE AND LABOR STRATEGY

In addition to our specialized HR support and unmatched people management skills, our proprietary labor platform, SmartLabor, processes and manages our workforce by identifying any inefficiencies, capturing data and driving change.



OUR BALANCE SHEET

As we have come into and through the pandemic crisis, our strength as an industry leader has been clearly seen in our financial position. We entered the crisis with the highest credit rating in the industry (strong investment grade credit) and the lowest debt levels. This established a firm foundation for us to weather the crisis. And while we already had ample liquidity on hand, in May 2020 we announced an equity raise, which gave us the strongest balance sheet in our company's history. While our competitors are burdened with heavy debt, we are able to continue to invest in our business, making strategic decisions that ensure our future success and continue to bring the best to our clients.

Our finance costs are 75% lower than our competitors, equating to hundreds of millions of dollars that we are able to invest back into the business - in clients, people, innovation, cybersecurity and more. We're also continuing to invest in a team dedicated to change management, ensuring that the contract transition process is always seamless and successful.

While our competitors will have pressure and lack flexibility because of their debt load, Compass Group can be nimble and smart, as we are well-positioned to move through this crisis and continuously deliver for our clients.



E15

E15 brings together professionals from a range of backgrounds and skill sets to help clients make better business decisions at all levels of their organization. While some organizations view analytics programs as just IT-related or reporting functions, our team helps clients worldwide learn to think differently.

Our approach to market research will enable our clients to know its customers both inside and outside of the dining location environment. We synthesize demographic and socioeconomic data to create comprehensive consumer profiles in ZIP codes surrounding locations to better understand customer behaviors and preferences. This enables us to help you tailor menu offerings for the demographic groups in those areas.

Social media gives us the ability to capture explicit, preferential data about our clients' associates. E15 brings to the table an industry-leading social media package that combines social media analysis with other data sources for a powerful, timely assessment of associate preferences.



We rely on data, not hunches, when helping clients develop menus that will resonate with your customer base. The insights we uncover go beyond what's selling inside your dining locations and get at what's going on in the markets where you do business. What flavors are prevalent? What offerings are unique? What's the up-and-coming dish guests crave? Our analytics programs go beyond POS data to answer these questions and more.



COMPASS DIGITAL LABS (CDL)

Driving the digital future and creating extraordinary experiences at the intersection of hospitality and technology. Home to digital experts at Compass Group North America, CDL is leading in digital transformation and innovation. With a suite of digital products empowering operators, enhancing the customer experience and helping identify new business opportunities, Compass Digital Labs takes hospitality to the next level.



Digital Hospitality

CDL's work is organized into three distinct areas to build an end-to-end ecosystem that drives exceptional hospitality experiences for all customers and operators:

- **Digital** - Deliver and scale within the business and drive digital transformation through scaling solutions with a proven impact.
- **Labs** - Conceive and build proprietary products and develop emerging solutions through internal cocreation and an agile approach to innovating CDL's suite of digital products.
- **Ventures** - Incubate and scale emerging capabilities, and cultivate and roll out nascent technologies through external partnerships that shape the future of food hospitality.

Digital Products

Compass Digital Labs supports Compass Group through a vast suite of digital products.

Emerging Solutions

Exploration and experimentation are critical elements of innovation. By maintaining an active pipeline of growth-focused, emerging solutions that are incubated and scaled across the business, CDL is bringing the future of food technology to Compass Group today. (*Frictionless Markets, Robotic Delivery, Food Safety Sensors*)

Front-of-House Products

Front-of-house digital solutions connect the online and offline experiences inside retail, cafe, marketplaces and more. From the time a customer enters a space to well after leaving, every digital touchpoint is harmonious and seamless. (*Kiosks, Chef-Driven Digital Menus, Connected Digital Signage*)

Back-of-House Products

Compass Group operators are food and hospitality experts. The suite of back-of-house digital products gives operators the support and autonomy to be digital experts in their space and provide customers with an extraordinary online and offline experience, end to end. (*Digital Cafe Management, Delivery, Healthcare Innovation Products*)

Outside-the-House Products

Outside the house, digital products allow the business to reach new and loyal customers with the same level of hospitality they would expect inside the Compass Group cafe. (*Mobile and Desktop Ordering, Foodworks, Mobile Delivery, Food Lockers*)



ENVISION GROUP

Compass Group's support and visionary team is shaping the future of foodservice with its focus on growth and strategic partnerships. Envision Group ensures the industry leader remains on the cutting edge of innovation, making it easy to do the right thing by promoting well-being of people and planet while driving commercial results.



Grow

Like-for-like and organic growth are vital to our success. Our collective performance is measured by support of, and contribution to, our results. It is our filter for evaluating the commercial worthiness of initiatives, programs and partnerships.

Create

Creativity challenges us to be "makers" who capitalize on new markets, design solutions and who build revenue, promote goodwill and foster strategies that have a positive impact.

Innovate

A mindset of innovation, thought-leadership and challenging the status quo supports our growth trajectory and inspires change within our communities. Our intent is to uphold Compass Group's position as the unparalleled leader in food and hospitality services, while maintaining our commitment to social and environmental responsibility.

Fight Against Food Waste

Compass Group is on track to meet its commitment to reduce food waste 50% by 2030. The annual Stop Food Waste Day inspires millions in more than 30 countries around the world to take action toward reducing waste by educating guests and partnering with communities.

Strategic Partnerships

Our expertise in foodservice is extensive, but we recognize how rapidly the industry is evolving and the landscape is changing. We embrace the concept of open innovation, making strategic partnerships a vital part of our growth strategy. We actively explore and seek out partners who share our vision for delivering well-being for people and planet, while driving results.

Space Transformation

Our focus is celebrating connections and experiences as we transform traditional food spaces into multifunctional, dynamic and engaging spaces. Using data and experience-driven design, we look to create more human-centric environments that balance commercial results, contribute to well-being, build on community and deliver like-for-like growth.

Product Pricing

Based on our discussions with you, the information you provided us and our analysis of your vending needs, we have developed the following pricing plan. Canteen will operate the services at your facility under a profit-and-loss scenario. We will vend all products at mutually agreed upon price levels.

VENDING PRODUCTS	PRICE
Candy	\$2.25
Large Candy	\$3.00
Crackers	\$1.50
Chips	\$1.50
Cookies	\$1.50
Pastry	\$2.00
20 oz. Soda	\$2.50
Water	\$1.50
Juice	\$3.00
Gatorade/Powerade	\$2.50
Energy Drinks	\$3.75
Vitamin Water	\$3.00

AGENCY CUSTOMER ID: CN102832071
 LOC #: Atlanta



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH USA, INC.		NAMED INSURED Compass Group USA, Inc. 2400 Yorkmont Road Charlotte, NC 28217	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Workers Compensation Continued:

Workers Compensation Policy #WC045886802 (AOS POLICY) Covers ALL States except: CA, NY, OH and WI

Carrier: New Hampshire Insurance Company
 Policy Number: WC 016393378
 Effective Date: 09/30/2021
 Expiration Date: 09/30/2022
 Policy Covers States of: WI
 Stop Gap Coverage: ND, OH, WA, WY.
 Limit:
 E.L. Each Accident: \$2,000,000
 E.L. Disease-Policy: \$2,000,000
 E.L. Disease Each Employee: \$2,000,000

Workers Compensation Continued:
 Carrier: National Union Fire Ins. Co. of PA
 Policy Number: XW 1647296
 Effective Date: 09/30/2021
 Expiration Date: 09/30/2022
 Policy Covers States of: OH (Excess WC)
 Limit:
 E.L. Each Accident: \$2,000,000
 E.L. Disease-Policy: \$2,000,000
 E.L. Disease Each Employee: \$2,000,000

ADDITIONAL INFORMATION

Umbrella is follow form of primary Commercial General Liability, Automobile Liability, Liquor Liability and Employers Liability policies subject to policy terms, conditions and exclusions



Letter of Intent

Date: _____

Stacie Ruiz
Regional Sales Director
Canteen
4301 Beltwood Parkway N
Dallas, TX 75244

Dear Stacie,

Please accept this letter as our official notification to you of our acceptance of Canteen's proposal for vending services for Texas Workforce Commission. We will expect your firm to be fully operational in our facilities beginning on

_____.

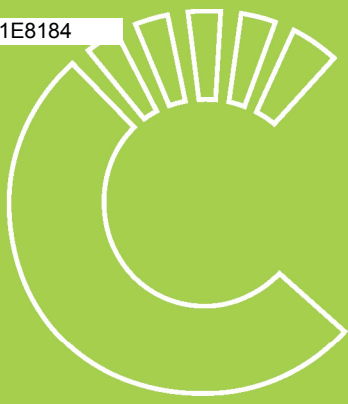
Company

Signed

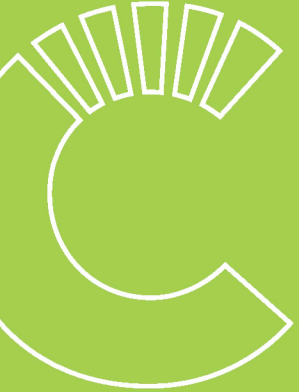
Print

Title

canteen



canteen



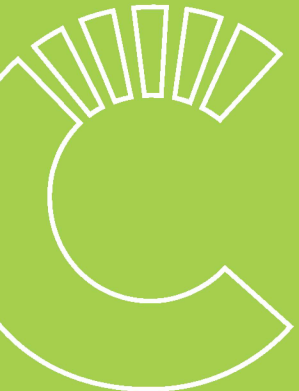
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