

**CONTRACT  
 BETWEEN THE STATE OF TENNESSEE,  
 DEPARTMENT OF GENERAL SERVICES, CENTRAL PROCUREMENT OFFICE  
 AND  
 JONES LANG LASALLE AMERICAS, INC.**

This Contract, by and between the State of Tennessee, acting by and through the Department of General Services, Central Procurement Office ("State") and Jones Lang LaSalle Americas, Inc. ("Contractor"), is for the provision of Facilities Management Services ("FM Services"), as further defined in the "SCOPE." The State and the Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is a For-Profit Corporation  
 Contractor Place of Incorporation or Organization: Maryland  
 Contractor Edison Registration ID # 000150154

**A. SCOPE:**

A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.

a. Definitions-

TERM	DEFINITION
Alliance Partner	The term "Alliance Partner" shall refer to Contractor's identified subcontractors as set forth in the Contractor's response to RFP # 32110-17103.
Alliance Partner Grounds Management Fee	The term "Alliance Partner Grounds Management Fee" is the management fee paid to a subcontractor of Contractor for providing grounds services to the State or an Authorized Entity. This fee shall be paid in twelve (12) equal installments each year during the Term, subject to quarterly and annual true-up in accordance with Contract Section C.3.j. This term shall also have the meaning as ascribed to it in Contract Attachments E and F.
Alliance Partner Janitorial Management Fee	The term "Alliance Partner Janitorial Management Fee" is the management fee paid to a subcontractor of Contractor for providing janitorial and custodial services to the State or an Authorized Entity. This fee shall be paid in twelve (12) equal installments each year during the Term, subject to quarterly and annual true-up in accordance with Contract Section C.3.j. This term shall also have the meaning as ascribed to it in Contract Attachments E and F.
Authorized Entity	The term "Authorized Entity" or "Authorized Entities" include the following: state agencies; state governmental entities including the legislative branch, the judicial branch, the board of trustees of the University of Tennessee system, the Tennessee Board of Regents system, and the State university boards; local governmental units within the State of Tennessee; any private nonprofit institution of higher education chartered in this State; and, any corporation which is exempted from taxation under 26 U.S.C. § 501(c) (3), as amended, and that contracts with the Tennessee Department of Mental Health and Substance Abuse Services to provide services or support to the public (Tenn. Code Ann. § 33-2-1001).

Baseline	The term "Baseline" represents the actual annualized operating costs and levels of service or APPA levels, including any third party costs, incurred by the Authorized Entity immediately prior to the Effective Date of a PA. Notwithstanding anything to the contrary, the Baseline shall not include major maintenance or capital repairs as set forth in A.3.6.
Board of Advisors	The term "Board of Advisors" shall have the meaning as ascribed to it in Contract Attachments H and L.
CMMS	The acronym "CMMS" shall mean Contractor's "computerized maintenance management system."
Contract	The term "Contract" shall mean Statewide Contract #458 between the State and the Contractor for FM Services and which also governs any Participating Addendums signed by Authorized Entities for FM Services provided by the Contractor.
Contractor	The term "Contractor" shall mean "Jones Lang LaSalle Americas, Inc." or "JLL."
Contractor Code of Business Ethics	The term "Contractor Code of Business Ethics" shall have the meaning as ascribed to it in Contract Attachment K.
Contractor Management Fee	The term "Contractor Management Fee" shall mean Contractor's management fee for providing FM Services to the State or an Authorized Entity. This fee shall be paid in twelve (12) equal installments each year during the Term, subject to quarterly and annual true-up in accordance with Contract Section C.3.j. This term shall also have the meaning as ascribed to it in Contract Attachments E and F.
Contractor Standards of Conduct Policy	The term "Contractor Standards of Conduct Policy" shall have the meaning as ascribed to it in Contract Attachment K.
Contractor Subcontract	Those contracts by and between Contractor and a Subcontractor to provide services to the State or an Authorized Entity under Contract Section A.15.2.
Corrigo	The term "Corrigo" shall mean Contractor's CMMS, work order, inspection, and quality control program.
CPO	The acronym "CPO" shall mean the Central Procurement Office of the Tennessee Department of General Services.
Data Transition Period	The term "Data Transition Period" shall have the meaning as ascribed to it in Contract Section E.28.1.
Dedicated Employee	The term "Dedicated Employee" shall refer to a Contractor, or Subcontractor employee working directly on an Authorized Entity's Facilities performing FM Services. A Dedicated Employee can be either full-time or part-time as agreed to between the Contractor and the Authorized Entities.
Desired Outcomes	The term "Desired Outcomes" shall mean the State's business goals for FM Services. This term shall also have the meaning as ascribed to it in Contract Attachment D.
Effective Date	The term "Effective Date" shall have the meaning as ascribed to it in Contract Section B.1 and Contract Attachment N, PA Section 4.
EH&S Program	The term "EH&S Program" shall mean the Contractor's "Environmental Health & Safety" resource platform. This term shall also have the meaning as ascribed to it in Contract Attachment K.
ES	The acronym "ES" shall mean the Contractor's "Engineering Services" group.

ESCP	The acronym "ESCP" shall mean the Engineering Services Compliance Program, which is an abstract of codes, laws, and regulations, as well as internal policies, which all properties in the managed portfolio are measured against on an annual basis.
Exit Management Plan	The term "Exit Management Plan" shall have the meaning as ascribed to it in Contract Section A.2.9 and Contract Attachment J.
Exit Transition Manager	The term "Exit Transition Manager" shall have the meaning as ascribed to it in Contract Attachment J.
Exit Transition Team	The term "Exit Transition Team" shall have the meaning as ascribed to it in Contract Attachment J.
Facility	The term "Facility" shall mean the building, site, location, or grounds owned or leased by the State or an Authorized Entity where FM Services will be performed.
FM Services	The term "FM Services" shall mean the "Facilities Management Services" that will be provided by the Contractor to the State under this Contract or an Authorized Entity under a Participating Addendum. This term shall also have the meaning as ascribed to it in Contract Section A.3.
Governance	The term "Governance" shall have the meaning as ascribed to it in Contract Section A.2.7. and Contract Attachments H and L.
Governance Structure	The term "Governance Structure" shall have the meaning as ascribed to it in Contract Attachments H and L.
Guiding Principles	The term "Guiding Principles" shall have the meaning as ascribed to it in Contract Section A.2.2. and Contract Attachment C.
Implementer	The term "Implementer" shall have the meaning as ascribed to it in Contract Attachment I.
Incentive Compensation	The term "Incentive Compensation" shall have the meaning as ascribed to it in Contract Attachment E, Section 2.b.
Innovation Roadmap	The term "Innovation Roadmap" shall have the meaning as ascribed to it in Contract Attachment I.
In-Scope Services	The term "In-Scope Services" shall have the meaning as ascribed to it in Contract Section A.10.
KPI	The acronym "KPI" shall mean the "key performance indicators," which are the metrics used to measure or evaluate Contractor's performance against the Desired Outcomes and will be used to determine Contractor's entitlement to compensation as set forth in Section C of this Contract.
LGI	The acronym "LGI" means the "locally governed institutions," which includes the six universities that were separated from TBR as a result of the Focus on College and University Success (FOCUS) Act: Austin Peay State University, East Tennessee State University, Middle Tennessee State University, Tennessee State University, Tennessee Tech University, and the University of Memphis.
Managed Contract or Managed Contracts	The term "Managed Contract" or "Managed Contracts" shall mean those contracts of the State or an Authorized Entity that cannot be assigned to the Contractor, but are needed by the Contractor to efficiently provide FM Services. The term "Managed Contract" shall have the meaning as ascribed to it in Section A.15. of this Contract.
Non-Regular Employee	The term "Non-Regular Employee" shall mean any State employee who does not meet the criteria of a Regular Employee.

Objective or Objectives	The term "Objective" or "Objectives" means a specific result that a person or system aims to achieve within a specific time frame or with available resources.
Onboard or Onboarding	The terms "Onboard" or "Onboarding" shall have the meaning as ascribed to these terms in Contract Section A.12.
Operations Budget	The term "Operations Budget" shall consist of the categories of costs enumerated in the "Cost Breakdown" columns of Attachment F.4. Notwithstanding anything to the contrary, the Operations Budget shall not include major maintenance or capital repairs as set forth in A.3.6.
PA	The acronym "PA" shall refer to a "Participating Addendum", which is a written agreement signed by the Contractor and an Authorized Entity that sets forth the duties and responsibilities of an Authorized Entity and the Contractor with respect to FM Services. A form of PA is set forth at Contract Attachment N.
Party or Parties	The term "Party" or "Parties" shall mean the State, the Authorized Entities, and the Contractor as their interests appear or as the context requires.
Performance Management Plan	The term "Performance Management Plan" shall have the meaning as ascribed to it in Contract Section A.2.5. and Contract Attachment E.
Performance Measures	The term "Performance Measures" shall mean the operational and financial key performance indicators that will be used to determine the term extension incentive as set forth in Section B.2. of the Contract. Performance Measures will be used to determine whether the State or an Authorized Entity has achieved their Desired Outcomes in the receipt of FM Services.
Performance Standards	The term "Performance Standards" shall mean the established measures of success that support and are aligned with the Objectives.
Potential In-Scope Services	The term "Potential In-Scope Services" shall mean the FM Services outlined in Contract Section A.11.
Preventative Maintenance	The term "Preventative Maintenance" shall have the meaning as ascribed to it in Contract Section A.3.3.
Pricing Model	The term "Pricing Model" shall have the meaning as ascribed to it in Contract Section A.2.6 and Contract Attachment F.
QAOA	The acronym "QAOA" shall mean the Contractor's quality assuredness operations audit.
QBR	The acronym "QBR" shall mean quarterly business review and have the meaning as ascribed to it in Contract Attachment H.
Regular Employee	The term "Regular Employee" shall have the meaning as ascribed to it in Contract Section A.19.i.1.
Remedial Maintenance	The term "Remedial Maintenance" shall have the meaning as ascribed to it in Contract Section A.3.2.
Requestor	The term "Requestor" shall have the meaning as ascribed to it in Contract Section A.12.1.a.
Requirements Roadmap	The term "Requirements Roadmap" shall have the meaning as ascribed to it in Contract Section A.2.4 and Contract Attachment D.
Retained Employee	The term "Retained Employee" shall have the meaning as ascribed to this term in Contract Section A.19.f.
Shared Vision Statement	The term "Shared Vision Statement" shall have the meaning as ascribed to it in Contract Attachment C.

State	The term "State" shall include each branch of government of the state of Tennessee, its agents and instrumentalities, and each of the Authorized Entities as the context requires.
Statement of Intended Behaviors	The term "Statement of Intended Behaviors" shall have the meaning as ascribed to it in Contract Attachment C.
Statement of Intent	The term "Statement of Intent" shall have the meaning as ascribed to this term in Contract Section A.2.2. and Contract Attachment C.
Statements of Objective	The term "Statement of Objective" shall have the meaning ascribed to it in Contract Section A.2.3. and Contract Attachment D.
State Commercial Manager	The term "State Commercial Manager" shall have the meaning as ascribed to it in Contract Attachments H and L.
STREAM	The acronym "STREAM" shall mean the "State of Tennessee Real Estate Asset Management," of the State of Tennessee Department of General Services.
Subcontractor	The term "Subcontractor" shall mean a vendor, other than the Contractor, that is in direct contractual privity with the Contractor for the purpose of meeting one or more of Contractor's responsibilities under this Contract or a PA and that are approved in writing by the State or an Authorized Entity.
TBR	The acronym "TBR" shall mean the "Tennessee Board of Regents" system, which includes Tennessee community colleges and Tennessee colleges of applied technology.
Term	The term "Term" shall have the meaning as ascribed to it in Contract Section B.1.
Terminated Contract or Terminated Contracts	The term "Terminated Contract" or "Terminated Contracts shall have the meaning as ascribed to this term in Contract Section A.15.1.a.
Third Party Contracts	The term "Third Party Contracts" shall mean those contracts of the State or an Authorized Entity that are in existence immediately prior to the Effective Date. The term "Third Party Contracts" shall also have the meaning as ascribed to this term in Contract Section A.15.1.
Total Equitable Compensation	The term "Total Equitable Compensation" shall have the meaning as ascribed to it in Contract Section A.19.
Transformation Management	The term "Transformation Management" shall have the meaning as ascribed to it in Contract Section A.2.8, Contract Attachments I, and PA Sections 6 and 8.
Transition Date	The term "Transition Date" shall mean the date after the Transition Period when the Contractor starts providing the FM Services outlined in the PA. This term shall also have the meaning as ascribed to it in Contract Attachment N, PA Section 5.
Transition Employees	The term "Transition Employees" shall have the meaning as ascribed to it in Contract Section A.19.a.
Transition Executive	The term "Transition Executive" shall have the meaning as ascribed to it in Contract Attachments G and H.
Transition Period	The term "Transition Period" shall have the meaning as ascribed to it in Contract Attachment G.
Transition Period Costs	The term "Transition Period Costs" shall mean costs incurred by the Contractor during the Transition Period.
Transition Team	The term "Transition Team" shall have the meaning as ascribed to it in Contract Attachment G.

UT	The acronym "UT" shall mean "The University of Tennessee" system including its campuses at Knoxville, Chattanooga, Memphis, Martin, Tullahoma, and the Institute for Public Services.
Vested® Method	The term "Vested® Method" shall refer to the outcome-based methodology developed by The University of Tennessee that includes incorporating 10 contractual elements as schedules or attachments.

**A.2. Contract Framework.**

The framework for this Contract is derived from the Vested® Method. The Contractor shall provide FM Services in accordance with the terms of this Contract. The State expects that this Contract will create a long term, mutually beneficial relationship based on shared and aligned interests between the Contractor and the Authorized Entities to achieve the State's Desired Outcomes.

**A.2.1. Business Model.**

This Contract utilizes an outcome-based business model that ties Contractor payment to mutually agreed boundary-spanning business outcomes. To achieve these business outcomes, the State and the Contractor must work together in a highly integrated fashion as set forth in this Contract.

**A.2.2. Statement of Intent**

The State recognizes that the scale and complexity of FM Services will require flexibility to meet the diverse and dynamic needs of the State and the various Authorized Entities. For this reason, the State and the Contractor have developed a formal Statement of Intent to guide the Parties during the Term (See Contract Attachment C). The Statement of Intent includes three components, a formal Shared Vision Statement, Guiding Principles, and Statement of Intended Behaviors. The purpose of this Statement of Intent is to keep the relationship between the Parties focused on the Desired Outcomes the State and the Authorized Entities hope to achieve.

**A.2.3. Desired Outcomes and Statements of Objective.**

The Contractor shall provide FM Services that meet or exceed the Desired Outcomes and Statements of Objective. The Desired Outcomes that the Parties shall jointly work to achieve in the performance of this Contract are set forth in Contract Attachment D.

**A.2.4. Requirements Roadmap.**

The Parties shall utilize a Requirements Roadmap throughout this Contract that links the Performance Standards to each of the State's Desired Outcomes and Statements of Objective, as outlined in Contract Attachment D.

The Parties expect the Desired Outcomes to remain consistent with Contract Attachment D, but associated Statements of Objective, Performance Standards, and KPIs may vary based on the customer centric needs of each Authorized Entity. Each Authorized Entity's specific Requirements Roadmap is set forth in Contract Attachment N, PA Section 11 and PA Exhibit 2.

**A.2.5. Performance Management.**

Tracking performance against the Requirements Roadmap is essential to the success of this Contract and achievement of the Desired Outcomes. The Performance Management Plan for tracking performance on certain metrics outlined on the Requirements Roadmap

is set forth in Contract Attachment E.

A.2.6. Pricing Model.

The Contractor's Pricing Model shall be the methodology used to calculate the Operations Budget for any Authorized Entity that signs a Participating Addendum ("PA"). The Contractor's Pricing Model objectives, elements, and components are set forth in Contract Attachment F.

The specific Operations Budget for each Authorized Entity shall be firm for three hundred sixty five (365) calendar days following the Effective Date of the PA for that Authorized Entity, and subsequent annual Operations Budgets shall be mutually agreed to by the Authorized Entity and the Contractor, in accordance with Contract Section C.3.c. An Authorized Entity's Operations Budget shall be outlined in the Authorized Entity's signed PA (Contract Attachment N, PA Exhibit 2).

A.2.7. Relationship Management Framework and Mechanisms.

A.2.7.1. *Roles and Governance.*

An outcome-based framework requires a highly collaborative and proactive Governance Structure that will enable the State and the Contractor to deliver against outcomes, facilitating business transformation, and continual service delivery innovation as opportunities for efficiencies arise.

A key component of this structure incorporates the Pricing Model (Contract Attachment F) into the Governance process in order to develop mutually agreed annual Operations Budgets, in accordance with Contract Section C.3.c.

The table in Contract Attachment L shows the resources the State intends to commit to this Contract. The State intends to at least have a Governance Executive and an Operations Executive in place by the Effective Date. As Authorized Entities are added to this Contract, additional governance roles shall be implemented in accordance with Contract Attachments H and L. It is the State's expectation that the Contractor shall provide appropriately aligned resources utilizing the Relationship Management framework in Contract Attachment H.

The roles and resources in the Governance Structure provided by the State and the Contractor may evolve over the Term. These adjustments shall be documented via Memorandums of Understanding ("MOU") or amendments under this Contract.

As the needs of the State and the Authorized Entities change, the Governance Structure may change as well. It shall be the joint and combined responsibility of the Operational Governance Committee to recommend such changes to the Board of Advisors (as shown in Contract Attachment H and L) for approval.

A.2.7.2. *State Discretion over Contractor Employees.*

- a. Contractor shall obtain the Board of Advisor's advance approval of Contractor's Operational Governance Committee representatives, such approval not to be unreasonably withheld.
- b. Contractor shall obtain the Board of Advisor's approval before transferring or reassigning any of Contractor's Operational Governance Committee representatives to another customer, such approval not to be unreasonably withheld.
- c. The State may require the Contractor to dismiss or reassign any Contractor employee assigned to the State portfolio, who, in the State's sole discretion, is not adding appropriate value to the FM Services or who hinders the effective delivery of the FM Services, except as prohibited by applicable law.

A.2.7.3. *Updates to Requirement Roadmap Elements.*

It is expected that the Desired Outcomes will remain consistent over the course of the Contract, but the Objectives, Performance Standards and Performance Measures are not expected to remain static over the Term. The Governance Structure will be used to enable changes to these elements due to the dynamic and evolving needs of the Authorized Entities that Onboard under the Contract.

A.2.7.4. *Approvals and Review.*

Unless otherwise specified by this Contract, any approval needed by the State or an Authorized Entity shall be obtained at the Site Level/Local Operations. Contractor is encouraged to seek guidance or approval, unless otherwise specified in this Contract, at the Site Level/Local Operations level when possible. If the Contractor feels that additional review would be beneficial to the State with respect to FM Services, the Contractor shall have the right to seek review of any lower level decisions before the Operational Governance Committee, with respect to review of decisions of the Site Level/ Local Operations, or the Board of Advisors, with respect to decisions of the Operational Governance Committee.

A.2.8. Transition and Transformation Management. Achieving the State's Desired Outcomes will require significant effort and change management skills on the part of the Contractor. It will also require the Contractor to have an innovative spirit and utilize proven approaches for managing large scale transition and transformation efforts.

A.2.8.1. *Transition Management.* The Contractor's Transition Management Framework shall address Onboarding, Transitioned Employees, and existing contracts or subcontracts of the Authorized Entities, as set forth in Contract Attachment G.

A.2.8.2. *Transformation Management.* The Contractor's Transformation Management Framework shall address continuous improvement and change management, as set forth in Contract Attachment I.

A.2.9. Exit Management Plan.

The long-term nature of this Contract poses risks to both the Parties. The Exit Management Plan is in place to mitigate these risks. The Contractor agrees to form an Exit Transition Team to facilitate the orderly transfer of FM Services due to the termination, non-renewal, non-extension, the award of a contract for FM Services to a vendor other than Contractor pursuant to a subsequent procurement, or in the event these services will be performed by the State or an Authorized Entity. The requirements of the Exit Management Plan is set forth in Contract Attachment J and addresses the following components:

- a. The structure of the Contractor's proposed Exit Transition Team, including the personnel roles responsible for planning, managing, and implementing the services transfer.
- b. The requirements for how the parties will handle personnel and resources during the transition/transfer process.
- c. High-level desired timelines for the activities related to exiting the Contract or a PA, in whole or in part, including notice periods, transition periods, and final payment periods.
- d. High-level communication protocols or plans for external customers and stakeholders.



- e. The provision for performing a joint risk assessment and mitigation planning as part of the termination and off-ramp.

**A.2.10. Employee and Business Conduct.**

The Contractor has identified special concerns and external requirements related to employee and business conduct, along with high level descriptions of how the Contractor plans to mitigate and address these concerns, which can be found in Contract Attachment K.

**A.3. General Facilities Management Services.**

In providing FM Services, the Contractor shall supply or cause to be supplied such services and goods as are usual and customary in the industry for the day-to-day operation of similar facilities, which include, but may not be limited to, the duties listed below in Section A.3.1. with respect to each Facility. Minor additions or deletions to the scope of FM Services may be accomplished through the use of the Memorandum of Understanding ("MOU") process. More extensive changes to the scope of FM Services shall require an amendment to this Contract or an amendment to a PA as the context requires.

**A.3.1. Operational Facilities Management Services.** Operational FM Services include, but may not be limited to:

- a. Interior and exterior facility cleaning;
- b. Landscape maintenance, grounds care and parking lot maintenance;
- c. Refuse removal;
- d. Vermin and pest control;
- e. Snow and ice removal;
- f. Preventative and Remedial Maintenance, including repair of all systems and structures;
- g. Supply of all facilities-related consumables;
- h. Other services and goods as are otherwise required under any lease;
- i. Disaster Recovery Planning. In conjunction with (and subordinate to) the State's emergency planning, the Contractor shall cooperate with the State in implementing and managing the State's disaster recovery plan including an emergency action plan (or equivalent) for each Facility as requested by the State;
- j. Recycling in accordance with local, State, and federal requirements;
- k. Un-armed security;
- l. Furniture, fixture, and equipment maintenance and repair;
- m. Shipping and receiving/dock management;
- n. Special events set up and coordination;
- o. Move Services;
- p. Management of off-site warehousing;
- q. Facilities reception services;
- r. Access control and key management; and
- s. Parking Management.

**A.3.2. Remedial Operational Maintenance Program.** Remedial Operational Maintenance includes, but may not be limited to:

- a. Providing an electronic work order system to capture and track service;

- b. Providing a 24/7 Service Response System, including a call center and web-based system;
- c. Service requests and complaints (and any other defects that otherwise come to Contractor's attention through inspection or otherwise) ;
- d. Maintaining appropriate records to document each request, complaint or other means of notice and show the action taken;
- e. Providing a system for proper before and after service follow-up, as applicable, with the affected tenant or occupant and the servicing Subcontractor, Contractor or third party vendors;
- f. For each service request, Contractor shall provide for the dispatch of appropriate and properly equipped service personnel in accordance with service level standards agreed upon by the Contractor, the State or an Authorized Entity. For each service request, Contractor shall provide for the dispatch of appropriate and properly equipped service personnel in accordance with service level standards agreed upon by the Contractor, the State or an Authorized Entity;
- g. Providing consistent emergency service effectiveness on a Facility-to-Facility basis. A service request shall be considered an "emergency" if it involves or threatens to involve injury to persons, material damage to property, inability to make productive use of the affected Facility, or is made by a designated group of people determined during the Transition Period; and
- h. Interaction with the State (and with those departments of State as the State designates) or an Authorized Entity in rendering these services.

A.3.3. Operational Preventative Maintenance Program. The Contractor shall develop, implement and manage a long-term Preventative Maintenance program designed to maintain each Facility and its equipment, systems, fixtures, and contents in optimal working condition and to prevent failure or defect and accumulating additional deferred maintenance.

A.3.4. Facility Inspections. The Contractor shall conduct Facility inspections and utilize any resulting data to inform the State or an Authorized Entity about ongoing maintenance, major maintenance, and capital project needs for the Facilities. Facility inspections shall be performed by the Contractor at such frequency as needed to maintain each Facility in a safe and optimal manner free of failure, defect, or the need for additional maintenance. The frequency and detail of these inspections will be as agreed to by the Parties. The Contractor shall also provide inspection data of all factors pertinent to each Facility and report such results in a Facilities Management system to be approved by STREAM and in accordance with STREAM Data Standards (Contract Attachment M) or Authorized Entity Data Standards, as outlined in Contract Attachment N, PA Section 8, all of which shall materially adhere to the STREAM Data Standards.

A.3.5. Emergency Facilities Management Services. In addition to the regular operational services provided by the Contractor under this Contract, the Contractor shall take whatever measures the Contractor believes, in the exercise of prudent judgment and at the State's expense, are necessary on an emergency basis to support general security and safety for each Facility, its tenants, and each person at a Facility, in accordance with the State's emergency action plan (or equivalent). In the event expenses for providing these services exceed or are expected to exceed normal operating expenses, the Authorized Entity's Site Level/Local Operations manager (see Contract Attachment H) should be notified immediately to provide necessary approvals for these expenses.

Additional requirements regarding this requirement shall be jointly determined through the Governance Structure.

A.3.6. Daily and Major Maintenance and Capital Repairs Thresholds. The monetary thresholds for distinguishing between daily and major maintenance and capital repairs are as follows:

- a. The Contractor is only required to receive one (1) quote to award a contract to a vendor for daily maintenance. Daily maintenance shall be maintenance that does not exceed ten thousand dollars (\$10,000.00).
- b. The Contractor is only required to receive three (3) quotes to award a contract for major maintenance. Major maintenance shall be any maintenance that has a cost that exceeds ten thousand dollars (\$10,000.00), but is equal to or less than fifty thousand dollars (\$50,000.00).
- c. The Contractor must prepare written specifications and issue an official solicitation and contract for major maintenance that exceeds fifty thousand dollars (\$50,000.00), but does not exceed one hundred thousand dollars (\$100,000.00).
- d. A capital repair is any project that costs in excess of one hundred thousand dollars (\$100,000.00). Before undertaking any capital repair, the Contractor shall first make a recommendation to STREAM and STREAM will have the option to seek approval of the capital repair by the SBC or to deny the Contractor's recommendation for a capital repair. The Contractor agrees to cooperate with STREAM in STREAM's efforts to seek approval of the Contractor's capital repair recommendation. Once approved by the SBC, STREAM shall cause the capital repair to be made within the parameters of the SBC's approval.

A.4. **Reserved.**

A.5. **Incidents Reporting/Management.**

The Contractor shall interact with the State or an Authorized Entity in the management, response, and remediation of all incidents occurring at any Facility that results in property damage, physical injury or death, or when the threat of liability relating to the foregoing is reasonably expected. The Contractor agrees to provide prompt notice of these events in order for the event to be covered by Contractor's insurance, as required by Section D.32.

A.6. **Reserved.**

A.7. **CMMS.**

- a. The State has elected to use a Contractor-provided technology solution in conjunction with State managed systems including Edison and Archibus. Accordingly, during the Term the Contractor must work with the State to transfer any collected data stored by the Contractor, requested by the State, to the State in a format in accordance with Contract Attachment M and on a schedule acceptable to State.
- b. The Contractor and the State shall work together to develop protocols for the transfer of data from the Contractor-provided technology solution to the State in accordance with Contract Attachment M.
- c. The Contractor and State shall work together to define and implement disaster recovery objectives and procedures that are acceptable to the State for State data stored by the Contractor.

A.8. **Reporting.**

- a. The Contractor shall prepare on an accurate and timely basis, and submit to the State, any reports requested by the State. The Contractor shall meet as requested by the State from

time-to-time to review and discuss any reports submitted by Contractor, to answer the State's or an Authorized Entity's questions, to provide additional supporting detail or other data, and to revise and correct any reports in order to make such reports accurate and complete.

- b. Contractor shall prepare for execution and filing by the State or an Authorized Entity all forms, filings, and reports required by any governmental authority having jurisdiction over the Facilities, and shall cooperate with the State or an Authorized Entity in providing necessary information for all other forms, filings, or reports related to each Facility.
- c. If the State requests Contractor to provide financial or other property data reports, there shall be no extra charge to the State for such additional reports provided:
  - (1) Such reports can be produced by Contractor using the data fields and ad hoc reporting capabilities of the Contractor's technology solution or the State's computer software platforms; and
  - (2) No data supplementation or manual reporting (e.g., Excel or Word reports requiring data entry or manipulation outside of the computer software platforms) is required.
- d. If the State requests financial or other property data reports that do not meet the criteria in Section A.8.c, then an additional charge is permitted under this section, provided the following conditions are met:
  - (1) The Contractor shall advise the State in advance that such report will require an additional charge and provide a good faith estimate of the incremental cost to Contractor to produce such reports; and
  - (2) If State approves in writing the preparation of such reports and the associated cost estimate, the State shall pay the Contractor for the additional charge to produce the reports.
- e. Additional Data requirements can be found in Contract Attachment M. While these data standards directly apply to STREAM, the State expects that the Authorized Entities will materially adhere to these standards. Any necessary deviations or special requirements around data should be outlined in the Authorized Entity's PA.

**A.9. Energy Management.**

As of January 1, 2017, the State Facility Utility Management Division within the Tennessee Department of Environment and Conservation's ("TDEC") Office of Energy Programs will oversee functions related to the energy management program for the Facilities, including the collection and analysis of utility cost and consumption data. (See Tenn. Code Ann. §§ 4-3-1012 and 1017-1019.) The Contractor shall cooperate with TDEC to support efforts related to these statutory requirements.

**A.10. In-Scope Services.**

The State considers FM Services to be a critical component in providing customer centric services to the citizens of Tennessee. The current services that are considered In-Scope Services are outlined in Section A.3. Each Authorized Entity that signs a PA to utilize this Contract may outline any of these In-Scope Services that they wish for the Contractor to perform in Contract Attachment N, PA Section 1. However, it should be noted that this list is not exhaustive of all services that could be provided to the State or an Authorized Entity by the Contractor and should the Authorized Entity choose additional services (see Section A.11.) offered by the Contractor, these services shall also be set forth in the PA.

**A.11. Potential In-Scope Services.**

A.11.1. While the current In-Scope Services outlined in Section A.3 are the basis of the FM Services, it is imperative that FM Services provided by the Contractor continuously transform to meet the diverse and evolving needs of the State's various Authorized Entities. As such, the State is purposefully not prescribing an exhaustive set of possible FM services. This will allow the Contractor flexibility in its approach to achieving the State's Desired Outcomes and Objectives.

All services that are typically associated with the FM Services, but that differ from the In-Scope Services outlined in Section A.10, will be considered to be Potential In-Scope Services if they are reasonably connected to the definition of In-Scope Services outlined in this Contract. In addition to the services detailed in Contract Section A.3, the Contractor shall also provide Potential In-Scope Services to the State.

A.11.2. If an Authorized Entity wishes to include a Potential In-Scope Service in the scope of its PA (Contract Attachment N, PA Section 1), the Authorized Entity must notify and receive approval from the State Commercial Manager. The State Commercial Manager must submit the addition via a MOU in accordance with Section E.5 and receive approval before a Potential In-Scope Service can become an In-Scope Service eligible to be performed under this Contract or a PA and to which the Contractor is entitled to be compensated.

A.11.3. Below are several Potential In-Scope Services that may be provided by the Contractor if the Contractor receives the prior approval by the State Building Commission ("SBC") prior to performance by the Contractor in accordance with applicable statutes and SBC policies. The use of these Potential In-Scope Services will be approved by the State on a case-by-case basis for each Authorized Entity.

- a. Master planning
- b. Pre-planning
- c. Occupancy planning
- d. Project management

A.11.4. The addition of any Potential In-Scope Services that require transitioning additional employees to the Contractor must be approved using the amendment process, as outlined in Section D.3.

**A.12. Onboarding of Authorized Entities.**

**A.12.1. PA Sections and Exhibits.**

The Authorized Entities that wish to utilize this Contract shall sign a PA with the Contractor. The Onboarding process for each Authorized Entity will be documented and completed by the Authorized Entity and Contractor signing a PA containing the information as outlined in Contract Attachment N. Certain Authorized Entities (exempt agencies as defined by Tenn. Code Ann. § 12-3-102) reserve the right to negotiate Authorized Entity specific terms and conditions and modify existing terms and conditions in their PA. Any Authorized Entity modifications or additions to a PA that differs from this Contract must be outlined in the Authorized Entity's signed PA (Contract Attachment N, PA Section 14).

Additional information and the formalized Onboarding process is outlined and defined in Contract Attachment G.

- a. If an Authorized Entity other than a State agency, member of the UT System, the TBR System, or an LGI University ("Requestor") wishes to utilize this Contract, the following procedure shall be followed:
  1. The Requestor shall complete an application to utilize this Contract. The application must follow a form that is mutually agreed upon between the State and the Contractor.
  2. The application shall be submitted to the Board of Advisors (see Contract Attachment H)
  3. The Board of Advisors shall evaluate the application to determine if allowing a Requestor to utilize this Contract through a resulting PA will be mutually beneficial to the State and the Contractor, with the criteria to include, but not be limited to the following:
    - i. Whether the Contractor has sufficient resources to manage the facilities of the Requestor;
    - ii. Whether the addition of the Requestor creates benefit for the Authorized Entities already participating in the Contract; and
    - iii. Whether the Contractor is currently meeting or exceeding the Performance Measures and the KPIs for the Authorized Entities.
  4. If the Board of Advisors approves the application, the Requestor shall then submit a PA, and follow the standard Onboarding process outlined in this Contract Section A.

#### A.12.2. Initial Approval of PA.

After a PA is signed by the Authorized Entity and the Contractor, it must be sent to the State Commercial Manager for approval of the Chief Procurement Officer. The State Commercial Manager shall maintain a repository of all the PAs executed under this Contract.

#### A.12.3. PA Material Modifications.

If an Authorized Entity and the Contractor agree to changes after the execution of a PA that is either i) a Potential In-Scope Service outside of the services listed in Section 1 of the Authorized Entity's signed PA; ii) an increase or decrease in the square footage being managed under the PA; or iii) any change that necessitates an adjustment in Contractor fees or reimbursements, then it must be submitted to the State Commercial Manager for approval. The State Commercial Manager will utilize MOUs in order to approve these adjustments or additions of Potential In-Scope Services, in accordance with Section E.5. The State Commercial Manager will be the State's agent to negotiate, in good faith, an appropriate adjustment of any necessary fees or reimbursements in accordance with the provisions of Section C.3 below. Once the State approves a Potential In-Scope Service to be an In-Scope Service for a PA, it will be considered an In-Scope Service during the remainder of the Term of the PA.

#### A.12.4. PA Renewal and Eligibility.

- a. Any PA that is signed will be co-termed with the anticipated end of the Term of this Contract.
- b. In the event that a renewal option is exercised by the State, any PA will run concurrently with the renewal Term of this Contract, unless the Authorized Entity notifies the State and the Contractor, in writing, that it does not wish to extend the PA.

- c. An Authorized Entity can only sign a PA if there is a minimum of twenty four (24) months remaining on the Term of the Contract as it may be renewed, extended, or amended.

**A.13. Standards of Performance.**

The Contractor shall maintain Performance Standards that are at or above the current level maintained by an Authorized Entity. The Contractor will work with each Authorized Entity to determine the desired Performance Standards as part of the customer centric solution the Contractor develops as part of the Onboarding process. The State understands that an increase in the service levels or APPA levels may require an equitable adjustment, in accordance with Contract Section C.3.c.3., to the Baseline to reflect the higher service levels requested by the Authorized Entity.

**A.14. Contractor Access to Space and Equipment.**

A.14.1. In connection with Contractor's rendering of the FM Services, the State shall provide the Contractor Employees, at State's expense at State locations where Contractor Employees are assigned, existing space, furniture, and such other equipment, as may be reasonably necessary for Contractor's performance of the FM Services throughout the Term of this Contract. Any Authorized Entity policy in place on the Effective Date shall supersede this Section A.14.1. to the extent of a conflict.

A.14.2. The Contractor's level of access control will vary Facility-to-Facility by Authorized Entity. Each Authorized Entity will address necessary level of access control for each Facility in the PA (Contract Attachment N).

A.14.3. The Contractor and an Authorized Entity must mutually agree how to handle the Authorized Entity's equipment when developing the PA. Specifically, the PA must address areas such as transitioning of existing equipment, responsibility and permitted use around specific equipment, any transfer or sale of ownership, and so on (See Tenn. Code Ann. § 12-2-403 for disposal methods of surplus property). This information must be outlined in Contract Attachment N, PA Section 6. Any equipment that the State or an Authorized Entity allows the Contractor to use in order to fulfill its obligations under this Contract shall be provided at no additional cost to the Contractor.

A.14.4. The Contractor shall provide advance notice of its intent to use Contractor-owned equipment that is used for multiple purposes outside of this Contract. The Contractor shall provide an estimate of cost to use of this equipment for review and approval by the Authorized Entity.

A.14.5. In the event that movable equipment needs repair, the Contractor shall be responsible for the repair process and the State shall be responsible for paying for the repair in accordance with Section C.3 of this Contract.

**A.15. Third Party Contracts and Contractor Subcontracts.**

A.15.1. Third Party Contracts. Within thirty (30) calendar days prior to the Effective Date of a signed PA, the Authorized Entity shall provide a list of the third party contracts ("Third Party Contracts") entered into by the State or an Authorized Entity that is relevant to FM Services (e.g. management, operation, and maintenance). Each Third Party Contract shall be outlined in an Authorized Entity's PA.

- a. Not less than thirty (30) calendar days before the Transition Date, as set forth in Contract Attachment N, PA Section 5, the Contractor, the State, or an Authorized Entity shall review the Third Party Contracts (and any other contracts or work in progress) to mutually determine:
- (1) Whether the Authorized Entity shall terminate certain Third Party Contracts (the "Terminated Contracts");
  - (2) Whether the Contractor shall enter into subcontracts with Subcontractors in accordance with the terms and provisions of Sections A.15.2 and D.7. (the "Contractor Subcontracts"); and
  - (3) The Third Party Contracts (if any) that will not be terminated by the Authorized Entity and therefore require the Third Party Contract to be either managed by the Contractor (the "Managed Contracts") or assigned to the Contractor (the "Assigned Contracts") in connection with the performance of the FM Services.
- b. To the extent permitted by the Third Party Contract, the State or an Authorized Entity shall exercise the State's or an Authorized Entity's right to terminate the Terminated Contracts on or before the Transition Date. If the effective termination date of any Terminated Contract is scheduled to occur after the Transition Date, such Terminated Contract shall be treated as a Managed Contract until the effective termination date thereof.
- c. Subject to Authorized Entity approval, with assistance from the Contractor, the Authorized Entity shall obtain any required consents or releases from any subcontractors under the Assigned Contracts on terms and conditions reasonably satisfactory to the State, an Authorized Entity. The State or an Authorized Entity shall assign the Assigned Contract to the Contractor, and the Contractor shall assume and agree to perform all obligations related to the Assigned Contracts effective as of the effective date of the assignment of the Assigned Contract.
- (1) If the State or an Authorized Entity is unable to obtain the required consent to assign a Third Party Contract prior to the Effective Date, or the Contractor, the State, or an Authorized Entity are not able to agree to the terms and conditions of assignment of a Third Party Contract, the affected Third Party Contract shall be deemed to be a Managed Contract. The State or an Authorized Entity, with assistance from Contractor, shall continue to use commercially reasonable efforts to obtain the required consent and, if such consent is received, the Third Party Contract shall be assigned to the Contractor and become an Assigned Contract.
- d. The Contractor has the right to utilize statewide contracts of the State, after a written request and written approval by the Chief Procurement Officer, the approval of which will not be unreasonably denied, as the Contractor deems necessary in the best interests of the State and for the efficient and cost effective performance of FM Services.

A.15.2. Contractor Subcontracts. The Contractor shall enter into contracts with Subcontractors ("Contractor Subcontracts") in accordance with the terms and provisions of this Section A.15 and Section D.7.



- a. Notwithstanding the subcontracting of any portion of the services by Contractor, Contractor shall remain the State's sole point of contact with respect to the FM Services.
- b. All Contractor Subcontracts shall:
  - (1) Be in the name of and executed by the Contractor;
  - (2) Identify the State as a third party beneficiary and permit the assignment of the Contractor Subcontractor, at the State's sole option, to the State or an Authorized Entity;
  - (3) Include a provision for cancellation by the Contractor, or in the case of assignment to the State or an Authorized Entity, upon not more than thirty (30) calendar days written notice (or such longer period approved by the State or an Authorized Entity);
  - (4) Require that all Subcontractors maintain appropriate insurance coverage; and
  - (5) Provide that all warranties provided by Subcontractors under the Contractor Subcontracts shall be expressly for the benefit of, and shall be enforceable by, the State or an Authorized Entity (or by the Contractor on the State's or an Authorized Entity's behalf).

A.15.3. Contractor's Responsibility for Assigned Contracts. The Contractor shall be responsible for all Assigned Contracts to the same extent Contractor is responsible for Contractor Subcontracts, subject to the terms and provisions of this Section. Notwithstanding any requirements of this Contract to the contrary, the State acknowledges and agrees that the terms and conditions of any of Assigned Contracts are acceptable to the State. To the extent that the terms and conditions of an Assigned Contract are inconsistent with the Contractor's obligations under this Contract, the terms and conditions of the Assigned Contract shall control until such time as the Assigned Contract is amended, expires, or is terminated by the Contractor. If the Contractor terminates any Assigned Contract, the Contractor shall pay all applicable termination or cancellation charges that exceed the amounts that would have been due if the Assigned Contract had been terminated rather than assigned during Transition. The State acknowledges that it is solely liable for all obligations that accrued and actions that occurred prior to the effective date of assignment.

- A.15.4. Contractor's Responsibility for Managed Contracts. Contractor shall manage, on the State's or the Authorized Entity's behalf, the Managed Contracts in accordance with the terms and provisions of this Section.
- a. The Contractor shall have the oversight and administrative responsibility for the Managed Contracts as set forth in this Section. As reasonably requested by the Contractor from time-to-time, the State or the Authorized Entity will provide Contractor with a signed letter of authority in a form to be mutually agreed to by the Parties. The Contractor shall comply with those duties imposed on the State under the Managed Contracts, and shall not violate the terms of the Managed Contracts.
  - b. Any and all contractual remedies under the Managed Contracts shall be exercised solely by the State or the Authorized Entity (or by Contractor at State's written direction), and only the State or the Authorized Entity will have the right to send legal notices or institute legal actions under the Managed Contracts. If any contractual issues or disputes, including but not limited to, performance of services, payment

obligations, or potential or actual breaches of any Managed Contract arise during the term of the Managed Contract, Contractor shall:

- (1) Communicate to State or the Authorized Entity in writing providing a detailed explanation of the dispute; and
  - (2) Meet with State or the Authorized Entity to discuss appropriate actions to resolve the dispute. The Contractor shall provide dispute resolution options for consideration by State or the Authorized Entity. The State, in its sole discretion, will determine how to resolve the dispute and Contractor will cooperate with and assist the State or the Authorized Entity to resolve the dispute. Dispute resolution shall be solely determined by the State or the Authorized Entity.
- c. Except as may otherwise be agreed in writing with respect to particular Managed Contracts, the Contractor shall:
- (1) Monitor and review performance by the third party vendors under the Managed Contracts, alert the State or the Authorized Entity to any material discrepancies between actual and required performance, seek corrective action by such third party vendors, request applicable credits (which are payable to the State or the Authorized Entity) and follow through on other such actions. The Contractor shall promptly notify the State or the Authorized Entity of any breach of, or misuse or fraud in connection with, the Managed Contracts and shall cooperate with State or the Authorized Entity to prevent or stay any such breach, misuse or fraud; and
  - (2) Provide the State or the Authorized Entity with at least ninety (90) calendar days prior notice of any renewal, termination, or cancellation dates and associated fees with respect to the Managed Contracts. Any modification, termination, or cancellation fees or charges imposed in connection with any such modification, termination, or cancellation shall be paid by the State or the Authorized Entity, except to the extent that any such fee or charge is caused by or results from a failure of the Contractor to meet its obligations under this Section, unless expressly approved in advance and in writing by State or the Authorized Entity, including Contractor's failure to notify the State or the Authorized Entity of a renewal, termination, or cancellation date, in which case such fees and charges shall be paid by Contractor.
- d. The Contractor shall maintain all information required to make claims on warranties for the Managed Contracts and shall timely file all warranty claims on behalf of State or the Authorized Entity.
- e. The Contractor shall provide such assistance as may be requested by State or the Authorized Entity in consolidating or modifying the Managed Contracts.
- f. The Contractor shall report to the State or the Authorized Entity and assist the State or the Authorized Entity in resolving any performance issues or discrepancies under the Managed Contracts.
- g. The Contractor shall be responsible for any liability resulting from a breach or default under the Managed Contracts, to the extent such liability arises from Contractor's failure to perform or observe Contractor's obligations under this Section. In addition, Contractor shall be responsible for fees, penalties, or fines due to Contractor's failure

to satisfy its obligations under this Contract with respect to the management of the Managed Contracts.

**A.16. State and Contractor Deliverables.**

Prior to any work being performed for an Authorized Entity, the Contractor must identify any information needed such as property and tenant information, copies of the most recent rent rolls, vendor files, cost codes, or tax identification numbers. This information is outlined in Contract Attachment N, PA Section 9.

Throughout the Term, the Authorized Entity shall provide copies of new Facility information documents, amendments, and any other material new information or changes to new or existing Facility information documents, as they occur during the Term.

An Authorized Entity may satisfy its obligations for these deliverables by providing the Contractor with access to the Authorized Entity's databases, archived files or computer systems, and orientation to the organization and operation of such databases, files, and systems.

An Authorized Entity may identify information or deliverables needed from the Contractor prior to transitioning the selected FM Services to the Contractor. Any necessary Contractor deliverables, with associated timelines, must be outlined in Contract Attachment N, PA Section 10.

**A.17. KPIs.**

The Contractor shall be responsible for meeting or exceeding agreed-upon KPIs and Performance Measures throughout the Term. As part of the Governance process, the Contractor and State shall meet each quarter (or as outlined in the Relationship Management Framework in Contract Attachment H) to review Contractor's success in achieving its annual performance objectives for the prior year (or, as applicable, the prior partial year). Such performance shall be measured in accordance with selected Performance Measures based upon objective and clearly defined measurable criteria designed to measure quality and cost issues. The draft Performance Measures and a proposed scoring methodology shall be approved in accordance with Contract Attachment E. Subject to the State's approval, the Authorized Entities may adjust, delete, or add KPIs as deemed appropriate prior to signing a PA, however, Performance Measures may only be adjusted by the Board of Advisors as part of the Governance process. These Authorized Entity specific KPIs and a proposed scoring methodology shall be set forth in an Authorized Entity's signed PA (Contract Attachment N, PA Exhibit 2). After the execution of a PA, the State will utilize MOUs for approving any necessary KPI adjustments, in accordance with Section E.5. The State acknowledges that Contractor's ability to perform under this Contract and attain high KPI scores is subject to the State performing its obligations under this Contract. For KPIs or Performance Measures that require a baseline, actual results for the preceding twelve (12) months shall be used as the baseline.

**A.18. Budget Preparation.**

The Contractor shall cooperate in preparing Operations Budget requirements around FM Services for each Authorized Entity that signs a PA in accordance with Section C.3.c. The Contractor shall cooperate with and make recommendations to the Authorized Entities for purposes of preparing a preliminary capital budget each fiscal year.

**A.19. Employee Transition Process.**

The Authorized Entity electing to utilize this Contract shall identify State employees who provide services similar to the FM Services to be provided by the Contractor to transition to employment with the Contractor ("Transition Employees").

- a. Identification of Transition Employees. Transition Employees shall be identified using the criteria identified below and as agreed to by each Authorized Entity prior to a transition occurring. While the actual number and levels of employees transitioning will vary by location and FM Services provided, in order to be considered a Transition Employee, all of the following requirements must be met:
- i. The employee must be a regular, current facility management employee ("Regular Employee") of the Authorized Entity.
    1. To be considered a Regular Employee, the employee must receive benefits and be employed by the State for a period expected to be greater than twelve (12) months and work at least thirty (30) hours per week. This includes employees who perform both exempt and non-exempt roles in selected services. A State employee is only eligible to become a Transition Employee if they have completed six (6) months of service with the State as of the anticipated Effective Date outlined in the signed PA of that Authorized Entity.
    2. To be considered a facility management employee, the employee must provide services selected to be performed by the Contractor at a minimum of fifty-one percent (51%) of total responsibility.
  - ii. Any employee who does not meet the criteria outlined in Section A.19.i.1 above will be considered a Non-Regular Employee. These individuals will be reviewed and considered for employment by the Contractor, but will not be offered employment with the conditions outlined in Section A.19.b.
  - iii. The employee must pass all standard applicable Contractor background checks, verification of work authorization, and drug testing and they must comply with any applicable State and federal laws and regulations. The Contractor understands and must comply with additional, site specific pre-employment checks (e.g., Tenn. Code Ann. § 49-7-101, *et. seq.*) that pertain to certain Authorized Entities. An Authorized Entity will outline any necessary additional pre-employment checks in its PA.
- b. Offers of Employment. The Contractor shall be responsible for offering employment to Transition Employees, identified in Section A.19.a., under the following conditions:
- i. The position must be located within a 50 mile radius of their existing employment location. The Contractor may also offer a different position outside of this radius, which employees, in their own discretion, may choose to accept, but will not be required to as a condition of employment.
  - ii. Transition Employees will be employed at a Total Equitable Compensation rate mutually agreed upon by the Contractor and the State, but in no event less than the Transition Employee's current Total Equitable Compensation:
    1. Total Equitable Compensation includes: salary, defined benefit retirement (or equivalent), 401k matching, and health insurance with similar essential value and equivalent employer contributions to the employee's employment with the State. The Contractor, the State, and the Authorized Entities expect that salary will be adjusted to offset differences between the benefits previously received from the State and the benefits that will be received from the Contractor in order to make the total compensation equitable. Transition Employees will also continue to receive Education Assistance in accordance with Contract Section C.3.b. The Contractor will administer this surviving benefit.
    2. The Contractor will grant Transition Employees recognition of total years of service equal to those earned in State employment.

- a. Benefits, unless otherwise noted in this Contract, should be accrued at Contractor rate with consideration to total years of service.
  - b. Accrual for severance will begin on the first day of the Transition Employee's hire date with the Contractor, per Contractor's severance policies.
3. In the event that the Contractor uses subcontractors to employ Transition Employees, the Contractor acknowledges that it remains responsible for any Transition Employees assigned to that subcontractor should that subcontractor be removed for any reason during the Term of the Contract or otherwise cease providing FM Services.
- c. Prior to accepting an offer of employment with the Contractor, the Transition Employees will complete a State transition acknowledgement agreement, as prepared by the Human Resources department of the Authorized Entity. In this agreement, the Transition Employee will acknowledge they are voluntarily separating and understand that they are not subject to severance benefits from the State. The Authorized Entity will insert this form as Contract Attachment N, PA Exhibit 3.
- d. The Contractor will not initiate any reduction in force at any time during the Term that results in a layoff of Transition Employees. Transitioned Employees can only be terminated by the Contractor for cause. The Contractor is not required to maintain a position if that open position results from promotion or attrition of a Transition Employee. In the event that a Facility is removed from this Contract or a PA, the Transition Employees associated with the Facility shall be redeployed by the Contractor to fill other State or Contractor needs. If redeployment of labor is not feasible in accordance with the condition outlined in Section A.19.b.i, then the State or an Authorized Entity may initiate the appropriate reduction to align with the modified scope of the PA.
- e. If a Transition Employee chooses to accept a position from the Contractor that services a client outside of an Authorized Entity, these terms and conditions will no longer be applicable to that Transition Employee.
- f. At the request of the Authorized Entity, the Contractor shall permit any Transition Employee who is within one (1) year or less from being eligible for full retirement (thirty (30) years of service) as of the Effective Date of a PA to remain an employee of the Authorized Entity rather than the Contractor ("Retained Employee"). Until the Retained Employee achieves the necessary criteria to be eligible for full retirement, the Authorized Entity shall assign Retained Employees to the Contractor for the provision of the FM Services and the Contractor shall equitably reduce the budgeted costs for the position that will be retained on the Authorized Entity's payroll, which shall be reflected in the Authorized Entity's PA. The Contractor shall offer each Retained Employee a position immediately upon the Retained Employee's completion of 30 years and departure from employment with the State or an Authorized Entity under conditions as described in Contract Section A.19.b.1, provided that such Retained Employee still meets the requirements outlined in Contract Section A.19.a.

**B. TERM OF CONTRACT:**

- B.1. This Contract shall be effective on May 5, 2017 ("Effective Date") and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

B.1.1. An Authorized Entity's PA Effective Date is set forth in Contract Attachment N, PA Section 4. An Authorized Entity's anticipated completion date of transition is set forth in Contract Attachment N, PA Section 5.

B.1.2. An Authorized Entity's PA may be extended to run concurrently with the expiration date of the Contract, unless otherwise notified in accordance with A.12.4.b.

B.2. **Renewal Options.** This Contract may be renewed. The State reserves the right to execute up to five (5) renewal options under the same terms and conditions for a period not to exceed twelve (12) months each by the State, at the State's sole option. These renewal options will be exercised successively at the end of each year (starting at the end of the second year as outlined below), based on the Contractor meeting the agreed-upon Performance Measures for the State and all Authorized Entities, according to the specific terms to be mutually agreed between the Contractor and the Board of Advisors as part of the Governance process. These specific terms will be reviewed and updated annually or more frequently as appropriate. Below is a table outlining when the Contractor will be eligible to earn renewal option(s):

Milestone*	Potential Renewal Options Earned**
End of Year 2	1
End of Year 3	1
End of Year 4	2
End of Year 5	1
End of Year 6	1
End of Year 7	1

\*End of Year in the table above means three hundred and sixty five (365) calendar days after the Contract Effective Date.

\*\*A maximum of five renewal options can be earned over the first eight (8) years. If no renewal options are earned by the end of Year 4, this incentive will be discontinued.

B.3. **Term Extension.** The State may extend the Term an additional period of time, not to exceed one hundred-eighty (180) days beyond the expiration date of this Contract, under the same terms and conditions, at the State's sole option.

**C. PAYMENT TERMS AND CONDITIONS:**

C.1. **Estimated Liability.** The total purchases of any goods or services under this Contract are not known. The State estimates the purchases during the Term shall be One Billion Nine Hundred Nine Million Two Hundred Thirty-Two Thousand Dollars (\$1,909,232,000) ("Estimated Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or an Authorized Entity or as otherwise specified by this Contract or an Authorized Entity's PA.

C.2. **Compensation Firm.** The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.

C.3. **Payment Methodology.** The Contractor shall be compensated based on the payment rates for goods or services contained in Contract Attachment F and as authorized by the State, with respect to this Contract, or an Authorized Entity with respect to a PA, in a total amount as set forth in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.

- a. Payment obligations for all orders placed by an Authorized Entity shall be the sole responsibility of the Authorized Entity and not of the State.
- b. Education Assistance Benefit.

Education Assistance shall be offered to Transition Employees according to the current benefits as listed in Contract Attachment O. Contractor may also offer their own educational assistance in place of this benefit. If the Transition Employee chooses this benefit, the following payment methodology will be used.

- (1) The Transition Employee will pay the fees according to the rate established by the State.
- (2) Upon satisfactory completion of the course, the Transition Employee will submit any appropriate forms to Contractor and be reimbursed.
- (3) The Contractor will then submit the cost to the Authorized Entity for which the Transition Employee formerly worked, and will be reimbursed without markup.
- (4) These costs will not be added to the Baseline, but will be tracked in a separate account.

- c. Operations Budget Process.

(1) Operations Budget Submission and Approval.

For each Authorized Entity that has signed a PA, the Contractor shall work with the Authorized Entity to provide a proposed Operations Budget for the next fiscal year of operation. The Authorized Entity may require additional information from the Contractor necessary to finalize their Operations Budget. The timeframes for these deliverables may vary by each Authorized Entity. This additional information and timeframes, where practicable, will be outlined in the PA.

As part of the governance process, the Contractor and the Authorized Entity shall review the proposed Operations Budget and reach agreement on the Operations Budget and specified FM Services. The Parties shall cooperate with each other in order to have the annual Operations Budget approved in writing by the Authorized Entity by July 1st of each year (or, with respect to the Operations Budget for the remainder of the first calendar year of the term, within ninety (90) calendar days following the Effective Date).

If the proposed Operations Budget is not approved by the Authorized Entity for a subsequent year, the Contractor shall continue to provide the FM Services under this Contract in accordance with the approved Operations Budget for the previous calendar year, as adjusted for changes in occupancy, use of Facilities, service levels, APPA levels, site additions or deletions that may result in a change in costs of operation, until a new Operations Budget is approved.

The Operations Budget for Authorized Entities and any special requirements is outlined in Contract Attachment N, PA Section 7 and PA Exhibit 1.

- (2) Operations Budget Revisions. The Contractor shall notify the State promptly in the event actual expenses are projected to exceed the approved Operations Budget. In such event, the Contractor shall work with State and the Authorized Entity to prepare a new Operations Budget for the Authorized Entity's review and approval. The Authorized Entity shall have the right, exercisable at any time in its reasonable discretion, to revise the approved Operations Budget, provided that no such revision shall change the Contractor's rights to receive compensation and reimbursements for any FM Services previously provided. In the event that budget revisions are necessary, the Contractor and the Authorized Entity will mutually agree upon necessary changes in accordance with Contract Section A.3.6.

(3) Reporting of Baseline, Budget, or Fee Adjustments. The Parties recognize that changed circumstances occurring after the Effective Date of this Contract or a PA may occur and that it is in the best interests of all Parties to allow for equitable adjustments to the Baseline, Operations Budget, or any of the applicable fees outlined in Attachment F.2. The Parties agree that each of the foregoing items may be equitably adjusted in accordance with Contract Attachments F.1. and F.2., provided the Contractor submits for Site Level/Local Operations' and the Operational Governance Committee's approval, in writing within thirty (30) days of becoming aware of the circumstances giving rise to the Contractor's request for an equitable adjustment, the circumstances and the Contractor's proposed adjustments to the Baseline, Operations Budget, or any of the applicable fees outlined in Attachment F.2. The Contractor shall report the circumstances giving rise to the Contractor's request for an equitable adjustment and any recommended adjustments. Approval by both Site Level/Local Operations and the Operational Governance Committee is required before any requested equitable adjustments shall become effective. The following is a partial list of operational elements that may cause an adjustment:

- i. Changes in levels of service (APPA Levels, when applicable);
- ii. The amount or significance of deferred maintenance;
- iii. The condition or useful life of Facility equipment;
- iv. Cost reconciliation information;
- v. The quality of FM Services accounted for in the Baseline compared to Authorized Entity's requirements;
- vi. The use of Facilities and buildings;
- vii. Capital improvements to facilities or buildings that increase or decrease the scope of FM Services needed; and
- viii. Major maintenance and capital repairs as set forth in Contract Section A.3.6

d. Within sixty (60) calendar days following termination of this Contract or any PA under this Contract, the Contractor shall deliver to State a final report that includes a calculation of the balance of any compensation due and payable to Contractor or of any refund due and payable to the State. A Party owing any money on the basis of such final report shall promptly pay the sum due. The Contractor shall also deliver to the State or the Authorized Entity all documents, books, records, equipment, materials, disks and related items associated with the performance of the FM Services and other property of State or the Authorized Entity in the possession of Contractor. The Contractor may retain any copies deemed necessary by the Contractor.

e. Reimbursements and Charges. As part of the compensation for the FM Services hereunder, State or the Authorized Entity shall make the following reimbursements and payments:

- (1) Reimbursable Items and Charges. In addition to those items identified in Contract Attachment F, the State or the Authorized Entity shall reimburse or pay Contractor for all costs, expenses, charges, and allocations of Contractor in connection with the FM Services in accordance with the approved Operations Budgets, including, without limitation, the premium for any liability insurance policy which has been previously approved by State or the Authorized Entity. The State or the Authorized Entity shall fund or pay for the procurement of goods and services directly passed through to the State or the Authorized Entity in connection with the FM Services. Reimbursements and Charges shall be paid by the State or the Authorized Entity in accordance with Contract Attachment F.

f. As between the Contractor and the State or an Authorized Entity, title to goods and services purchased by the Contractor for the State's or an Authorized Entity's benefit under this Section, and all warranties provided with respect to such goods and services, shall pass



directly to the State.

- g. Sales and Use Taxes. Contractor shall be responsible for any sales, use, gross receipts, value added and other consumption based taxes ("Sales and Use Taxes") with respect to any goods or services which Contractor obtains for Contractor's own use and not on behalf of the State or for use in providing FM Services. The Contractor shall retain the right to contest any Sales and Use Taxes assessed against Contractor. The Contractor, to the extent possible, shall structure its purchases of goods and procurement of services as the State's agent so as to maximize the State's and an Authorized Entity's tax savings and still receive the benefit of Contractor's volume purchasing power. The State or an Authorized Entity shall be responsible for all Sales and Use Taxes with respect to any goods and services provided to the State or an Authorized Entity by the Contractor, or any Subcontractor or vendor, and any goods or services procured by the Contractor as the State's agent or for the benefit of the State or an Authorized Entity.
- h. Discounts and Rebates. The Contractor agrees that the State or an Authorized Entity shall receive the benefit of all discounts and rebates obtainable by the Contractor in its fulfillment of the obligations under this Contract. The Contractor shall approve and process all bills or invoices so as to take full advantage of all early payment discounts or rebates, but shall not be responsible for any loss of discount or rebate due to the timing of funding or payment by the State or an Authorized Entity.
- i. Contractor Payments. The Contractor shall promptly pay or ensure that all fees, costs, and expenses incurred by or on behalf of the Contractor or any of its representatives, agents, Subcontractors or vendors in performing the FM Services, other than those for which State or an Authorized Entity is required under this Contract to pay directly, are paid. The Contractor shall not be liable for late payments to project contractors, subcontractors, vendors or other third parties if the State or an Authorized Entity directs the Contractor, in writing, to delay or withhold payment.
- j. Financial True-Up.
  - i. Management Fee. The Parties shall conduct a financial true-up of the Management Fee and the Alliance Partner Fees, on a quarterly basis (every three months) during the Term.
  - ii. Incentive Compensation. The Parties shall conduct a financial true-up of the Incentive Compensation on an annual basis during the Term.
- k. Transition Period Costs. The Contractor and its Alliance Partners shall fund one hundred percent (100%) of the Authorized Entity's Transition Period Costs required during the Transition Period.
- l. Indirect Recurring Costs. Indirect Recurring Costs shall be passed through by Contractor to the State or an Authorized Entity at actual cost without markup.
- m. Corrigo and Call Center Cost. Call center or Corrigo charges will be based on the State's or an Authorized Entity's consumption as outlined in Attachment F.2. The Contractor's technology applications and tools for accounting or analytics, shall be provided to State or an Authorized Entity at no additional charge.
- n. Cost Savings Initiatives. The Contractor, working in collaboration with the State and the Authorized Entities, shall, from time-to-time, present savings and cost avoidance strategies. These strategies shall be presented by the Contractor to the Operational Governance Committee for approval. The approval by the Operational Governance Committee of a cost savings initiative shall be a prerequisite for Contractor's entitlement to Incentive

Compensation as set forth in Attachment F.2.

- o. Incentive Compensation. Contractor shall earn a share of savings that exceed the Baseline, as outlined in Attachment F.3 ("Incentive Compensation"). The accrual of Incentive Compensation will adjust in accordance with Contract Attachment F, Pricing Schedule and Methodology. Scoring and funding of any earned Incentive Compensation shall occur on a quarterly basis (every three months) during the Term.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging, unless approved in advance by the State or an Authorized Entity and billed in accordance with the "State Comprehensive Travel Regulations."

C.5. Invoice Requirements. The Contractor shall invoice the State or an Authorized Entity only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. The Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month, and no later than thirty (30) days after goods or services have been provided to the Billing Address outlined in the Signed PA for that Authorized Entity. Note that each Authorized Entity that is an exempt agency according to Tenn. Code Ann. § 12-3-102 may request specific invoicing requirements or modifications based on their needs. These modifications will be outlined in Contract Attachment N, PA Section 14. Contractor's invoicing requirements can be met by providing the State online access to Contractor's invoicing detail.

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
  - (1) Invoice number (assigned by the Contractor);
  - (2) Invoice date;
  - (3) Contract number (assigned by the State);
  - (4) Customer account name: Authorized Entity Name;
  - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
  - (6) Contractor name;
  - (7) Contractor Tennessee Edison registration ID number;
  - (8) Contractor contact for invoice questions (name, phone, or email);
  - (9) Contractor remittance address;
  - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
  - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
  - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
  - (13) Amount due for each compensable unit of good or service; and
  - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
  - (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
  - (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
  - (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
  - (4) Include shipping or delivery charges only as authorized in this Contract.

- c. The timeframe for payment (or any discounts) begins only when the State or an Authorized Entity is in receipt of an invoice that meets the minimum requirements of this Section C.5.
- C.6. Payment of Invoice. The State shall pay each undisputed invoice, or portion thereof in accordance with the Prompt Pay Act (See Tenn. Code Ann. § 12-4-703). A payment by the State or an Authorized Entity shall not prejudice the State's or the Authorized Entity's right to object to or question any payment, invoice, or other matter. A payment by the State or an Authorized Entity shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State or an Authorized Entity, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State and the Authorized Entities reserve the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract or PA between the Contractor and the State or an Authorized Entity, any amounts that are or shall become due and payable to the State or an Authorized Entity by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State or an Authorized Entity under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH and
  - b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.
- D. MANDATORY TERMS AND CONDITIONS:**
- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State Relationship Executive:

Charles Burkett, Executive Consultant – Facilities Management  
Customer Focused Government  
WRS Tennessee Tower, 16th Floor  
312 Rosa L. Parks Avenue  
Nashville, Tennessee 37243  
Charles.Burkett@tn.gov  
Telephone # 615-693-0301

The contact information for the primary contact for any Authorized Entity can be found in Contract Attachment N, PA Section 3.

The Contractor:

Thomas C. Foster, Alliance Director  
Jones Lang LaSalle Americas, Inc.  
Department of General Services  
WRS Tennessee Tower, 24th Floor  
312 Rosa L. Parks Avenue  
Nashville, Tennessee 37243  
Tom.Foster@am.jll.com  
Telephone # 470-728-0087

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment or a MOU in accordance with Section E.5 signed by all Parties and approved by all applicable State officials. The State's exercise of a valid Renewal Option or Term Extension does not constitute an amendment so long as there are no other changes to the Contract's terms and conditions.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract or any Participating Addendum in whole or pertinent part upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State or the Contractor may terminate this Contract without cause for any reason. A party's exercise of its right to terminate this Contract for convenience shall not be deemed a breach of contract by either Party. The terminating Party shall give the other Party at least three hundred sixty five (365) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any good or service that has not been provided, nor shall either party be relieved of any liability to the other for any damages or claims arising under this Contract prior to the termination.

Any Authorized Entity may terminate their PA without cause for any reason. The terminating Authorized Entity shall give the Contractor at least one hundred eighty (180) days written notice before the termination date. All other conditions listed above shall apply.

- D.6. Termination for Cause. If a Party ("Breaching Party") fails to properly perform its obligations under this Contract, or if a Party materially violates any terms of this Contract ("Breach Condition"), the other Party ("Non-breaching Party") may provide written notice to the Breaching Party specifying the Breach Condition. If within one hundred eighty (180) days of notice, the Breaching Party has not cured the Breach Condition, the Non-breaching Party may terminate the Contract. In the event the Non-breaching Party is the State, the State may withhold payments in excess of compensation for completed services or provided goods. The Breaching Party shall not be relieved of liability to the Non-breaching Party for damages sustained by virtue of any breach of this Contract, and the Non-breaching Party may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State with respect to this Contract or an Authorized Entity, with respect to a PA. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract or a PA. The State and the Authorized Entities reserve the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract or PA in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract or any PA.
- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or a PA or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Contract Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
  - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current,

written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.

- c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
  - d. The Contractor understands and agrees that failure to comply with this Section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
  - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract or any PA. The books, records, and documents of the Contractor, for work performed or money received under this Contract or any PA, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract or any PA shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract or any PA to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract or any PA shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract or any PA shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract or any PA shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless for any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.

- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract or any PA. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract, any PA, or otherwise. Notwithstanding anything else herein, the State's total liability under this Contract (including without limitation any exhibits, schedules, amendments or other attachments to the Contract), any PA, or otherwise shall under no circumstances exceed the Estimated Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Estimated Liability amount detailed in Section C.1. and as may be amended, or two (2) times the total price of a particular PA for claims arising under that PA. Except as set forth below, in no event will the Contractor be liable to the State or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of negligent acts or omissions or willful misconduct on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract or any PA. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract or any PA.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

For claims on which the State may seek such indemnity, State will, subject to the best interests of the State in the good faith determination of State's attorneys' in their reasonable discretion:

- a. Provide Contractor with: (i) prompt notice of the claim, and timely ongoing information of developments related to it; (ii) copies of all claim demands, notices and other claimant communications; (iii) copies of all court filings (unless filed under seal or protective order); (iv) copies of relevant non-privileged records reasonably requested by Contractor;
- b. Reasonably cooperate in any investigation by Contractor's insurance carrier, and its settlement or defense of the claim;
- c. Consult reasonably and in good faith with Contractor (or its insurance carrier) regarding any settlement negotiations, and in advance regarding any settlement agreement; and
- d. Reasonably assist Contractor's insurance carrier at carrier's expense in its enforcement

of any right against any party (except the State) that may be liable to Contractor or the carrier because of the injury or damage.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.
- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
  - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
  - c. The State and the Contractor will sign documents as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
  - d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.
- D.21. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.22. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.



The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.23. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.24. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract or any PA.
- D.25. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 407.
- D.26. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.27. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.28. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.29. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:

- a. An Authorized Entity's PA to utilize this Contract. An Authorized Entity's PA shall not diminish, change, or impact the rights of the State of Tennessee with regard to the State's contractual relationship with the Contractor under the terms of this Contract.
- b. Any amendment to this Contract, with the latter in time controlling over any earlier amendments;
- c. This Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes Attachments A through P;
- d. Any clarifications of or addenda to the Contractor's proposal seeking this Contract;
- e. the State solicitation, as may be amended, requesting responses in competition for this Contract;
- f. Any technical specifications provided to proposers during the procurement process to award this Contract; and
- g. The Contractor's response seeking this Contract.

D.30. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-111, addressing contracting with persons with investment activities in Iran, shall be a material provision of this Contract. The Contractor agrees, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

D.31. Equal Opportunity. During the performance of this Contract, the Contractor agrees as follows:

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:
  - (1) Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising;
  - (2) Layoff or termination;
  - (3) Rates of pay or other forms of compensation; and
  - (4) Selection for training, including apprenticeship.

The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

- b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- c. If the State approves any subcontract, the subcontract shall include paragraphs (a) and (b) above.

D.32. Insurance. Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified below. The COI shall be provided ten (10) business days prior to the Effective Date and again upon renewal or replacement of coverages required by this Contract. If insurance expires during the Term, the State must receive a new COI at least thirty (30) calendar days prior to the insurance's expiration date. If the Contractor loses insurance coverage, does not renew coverage, or for any reason becomes uninsured during the Term, the Contractor shall notify the State immediately.

The COI shall be on a form approved by the Tennessee Department of Commerce and Insurance ("TDCI") and signed by an authorized representative of the insurer. The COI shall list each insurer's national association of insurance commissioners (also known as NAIC) number and list the State of Tennessee, Risk Manager, 312 Rosa L. Parks Ave., 3<sup>rd</sup> floor Central Procurement

Office, Nashville, TN 37243 in the certificate holder section. At any time, the State may require the Contractor to provide a valid COI detailing coverage description; insurance company; policy number; exceptions; exclusions; policy effective date; policy expiration date; limits of liability; and the name and address of insured. The Contractor's failure to maintain or submit evidence of insurance coverage is considered a material breach of this Contract.

If the Contractor desires to self-insure, then a COI will not be required to prove coverage. In place of the COI, the Contractor must provide a certificate of self-insurance or a letter on the Contractor's letterhead detailing its coverage, liability policy amounts, and proof of funds to reasonably cover such expenses. Compliance with Tenn. Code Ann. § 50-6-405 and the rules of the TDCI is required for the Contractor to self-insure workers' compensation.

All insurance companies must be: (a) acceptable to the State; (b) authorized by the TDCI to transact business in the State of Tennessee; and (c) rated A- VII or better by A. M. Best. The Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that the subcontractors are included under the Contractor's policy.

The Contractor agrees to name the State as an additional insured on any insurance policies with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) ("Professional Liability") insurance. Also, all policies shall contain an endorsement for a waiver of subrogation in favor of the State.

The deductible and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements. The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

All coverage required shall be on a primary basis and noncontributory with any other insurance coverage or self-insurance carried by the State. The State reserves the right to amend or require, at its own cost, additional endorsements, types of coverage, and higher or lower limits of coverage depending on the nature of the work. Purchases or contracts involving any hazardous activity or equipment, tenant, concessionaire and lease agreements, alcohol sales, cyber-liability risks, environmental risks, special motorized equipment, or property may require customized insurance requirements (e.g. umbrella liability insurance) in addition to the general requirements listed below.

To achieve the required coverage levels, a combination of a specific policy written with an umbrella policy covering liabilities above stated limits is acceptable (For example: If appropriate limits are two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) aggregate, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate written with an umbrella policy for one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate. If the deficient underlying policy is for coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area as well.

a. Commercial General Liability Insurance

- 1) The Contractor shall maintain commercial general liability insurance, which shall be written on an Insurance Services Office, Inc. (also known as ISO) occurrence

form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises/operations, independent contractors, contractual liability, completed operations/products, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

- 2) The Contractor shall maintain bodily injury/property damage with a combined single limit not less than one million dollars (\$1,000,000) per occurrence and ten million dollars (\$10,000,000) annual aggregate for bodily injury and property damage, including products and completed operations coverage with an annual aggregate limit of at least two million dollars (\$2,000,000).

b. Workers' Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation in an amount not less than two million dollars (\$2,000,000) including employer liability of two million dollars (\$2,000,000) per accident for bodily injury by accident, two million dollars (\$2,000,000) policy limit by disease, and two million dollars (\$2,000,000) per employee for bodily injury by disease.
- 2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government, or The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

- i. The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- ii. The Contractor shall maintain bodily injury/property damage with a limit not less than five million dollars (\$5,000,000) per occurrence or combined single limit.

d. Professional Liability Insurance

- i. Professional liability insurance shall be written on an occurrence basis. This coverage may be written on a claims-made basis but must include an extended reporting period or "tail coverage" of at least two (2) years after the Term;

- ii. Any professional liability insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) in the annual aggregate

e. Crime/Fidelity Coverage

- i. The Contractor shall maintain crime insurance, which shall be written on a "loss sustained form" or "loss discovered form" providing coverage for third party fidelity. The policy must allow for reporting of circumstances or incidents that may give rise to future claims, include an extended reporting period of no less than two (2) year with respect to events which occurred but were not reported during the term of the policy, and not contain a condition requiring an arrest or conviction.
- ii. Any crime insurance policy shall have a limit not less than five hundred thousand dollars (\$500,000) per claim and one million dollars (\$1,000,000) in the annual aggregate.
- iii. This coverage may be written on a claims-made basis but must include an extended reporting period or "tail coverage" of at least two (2) years after the Term.

f. Umbrella/Excess Liability

The contractor shall maintain Umbrella/Excess liability insurance in the amount of fifteen million dollars (\$15,000,000) and will apply over all liability policies, except Professional Liability, and will include, but not limited to Commercial General Liability, Automobile Liability, and Employers' Liability.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law. The obligations set forth in this Section shall survive the termination of this Contract.
- E.3. Printing Authorization. The Contractor agrees that no publication coming within the jurisdiction of Tenn. Code Ann. §§ 12-7-101, *et. seq.*, shall be printed pursuant to this Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103 (d).
- E.4. State Ownership of Goods. The State or an Authorized Entity shall have ownership, right, title, and interest in all goods provided by Contractor under this Contract including full rights to use the goods and transfer title in the goods to any third parties. Should State or Authorized Entity equipment necessary for FM Services need to be replaced or is not currently available, the Contractor will recommend and provide justification for purchase of the required equipment. Upon

approval, the State or the Authorized Entity will purchase the equipment. The Contractor will initiate repairs for State or Authorized Entity owned equipment that it uses and pass the cost through to the State or the Authorized Entity with no markup expense.

- E.5. Additional lines, items, or options. At its sole discretion, the State may make written requests to the Contractor to add lines, items, or options that are needed and within the Scope but were not included in the original Contract. Such lines, items, or options will be added to the Contract through a Memorandum of Understanding ("MOU"), not an amendment.
- a. After the Contractor receives a written request to add lines, items, or options, the Contractor shall have ten (10) business days to respond with a written proposal. The Contractor's written proposal shall include:
    - (1) The effect, if any, of adding the lines, items, or options on the other goods or services required under the Contract;
    - (2) Any pricing related to the new lines, items, or options;
    - (3) The expected effective date for the availability of the new lines, items, or options; and
    - (4) Any additional information requested by the State.
  - b. The State may negotiate the terms of the Contractor's proposal by requesting revisions to the proposal.
  - c. To indicate acceptance of a proposal, the State will sign it. The signed proposal shall constitute a MOU between the Parties, and the lines, items, or options shall be incorporated into the Contract as if set forth verbatim.
  - d. Only after a MOU has been executed shall the Contractor perform or deliver the new lines, items, or options.
  - e. A MOU may also be executed to:
    - (1) Agree to or modify (i) the KPIs and a scoring methodology for evaluating KPI performance, (ii) Operations Budgets, and (iii) changes in governance for an Authorized Entity's specific PA;
    - (2) Agree to or modify the Performance Measures and a scoring methodology for evaluating Contractor performance;
    - (3) Increase or decrease the square footage of the facilities in Scope for an Authorized Entity (as outlined in Contract Attachment N, PA Section 1);
    - (4) Add Potential In-Scope Services to the Scope of an Authorized Entity's PA, provided so long as the cumulative result of such change does not increase the total approved Operations Budget by more than five percent (5%).
- E.6. Reserved.
- E.7. Software License Warranty. Contractor grants a license to the State to use all software provided under this Contract in the course of the State's business and purposes as follows: Contractor Owned Software– for the Term of the Contract plus six (6) months (to facilitate transition to a successor solution); third party software – for the Term of the Contract plus six (6) months or such longer period if desired by the State as the respective third parties may agree to.
- E.8. Software Support and Maintenance Warranty. Contractor shall for the Term provide to the State all software upgrades, modifications, bug fixes, or other improvements in its software that it makes generally available to its customers.
- E.9. Extraneous Terms and Conditions. Contractor shall fill all orders submitted by the State or an Authorized Entity under this Contract. No purchase order, invoice, or other documents associated with any sales, orders, or supply of any good or service under this Contract or any PA shall contain any terms or conditions other than as set forth in the Contract or the PA. Any such extraneous terms and conditions shall be void, invalid and unenforceable against the State or an Authorized Entity. Any refusal by Contractor to supply any goods or services under this Contract or any PA conditioned upon the State or an Authorized Entity submitting to any extraneous terms

and conditions shall be a material breach of this Contract and constitute an act of bad faith by the Contractor.

- E.10. Reimbursement. This Contract, or any resulting PA, provides for reimbursement of the cost of goods, materials, supplies, equipment, or contracted services. Any goods, materials, supplies, equipment or contracted services procured by Contractor under this Contract, or any resulting PA, shall be procured on a competitive basis when practicable. The Contractor shall maintain documentation supporting Contractor's request for reimbursement. In each instance where it is determined that use of a competitive procurement method was not practicable, said documentation shall include a written justification for such decision and non-competitive procurement. The State or an Authorized Entity shall review the Contractor's records of procurements at least annually.
- E.11. Federal Educational Rights and Privacy Act & Tennessee Data Accessibility, Transparency and Accountability Act. The Contractor shall comply with the Federal Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232(g)) and its accompanying regulations (34 C.F.R. § 99) ("FERPA"). The Contractor warrants that the Contractor is familiar with FERPA requirements and that it will comply with these requirements in the performance of its duties under this Contract. The Contractor agrees to cooperate with the State, as required by FERPA, in the performance of its duties under this Contract. The Contractor agrees to maintain the confidentiality of all education records and student information. The Contractor shall only use such records and information for the exclusive purpose of performing its duties under this Contract.
- The Contractor shall also comply with Tenn. Code Ann. § 49-1-701, et seq., known as the "Data Accessibility, Transparency and Accountability Act," and any accompanying administrative rules or regulations (collectively "DATAA"). The Contractor agrees to maintain the confidentiality of all records containing student and de-identified data, as this term is defined in DATAA, in any databases, to which the State has granted the Contractor access, and to only use such data for the exclusive purpose of performing its duties under this Contract.
- Any instances of unauthorized disclosure of data containing personally identifiable information in violation of FERPA or DATAA that come to the attention of the Contractor shall be reported to the State within twenty-four (24) hours. Contractor shall indemnify and hold harmless State, its employees, agents and representatives, from and against any and all claims, liabilities, losses, or causes of action that may arise, accrue, or result to any person or entity that is injured or damaged as a result of Contractor's failure to comply with this section.
- E.12. State or Authorized Entity Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible personal property furnished by the State or an Authorized Entity for the Contractor's use under this Contract or any PA. Upon termination of this Contract, all property furnished by the State or an Authorized Entity shall be returned to the State or the Authorized Entity in the same condition as when received, less reasonable wear and tear. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State or the Authorized Entity for the fair market value of the property at the time of loss. Contractor will maintain liability insurance for the use of all State or Authorized Entity equipment and provide a copy of the insurance to the State or the Authorized Entity.
- E.13. Prohibited Advertising or Marketing. The Contractor shall not suggest or imply in advertising or marketing materials that Contractor's goods or services are endorsed by the State or an Authorized Entity. The restrictions on Contractor advertising or marketing materials under this Section shall survive the termination of this Contract or any PA.
- E.14. Public Accountability. If the Contractor is subject to Tenn. Code Ann. §§ 8-4-401, et seq., or if this Contract involves the provision of services to citizens by the Contractor on behalf of the State, the Contractor agrees to establish a system through which recipients of services may present

grievances about Contractor's operation of the service program. The Contractor shall also display in a prominent place, located near the passageway through which the public enters in order to receive contract-supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating the following:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY THAT YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454

The sign shall be of the form prescribed by the Comptroller of the Treasury. The contracting state agency shall request copies of the sign from the Comptroller of the Treasury and provide signs to contractors.

- E.15. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Contractor shall prohibit smoking of tobacco products within any indoor premises in which services are provided pursuant to this Contract to individuals under the age of eighteen (18) years. The Contractor shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Contract.
- E.16. Prison Rape Elimination Act (PREA). The Contractor must comply with the Prison Rape Elimination Act (PREA) of 2003 (Federal law 42 U.S.C. 15601 et. seq.), with all applicable Federal PREA standards, and with all State policies and standards related to PREA for preventing, detecting, monitoring, investigating, and eradicating any form of sexual abuse within facilities/programs/offices owned, operated, or contracted.
- E.17. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
  - c. The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

- E.18. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's Response



to RFP # 32110-17103 (Contract Attachment B) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and Tennessee service-disabled veterans. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in the required form and substance.

- E.19. Payment Bond. For all Purchase Orders on public works in excess of \$100,000 (in accordance with Tenn. Code Ann. §12-4-201), Contractor shall provide to the State a payment bond guaranteeing that the Contractor's subcontractors, laborers, and material suppliers will be paid for performance under this Contract with the additional obligation that such contractor shall promptly make payment of all taxes, licenses, assessments, contributions, penalties, and interest. The payment bond will be in an amount equal to twenty-five percent (25%) of the Purchase Order total amount. The Contractor shall submit the bond no later than the day immediately preceding the date of the Purchase Order and in the manner and form prescribed by the State at Contract Attachment P. The bond shall be issued by a company licensed to issue such a bond in the State of Tennessee. The State reserves the right to review the bond amount and bond requirements at any time during the Term.
- Failure to provide to the State the payment bond as required under this Contract may result in this Contract being terminated by the State. The payment bond required under this Contract shall not be reduced during the Term without the State's prior written approval.
- E.20. Intellectual Property. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.
- E.21. Partial Takeover of Contract. The State may, at its convenience and without cause, exercise a partial takeover of any service that the Contractor is obligated to perform under this Contract, including any service which is the subject of a subcontract between Contractor and a third party (a "Partial Takeover"). A Partial Takeover of this Contract by the State shall not be deemed a breach of contract. The Contractor shall be given at least thirty (30) days prior written notice of a Partial Takeover. The notice shall specify the areas of service the State will assume and the date the State will be assuming. The State's exercise of a Partial Takeover shall not alter the Contractor's other duties and responsibilities under this Contract. The State reserves the right to withhold from the Contractor any amounts the Contractor would have been paid but for the State's exercise of a Partial Takeover. The amounts shall be withheld effective as of the date the State exercises its right to a Partial Takeover. The State's exercise of its right to a Partial Takeover of this Contract shall not entitle the Contractor to any actual, general, special, incidental, consequential, or any other damages irrespective of any description or amount.
- E.22. Unencumbered Personnel. The Contractor shall not restrict its employees, agents, subcontractors or principals who perform services for the State under this Contract from performing the same or similar services for the State after the termination of this Contract, either as a State employee, an independent contractor, or an employee, agent, subcontractor or principal of another contractor with the State.

E.23. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify and/or procure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law.

E.24. Purchases by an Authorized Entity.

The purpose of this Contract is to establish a source of supply for all Authorized Entities who elect to participate by executing a Participating Addendum (Contract Attachment N). Authorized Entities include the following: state agencies; state governmental entities including the legislative branch, the judicial branch, the board of trustees of the University of Tennessee system, the Tennessee board of regents system, and the state university boards; local governmental units within the State of Tennessee; any private nonprofit institution of higher education chartered in this state; and, any corporation which is exempted from taxation under 26 U.S.C. § 501(c) (3), as amended, and that contracts with the Department of Mental Health and Substance Abuse Services to provide services or support to the public (Tenn. Code Ann. § 33-2-1001).

E.25. Environmental Matters; Pre-Existing Conditions.

- a. Contractor Not an Owner, Generator or Transporter. State acknowledges that Contractor is not an environmental expert or consultant in the field of Hazardous Materials (as hereinafter defined). Therefore, with respect to any significant environmental conditions or issues pertaining to

Hazardous Materials at any Facility or any other property owned, leased or otherwise controlled by State, State agrees and acknowledges that Contractor and its agents, officers, directors, partners, shareholders and employees are not and shall not be deemed "generators" or "transporters" (or have any comparable legal status) for purposes of any applicable laws pertaining to Hazardous Materials. Accordingly, notwithstanding any provision hereof to the contrary, with respect to any Hazardous Materials that may be present below, on, under, in, about or otherwise affecting any Facility or such other property, Contractor shall not be responsible for detecting, handling, removing, remediating, storing, transporting or disposing of Hazardous Materials (each a "Hazardous Activity"), except to the extent of any Hazardous Materials, brought onto the Facilities and used by Contractor in the ordinary course of providing the FM Services. Contractor shall not use Hazardous Materials except in the ordinary course of providing the FM Services and in compliance with applicable laws. "Hazardous Materials" shall mean any hazardous material or substance which is or becomes defined as a "hazardous waste," "hazardous substance," "hazardous material," pollutant, or contaminant under any applicable law.

- b. Other Pre-Existing Conditions and Defects. Contractor shall not be responsible for remediating any pre-existing conditions of any Facility that may adversely affect the operations, maintenance or use of such Facility or the health or safety of persons or property. In addition, Contractor shall not be responsible for detecting or remediating structural or latent defects or other defects in the design or construction of a Facility or manufacturing defects in equipment within a Facility, whether pre-existing or arising during the Term. This Section E.25 shall survive the expiration or termination of this Contract. All references to Contractor in this Section E.25 shall be deemed to include any representative of Contractor that provides FM Services.
- c. Hazardous Activities. Contractor and State acknowledge that, from time to time, there may be Hazardous Materials on a Facility that Contractor is requested by State to clean up, dispose of, remove or otherwise handle or deal with in some fashion, including materials or substances that are not suspected to be Hazardous Materials but in fact are Hazardous Materials. If so requested by State, Contractor may elect to engage in a Hazardous Activity or refuse to do so in its sole discretion. Furthermore, if Contractor elects to engage in any Hazardous Activity, it may at any time cease the performance of such Hazardous Activity. Neither the refusal to engage in a Hazardous Activity nor the termination of a Hazardous Activity previously commenced shall be deemed in any way to be a default or breach under this Contract or otherwise subject Contractor to penalty or liability, except where the refusal contradicts State or Federal Regulations.
- E.26. Indemnity for Subcontractors. Contractor shall be solely responsible for the proper selection, management, administration and supervision of Subcontractors and shall enforce the performance by Subcontractors of all their obligations under the Contractor Contracts, and under the Managed Contracts and Assigned Contracts for events occurring on or after the Effective Date (including, without limitation, the obligations of Subcontractors to indemnify State for all damages, liabilities, losses and claims arising from the acts and omissions of Subcontractors). Contractor shall indemnify, defend and hold harmless State and its officers, directors, employees, agents, successors and assigns from and against any and all third party damages, judgments, liabilities, fines, penalties, losses, claims, actions, demands, lawsuits, costs, and expenses including, without limitation, reasonable attorneys' fees, that arise out of or relate to any and all claims as a result of Contractor's failure to properly select, manage, administer and supervise the Subcontractors or to enforce Subcontractor's obligations under the Contractor Contracts, and under the Managed Contracts or Assigned Contracts for events occurring on or after the Effective Date.
- E.27. Community Rehabilitation Agency of Tennessee. Contractor acknowledges and agrees that it shall comply with State law and rules pertaining to Community Rehabilitation Agency of Tennessee certified products and services.
- E.28. Data Retention. The Contractor will not destroy any of the State's data or records, even in the event of Contract cancellation or expiration, for three hundred sixty five (365) days, unless the record disposition authorization is otherwise specified by the State as a longer period, following

the cancellation or final expiration date of the Contract term. This retention period is separate from the retention period under Contract Section D.11.

E.28.1. For three hundred sixty five (365) calendar days prior to the expiration date of this Contract, or upon notice of termination of this Contract, Contractor shall assist the State in extracting and/or transitioning all Data in a format determined by the State, in accordance with Contract Attachment M ("Data Transition Period"). During the Data Transition Period, Contractor and Data access shall continue to be made available to the State without alteration. Following the expiration or termination of the Contract and upon the export (transitioning) of the Data, as applicable, the Data will be deleted in accordance with Contractor's procedures.

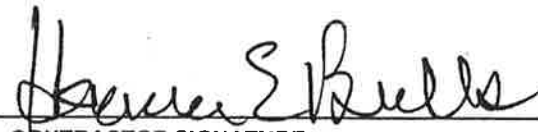
E.28.2. No Data shall be copied, modified, destroyed or deleted by Contractor other than for normal operation or maintenance of Contractor during the Contract period without prior written notice to and written approval by the State and in accordance with any applicable records disposition authorization (See Tenn. Code Ann. § 10-7-303.).

E.28.3. Upon request from authorized users of the State, Contractor shall return or destroy any State data provided under this Contract.

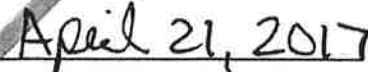
E.29. Contract Subject to Approval of the Office of State and Local Finance. This Contract shall be subject to approval by the Office of State and Local Finance in the Office of the Comptroller of the Treasury. The purpose of this review and approval is to determine whether this Contract will have an effect on the tax status of any outstanding bond obligations of the State or any Authorized Entity. In the event this Contract is not approved by the Office of State and Local Finance due to a finding by it that this Contract will negatively affect the tax status of any outstanding bonds issued by the State or an Authorized Entity, then in such event, and in accordance with Tenn. Code Ann. §§ 9-9-113 and 49-3-1207, this Contract shall be null and void *ab initio*.

IN WITNESS WHEREOF,

JONES LANG LASALLE AMERICAS, INC.:



CONTRACTOR SIGNATURE



DATE

HERMAN E. BULLS, VICE CHAIRMAN, AMERICAS

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

DEPARTMENT OF GENERAL SERVICES, CENTRAL PROCUREMENT OFFICE:

\_\_\_\_\_  
MICHAEL F. PERRY, CHIEF PROCUREMENT OFFICER

\_\_\_\_\_  
DATE

**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

SUBJECT CONTRACT NUMBER:	Statewide Contract #458
CONTRACTOR LEGAL ENTITY NAME:	Jones Lang LaSalle Americas, Inc.
EDISON VENDOR IDENTIFICATION NUMBER:	00150154

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.



CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

**Thomas C. Foster, EVP, Alliance Director**

PRINTED NAME AND TITLE OF SIGNATORY

April 21, 2017

DATE OF ATTESTATION



LETTER OF DIVERSITY COMMITMENT

April 21, 2017

To Whom It May Concern:

Jones Lang LaSalle Americas, Inc. is committed to achieving or surpassing a goal of five percent spend with certified diversity business enterprise firms on SWC #458. Diversity businesses are defined as those that are owned by minority, women, small business and Tennessee service-disabled veterans which are certified by the Governor's Office of Diversity Business Enterprise (Go-DBE).

We confirm our commitment of five percent participation on the by using the following diversity businesses:

- (i) Name and ownership characteristics (i.e., ethnicity, gender, Tennessee service-disabled veteran) of anticipated diversity subcontractors and suppliers:

*See response to section B9 of RFP #32110-17103*

- (ii) Participation estimates (expressed as a percent of the total contract value to be dedicated to diversity subcontractors and suppliers):

*5%.*

- (iii) Description of anticipated services to be performed by diversity subcontractors and suppliers:

*Electrical, General Contractor, Janitorial, Roofing, Waste Removal, Security, Plumbing*

We accept that our commitment to diversity advances the State's efforts to expand opportunity of diversity businesses to do business with the State as contractors and sub-contractors.

Further, we commit to:

1. Using applicable reporting tools that allow the State to track and report purchases from businesses owned by minority, women, Tennessee service-disabled veterans and small business.
2. Reporting quarterly to the Go-DBE office the dollars spent with certified diversity businesses owned by minority, women, Tennessee service-disabled veterans and small business accomplished under SWC # 458.

Jones Lang LaSalle Americas, Inc. is committed to working with the Go-DBE office to accomplish this goal.

Regards,

A handwritten signature in black ink, appearing to read "Tom Foster", is written over a faint, large watermark that says "DRAFT".

**Thomas C. Foster**  
EVP, Alliance Director

**STATEMENT OF INTENT**

**1. Shared Vision Statement**

We collaborate as good stewards for the citizens of Tennessee to provide customer centric services that drive excellence in facilities and grounds management, accomplished through empowered and engaged employees who innovate and optimize both processes and technology resulting in better service at lower cost.

**2. Guiding Principles**

- a. Reciprocity  
We will make exchanges, whether large or small, that are mutually beneficial. We will share the burdens of risk mitigation, and will not require actions or commitments of the other that we, ourselves, are not willing to return. We will seek ways to make the relationship fair and balanced to ensure that all solutions are for the mutual benefit of each party and the relationship.
- b. Autonomy  
Neither party will use its power to coerce the other to make a decision that is against its best interests and those of the relationship. We will strive for information transparency to enable good decision making. We will work together, having an equal voice, in defining opportunities and resolving challenges. We recognize that working as equals enhances our ability to reach our Shared Vision and mutually agreed Desired Outcomes.
- c. Honesty  
We will have accurate, authentic and transparent communications at all levels within the relationship. While acknowledging our own experiences, we will clearly separate facts from opinions and perceptions. We will seek to understand the reason behind a question in order to give a relevant and truthful answer. We will collaboratively choose a system of record as the source of data and reporting to assure consistent and accurate information. We will fully disclose all relevant information to achieve the shared objectives.
- d. Loyalty  
We recognize that there will be times when our relationship is tested, but we are committed to standing together to overcome these challenges. By working together, each party stands the best chance of reaching the Shared Vision.
- e. Equity  
We acknowledge that some situations will require an unequal distribution of benefits for risks taken or investments made. We will strive to be fair and balanced in alignment with the value, risk or investment made into the relationship by each party. When we face unpredictable situations that have not been defined in our initial contract, we will work within the Governance Structure to remedy any identified inequities.
- f. Integrity  
We acknowledge that in order to build trust in the relationship and to achieve extraordinary results, individuals must align their words and their actions and must continually make decisions that are consistent with our Shared Vision and values. We will not tolerate arbitrary decision-making, nor one person (or several people) saying one thing while doing another.

**3. Statements of Intended Behavior**

- a. Safety  
We will have a safety first culture that meets or exceeds all applicable rules, policies and regulations, and that encourages our people to speak up, report and mitigate any potential safety incidents. We will celebrate zero incidents.

- b. Trust and Confidence  
We commit to having open and safe interactions that allow for constructive feedback. We will demonstrate accountability by delivering on our commitments.
- c. Customer Centric  
We recognize that empowered and engaged employees are at the forefront of providing customer service and creating customer centric solutions. We empower employees to recognize service shortcomings and initiate corrective actions. We will continuously seek customer feedback to assess and improve the services to the state. We will be accountable to both our internal and external customers.
- d. Courtesy and Respect  
In support of our Shared Vision, together we commit to treat every personal interaction with courtesy and mutual respect. We will commit to promote human dignity, equality and a culture of civility in our day to day actions.
- e. Communication  
We will engage in mutually defined and proactive dialogue. We will promote information transparency within a safe, productive, respectful and collaborative environment. We commit to excellence in communication, unified reporting, and team accountability. We will seek win-win solutions and mutually celebrate achievements.
- f. Flexibility  
We will be fair and flexible, driven by transparency, to address evolving business requirements to achieve our Shared Vision. We will seek opportunities to adapt service delivery to the unique needs of the customer.
- g. Innovation  
We will mutually commit to creating an environment of continuous improvement through the active pursuit of innovation to identify areas of cost savings, efficiency gains and enhanced sustainability. We will invest in leading edge technology, research and training. Our goal is to eliminate siloed, antiquated thinking and processes that prevent improvement and inhibit best in class performance. We will celebrate and incentivize innovation.



REQUIREMENTS ROADMAP

Desired Outcomes	Performance	
	Objective	Standard
<p>1</p> <p>Provide safe, appealing and high quality facilities and grounds through operational excellence</p>	Ensure both interior and exterior spaces meet agreed-upon appearance standards	<p>Establish standards and scope for facilities and grounds maintenance within X months</p> <p>Validate work against standards, correct deviations and report through Quality Assurance (QA) process X often.</p>
	Meet or exceed agreed-upon service levels for routine and priority service requests	Review / examine work requests for Remedial Maintenance (RM) and other requests by priority and measure against agreed-upon standards
	Maximize asset life cycle	Inventory all assets and determine asset conditions and age within X months and update annually
		Prescribe Preventative Maintenance (PM) and schedules for all assets and generate PM schedule within X months and update as agreed
		Perform Cost-Benefit analysis for RM and PM identified issues to repair vs. replace, and implement agreed-upon corrective actions
	Determine the condition of the facilities under management	Provide facility inspections of all facilities annually
	Ensure continuity of systems and services	Eliminate controllable unplanned downtime
	Adhere to regulatory and code requirements	100% of applicable staff will attend codes training
		Reduce violations to zero within agreed time period and maintain thereafter
	Utilize safety and risk management programs to reduce incidents	100% of staff attend applicable safety training
Reduce safety incidents to level below previous year		
<p>2</p> <p>Exhibit good stewardship of state resources</p>	Achieve optimal cost savings within responsible budgets	Achieve annual X% savings of approved annual plan
		Achieve X% diversity spend of total annual spend
		Annually establish benchmarked budget standards
	Identify current space usage opportunities	Biannual reporting of all buildings ≥ 20k sq. ft.
	Reduce the State's environmental footprint	Reduce energy consumption per sq. ft. by X% of baseline
		Reduce water usage by X% of baseline
		Reduce landfill waste by X% of baseline
		Establish and maintain site specific recycling programs where appropriate
		100% of storm / waste water management permits by due date
	Storm / waste water incidents responded	

<p style="text-align: center;"><b>3</b></p> <p style="text-align: center;"><b>Foster an environment and culture that promotes flexible customer centric solutions</b></p>	<p>Be accountable for service delivery to requestors and affected parties</p>	<p>Work order survey response about communication results average equal satisfied or very satisfied</p> <p>All mutually agreed scheduled reports issued on time</p> <p>Follow mutually agreed communication standards for:</p> <ul style="list-style-type: none"> <li>- unique scheduled events</li> <li>- recurring events</li> <li>- emergency / urgent events</li> </ul>
	<p>Improve customer satisfaction</p>	<p>Achieve / maintain a customer satisfaction level of "X" or greater</p>
	<p>Establish a customer service training program</p>	<p>All employees complete appropriate customer service training annually</p>
	<p>Provide training programs and cross-training at all levels</p>	<p>Achieve a standard of X% improvement over year 1 baseline on employee engagement survey that incorporates all Objectives</p>
<p>Provide employment growth opportunities</p>		
<p>Provide guardrails to empower employees</p>		
<p>Establish and maintain a high level of employee morale to ensure engagement</p>		
<p style="text-align: center;"><b>4</b></p> <p style="text-align: center;"><b>Enable employees to be engaged, motivated and innovative</b></p>	<p>Mutually develop and maintain required reporting that meets or exceeds the needs of all State entities</p>	<p>All specified reports submitted by due date</p>
	<p>Publicly communicate accurate and informative results of key metrics</p>	<p>Monthly reporting of key projects and cost savings, aggregated and published quarterly</p>
<p style="text-align: center;"><b>5</b></p> <p style="text-align: center;"><b>Sustain collaboration, transparency and programs that inspire public trust</b></p>		

**PERFORMANCE MANAGEMENT**

**1. Performance Management Plan – Generally.**

The Contractor shall develop, subject to the Board of Advisor’s review and approval, a Performance Management Plan that will measure the Contractor’s performance and progress by comparing Performance Measures against Desired Outcomes. The Board of Advisors will have oversight responsibility and work collaboratively with the State Authorized Entity’s to put in place agreed-upon Performance Measures to compare the Contractor’s performance against the Desired Outcomes across the State portfolio.

A summary of performance management activities and their frequency are set forth below:

Activity	Timing / Frequency	Details
Management and Operational Audits	Annually	Contractor’s annual audits are performed by off-account JLL Center of Excellence members focused on ensuring all aspects of managerial practices and operational processes are being adhered to.
Performance Measure and KPI Performance	Reviewed monthly and quarterly	Ensures Performance Measure and KPI adherence specific for SOT, consistency at both Facility and portfolio levels Compliance with laws and regulations
Customer and Client Satisfaction Surveys	Annually	Evaluates performance based on SOT feedback, including Client, Occupancy / Customer, Work Order Close-Out surveys and more.

**2. Meeting Desired Outcomes.**

Information related to KPIs and Performance Measures linked to the Desired Outcomes can be found in Contract Section A.17. The Board of Advisors shall have ninety (90) days from the Effective Date to review these Performance Measures.

Contractor shall adhere to the following at-risk and incentive elements to tie Contractor’s performance to the State’s Desired Outcomes (Reference Contract Attachment D):

- **Shared-Risk:** Contractor’s Management Fee, as set forth in Attachment F.2, shall be up to one-hundred percent (100%) “at-risk” and reimbursable to the State, if the Contractor does not achieve a satisfactory KPI scorecard with each Authorized Entity, as mutually agreed to and outlined in its signed PA. Fifty percent (50%) of the Alliance Partner Grounds Management Fee and Alliance Partner Janitorial Management Fee each shall be up to “at-risk” and reimbursable to the State, if the Contractor does not achieve a satisfactory KPI scorecard with each Authorized Entity, as mutually agreed to and outlined in its signed PA.
- **Incentive Compensation:** Contractor shall be entitled to receive Incentive Compensation for exceeding the savings against the Baseline. The Incentive Compensation will be funded by actual cost savings or cost avoidance delivered and as approved by the State or an Authorized Entity in their sole and absolute discretion. The Incentive Compensation factors will be equitably adjusted based on Attachment F.3.
- **Contract Term Incentive:** The Contract Term Incentive is set forth in Contract Section B.2. The Board of Advisors must agree on the Performance Measures entitling Contractor to a Contract

Term Incentive. These specific metrics are set forth in Exhibit 2 of each PA. The draft Performance Measures, subject to approval by the Board of Advisors, to achieve this incentive outlined in Contract Section B.2 will consist of the following areas:

- i. Achievement of cost management, cost reduction, and cost avoidance;
- ii. Customer satisfaction and quality metrics tied to the FM services for each Authorized Entity; and
- iii. FM Service response time, cycle times, and completion of work within agreed-upon service and APPA levels (when applicable).

### 3. Audit Programs.

In addition to cooperating with internal audits, as outlined in Section D.11, Contractor shall utilize the audit and compliance programs outlined below throughout the Term:

- **Contractor Management Audit** – Contractor shall review the administrative and accounting systems in place at Facilities that have been managed by Contractor for at least one year. This audit shall measure compliance with Contractor's operating procedures.
- **Contractor's Engineering Services Compliance Program ("ESCP")** – The ESCP is an abstract of codes, laws, and regulations, as well as internal policies, which all Facilities in the managed portfolio are measured against on an annual basis. A Quality Assuredness Operations Audit ("QAOA") is reviewed and updated annually by the Contractor's Engineering Services ("ES") group.
- **Customer and Client Satisfaction Surveys** – The purpose of the customer and client satisfaction surveys is to measure and evaluate the Contractor's performance based on client and customer feedback and for the Contractor to adjust or re-align the Contractor's priorities with each Authorized Entity. These surveys include, but may not be limited to, the following types:
  - i. Occupant/customer satisfaction surveys, including work close-out surveys, client-specific surveys, verbal surveys, random end user satisfaction surveys and leadership satisfaction surveys; and
  - ii. Employee satisfaction surveys.

PRICING SCHEDULE AND METHODOLOGY

Attachment F.1 - Service Delivery Conditions.

Base Service	Other Services	Governance Model	Transformation
<p><b>Base Management Fee</b></p> <ul style="list-style-type: none"> <li>• Partial recovery of overhead directly applied to each Authorized Entity Facility.</li> <li>• Repair and Maintenance (R &amp; M) and Facility Management (FM) - \$ cents per square foot scaling- 100% at-risk to KPIs.</li> <li>• Grounds - % of category managed spend- 50% at-risk to KPIs.</li> <li>• Janitorial - % of category managed spend- 50% at-risk to KPIs.</li> </ul>	<p><b>“Non-recurring” services</b></p> <ul style="list-style-type: none"> <li>• Assumed to be short-term, project-based services.</li> <li>• Applicable Fees for unique services as approved by the Authorized Entity and benchmarked to market circumstances.</li> <li>• Fees (overhead and profit) to be divided between base fee and Transformation fee at-risk to Desired Outcomes.</li> <li>• Will not be counted toward Baseline.</li> </ul>	<p><b>Cost of common resources shared across Authorized Entities</b></p> <ul style="list-style-type: none"> <li>• No fee (overhead and profit) applied.</li> <li>• Shared and adjustable by Authorized Entities as portfolio expands.*</li> </ul>	<p><b>Incentive Compensation directly aligned to Authorized Entity determined and agreed KPIs</b></p> <ul style="list-style-type: none"> <li>• Funded through achieved Savings, approved by Authorized Entity at its discretion. See Attachment F.3.</li> <li>• Tied to Baseline as approved by Authorized Entities and adjusted as needed in collaboration with Authorized Entities and Contractor.</li> <li>• Level of achievement determined by weighted scoring of measures based on Desired Outcomes and Performance Standards.</li> <li>• Customized to each innovative project approved in writing by the State or an Authorized Entity.</li> </ul>
<p><b>Labor and Benefits - passed through at “actual costs” no markup</b></p> <ul style="list-style-type: none"> <li>• Actual compensation paid and benefits provided to Dedicated Employees for each Facility.</li> <li>• Reimbursed by Authorized Entity at actual cost with supporting detail.</li> </ul>		<p><b>Labor and Benefits - passed through at actual costs (no markup).</b></p> <ul style="list-style-type: none"> <li>• Only reimbursement of actual compensation for governance team.</li> </ul>	<p>N/A</p>
<p><b>Benefits Admin Fee</b></p> <ul style="list-style-type: none"> <li>• % of employee cash compensation (in accordance with Attachment F.2)</li> <li>• Recovery of direct administrative cost for providing and managing employee benefits.</li> </ul>		<ul style="list-style-type: none"> <li>• Reimbursed by Authorized Entity at actual cost with supporting detail.</li> </ul>	<p>N/A</p>

Base Service	Other Services	Governance Model	Transformation
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**Indirect recurring cost pass through at "actual costs" without markup**

- Materials, Uniforms, Equipment, Consumables, etc.\*\*
- Collaboratively budgeted and planned and approved by the State or an Authorized Entity in writing.

N/A

**Corrigo and Call Center Fee**

- Billed only as consumed by the State or an Authorized Entity.
- Factor per / work order, etc.
- Equitably adjusted as volumes increase or decrease in accordance with Attachment F.2.

N/A

**Supplemental insurance costs**

- Passed through at actual costs without markup if approved by the State or an Authorized Entity in writing.

N/A

\* The cost for the Contractor's Governance team shall allocate and equitably adjust costs across the portfolio as Authorized Entities join the program. Specific metric to adjust shall be collaboratively determined by the Board of Advisors.

\*\* The Contractor shall be held accountable to show appropriate adjustment of material and equipment costs across the portfolio, as Authorized Entities and site volumes fluctuate.

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**Attachment F.2 - Factors Table.**

Value	Description	Range	
		From	To
\$ 0.05000	Contractor Management Fee	0 Gross Square Feet	10 Million Gross Square Feet
\$ 0.04500	Contractor Management Fee	10 Million Gross Square Feet	20 Million Gross Square Feet
\$ 0.03960	Contractor Management Fee	20 Million Gross Square Feet	30 Million Gross Square Feet
\$ 0.03410	Contractor Management Fee	30 Million Gross Square Feet	40 Million Gross Square Feet
\$ 0.02900	Contractor Management Fee	40 Million Gross Square Feet	50 Million Gross Square Feet
\$ 0.02440	Contractor Management Fee	50 Million Gross Square Feet	60 Million Gross Square Feet
\$ 0.02000	Contractor Management Fee	60 Million Gross Square Feet	70 Million Gross Square Feet
\$ 0.01660	Contractor Management Fee	70 Million Gross Square Feet	80 Million Gross Square Feet
\$ 0.01360	Contractor Management Fee	80 Million Gross Square Feet	90 Million Gross Square Feet
\$ 0.01090	Contractor Management Fee	90 Million Gross Square Feet	100 Million Gross Square Feet
\$ 0.01000	Contractor Management Fee	100 Million Gross Square Feet	100 + million Gross Square feet
9.50%	JLL Labor Administration Fee % of Total Employee Cash Compensation	0 FTE	100 FTE
9.00%	JLL Labor Administration Fee % of Total Employee Cash Compensation	100 FTE	300 FTE
8.00%	JLL Labor Administration Fee % of Total Employee Cash Compensation	300 FTE	500 FTE
7.00%	JLL Labor Administration Fee % of Total Employee Cash Compensation	500 FTE	700 FTE
6.00%	JLL Labor Administration Fee % of Total Employee Cash Compensation	700 FTE	900 FTE
5.00%	JLL Labor Administration Fee % of Total Employee Cash Compensation	900 FTE	1100 FTE
4.00%	JLL Labor Administration Fee % of Total Employee Cash Compensation	1100 FTE	1100 + FTE
\$ 3.00	Corrigo Work Order Mgmt System (Per transaction cost)	0 Transactions	100,000 Transactions
\$ 2.80	Corrigo Work Order Mgmt System (Per transaction cost)	100,000 Transactions	200,000 Transactions
\$ 2.55	Corrigo Work Order Mgmt System (Per transaction cost)	200,000 Transactions	300,000 Transactions
\$ 2.30	Corrigo Work Order Mgmt System (Per transaction cost)	300,000 Transactions	400,000 Transactions

\$	2.00	Corrigo Work Order Mgmt System (Per transaction cost)	400,000 Transactions	500,000 Transactions
\$	1.75	Corrigo Work Order Mgmt System (Per transaction cost)	500,000 Transactions	600,000 Transactions
\$	1.70	Corrigo Work Order Mgmt System (Per transaction cost)	600,000 Transactions	700,000 Transactions
\$	1.65	Corrigo Work Order Mgmt System (Per transaction cost)	700,000 Transactions	900,000 Transactions
\$	1.60	Corrigo Work Order Mgmt System (Per transaction cost)	900,000 Transactions	1.1 Million Transactions
\$	1.55	Corrigo Work Order Mgmt System (Per transaction cost)	1.1 Million Transactions	1.2+ Million Transactions
\$	7.95	Call Center Direct Call	Per Call	Per Call
\$	6.25	Call Center Web Entry Call Assist	Par Call	Per Call
15.30%		Alliance Partner Grounds Management Fee	\$0 Managed Grounds Spend	\$1 million Managed Grounds Spend
15.13%		Alliance Partner Grounds Management Fee	\$1 million Managed Grounds Spend	\$3 million Managed Grounds Spend
14.95%		Alliance Partner Grounds Management Fee	\$3 million Managed Grounds Spend	\$5 million Managed Grounds Spend
14.78%		Alliance Partner Grounds Management Fee	\$5 million Managed Grounds Spend	\$7 million Managed Grounds Spend
14.60%		Alliance Partner Grounds Management Fee	\$7 million Managed Grounds Spend	\$9 million Managed Grounds Spend
14.43%		Alliance Partner Grounds Management Fee	\$9 million Managed Grounds Spend	\$11 million Managed Grounds Spend
14.25%		Alliance Partner Grounds Management Fee	\$11 million Managed Grounds Spend	\$13 million Managed Grounds Spend
14.08%		Alliance Partner Grounds Management Fee	\$13 million Managed Grounds Spend	\$15 million Managed Grounds Spend
13.90%		Alliance Partner Grounds Management Fee	\$15 million Managed Grounds Spend	\$17 million Managed Grounds Spend
13.73%		Alliance Partner Grounds Management Fee	\$17 million Managed Grounds Spend	\$19 million Managed Grounds Spend
TBD		Alliance Partner Grounds Management Fee	\$19 million Managed Grounds Spend	\$19+ million Managed Grounds Spend
4.100%		Alliance Partner Janitorial Management Fee	\$0 Managed Janitor Spend	\$10 million Managed Janitor Spend



3.090%	Alliance Partner Janitorial Management Fee	\$10 million Managed Janitor Spend	\$20 million Managed Janitor Spend
2.370%	Alliance Partner Janitorial Management Fee	\$20 million Managed Janitor Spend	\$30 million Managed Janitor Spend
2.180%	Alliance Partner Janitorial Management Fee	\$30 million Managed Janitor Spend	\$40 million Managed Janitor Spend
2.054%	Alliance Partner Janitorial Management Fee	\$40 million Managed Janitor Spend	\$50 million Managed Janitor Spend
1.955%	Alliance Partner Janitorial Management Fee	\$50 million Managed Janitor Spend	\$60 million Managed Janitor Spend
1.875%	Alliance Partner Janitorial Management Fee	\$60 million Managed Janitor Spend	\$70 million Managed Janitor Spend
1.808%	Alliance Partner Janitorial Management Fee	\$70 million Managed Janitor Spend	\$80 million Managed Janitor Spend
1.752%	Alliance Partner Janitorial Management Fee	\$80 million Managed Janitor Spend	\$90 million Managed Janitor Spend
1.706%	Alliance Partner Janitorial Management Fee	\$90 million Managed Janitor Spend	\$100 million Managed Janitor Spend

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**Attachment F.3- Baseline Savings Methodology.**

<b>Percent of savings exceeding Baseline reimbursed to Contractor</b>	<b>Year of signed PA and onboarding</b>
10%	Year 1
9%	Year 2
8%	Year 3
7%	Year 4
6%	Year 5
5%	Year 6
4%	Year 7
3%	Year 8
2%	Year 9
1%	Year 10

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**Attachment F.4- Select Authorized Entity Pricing**

**Scenario 1-** Scenario 1 assumes the Authorized Entity is the only site in the portfolio utilizing the Contract. This Scenario does not contemplate any tiered pricing or economies of scale.

**Scenario 2-** Scenario 2 assumes three Authorized Entities are utilizing the Contract and Contractor is applying the applicable tiered pricing and economies of scale.

**Scenario 3-** Scenario 3 assumes five Authorized Entities are utilizing the Contract and Contractor is applying the applicable tiered pricing and economies of scale.

<b>Tennessee Tech University</b>			
<b>Cost Breakdown</b>	<b>Scenario 1</b>	<b>Scenario 2 (N/A)</b>	<b>Scenario 3)</b>
Current Operating Cost Baseline (provided by State)	<b>\$ 9,150,024</b>		<b>\$ 9,150,024</b>
Central Management Team JLL Labor	\$ -		\$ -
Site Based JLL Labor	\$ 2,042,605		\$ 2,042,605
Site Based JLL Labor Equalization	\$ 202,831		\$ 202,831
JLL Labor Burden Costs	\$ 611,780		\$ 611,780
JLL Labor Administration Fee	\$ 202,089		\$ 157,180
Contractor Management Fee	\$ 154,495		\$ 105,366
Technology and Call Center	\$ 58,924		\$ 58,783
Insurance Premium	\$ 77,310		\$ 68,033
Alliance Partner Janitorial Labor	\$ 1,094,006		\$ 1,094,006
Alliance Partner Janitorial Labor Burden Costs	\$ 162,329		\$ 162,329
Alliance Partner Janitorial Management Fee	\$ 72,908		\$ 42,145
Alliance Partner Janitorial Supplies/Materials	\$ 521,919		\$ 521,919
Alliance Partner Grounds Labor	\$ 606,781		\$ 606,781
Alliance Partner Grounds Labor Burden Costs	\$ 209,546		\$ 209,546
Alliance Partner Grounds Management Fee	\$ 141,481		\$ 136,626
Alliance Partner Grounds Supplies/Materials	\$ 108,386		\$ 108,386
Other Facilities Subcontractor, supplies and materials costs	\$ 1,843,539		\$ 1,843,539
Transition Costs	\$ -		\$ -
Governance Team Labor	\$ 178,619		\$ 59,077
Governance Team Labor Burden Costs	\$ 33,938		\$ 11,225
Governance Team Labor Administration Fee	\$ 16,076		\$ 4,135
<b>Year 1 Operations Budget</b>	<b>\$ 8,339,560</b>		<b>\$ 8,046,290</b>

<b>University of Tennessee-Knoxville</b>			
<b>Cost Breakdown</b>	<b>Scenario 1</b>	<b>Scenario 2 (N/A)</b>	<b>Scenario 3)</b>
Current Operating Cost Baseline (provided by State)	<b>\$ 48,339,809</b>		<b>\$ 48,339,809</b>
Central Management Team JLL Labor	\$ -		\$ -
Site Based JLL Labor	\$ 10,220,195		\$ 10,220,195
Site Based JLL Labor Equalization	\$ 1,014,865		\$ 1,014,865
JLL Labor Burden Costs	\$ 3,061,046		\$ 3,061,046
JLL Labor Administration Fee	\$ 898,805		\$ 786,454
Contractor Management Fee	\$ 675,608		\$ 511,961
Technology and Call Center	\$ 210,143		\$ 209,458
Insurance Premium	\$ 330,564		\$ 330,564
Alliance Partner Janitorial Labor	\$ 5,477,062		\$ 5,240,929
Alliance Partner Janitorial Labor Burden Costs	\$ 1,855,974		\$ 1,830,018
Alliance Partner Janitorial Management Fee	\$ 392,163		\$ 220,478
Alliance Partner Janitorial Supplies/Materials	\$ 2,231,923		\$ 2,231,923
Alliance Partner Grounds Labor	\$ 1,358,628		\$ 1,358,628
Alliance Partner Grounds Labor Burden Costs	\$ 484,439		\$ 484,439
Alliance Partner Grounds Management Fee	\$ 474,338		\$ 468,785
Alliance Partner Grounds Supplies/Materials	\$ 1,329,760		\$ 1,329,760
Other Facilities Subcontractor, supplies and materials costs	\$ 9,429,002		\$ 9,429,002
Transition Costs	\$ -		\$ -
Governance Team Labor	\$ 302,278		\$ 287,047
Governance Team Labor Burden Costs	\$ 57,433		\$ 54,539
Governance Team Labor Administration Fee	\$ 24,182		\$ 20,093
<b>Year 1 Operations Budget</b>	<b>\$ 39,828,408</b>		<b>\$ 39,090,185</b>

University of Memphis			
Cost Breakdown	Scenario 1	Scenario 2	Scenario 3)
Current Operating Cost Baseline (provided by State)	\$ 21,761,187	\$ 21,761,187	\$ 21,761,187
Central Management Team JLL Labor	\$ -	\$ -	\$ -
Site Based JLL Labor	\$ 4,047,234	\$ 4,047,234	\$ 4,047,234
Site Based JLL Labor Equalization	\$ 401,890	\$ 401,890	\$ 401,890
JLL Labor Burden Costs	\$ 1,212,185	\$ 1,212,185	\$ 1,212,185
JLL Labor Administration Fee	\$ 400,421	\$ 355,930	\$ 311,439
Contractor Management Fee	\$ 350,052	\$ 315,047	\$ 238,736
Technology and Call Center	\$ 107,647	\$ 107,647	\$ 107,327
Insurance Premium	\$ 175,167	\$ 175,167	\$ 154,147
Alliance Partner Janitorial Labor	\$ 3,645,367	\$ 3,645,367	\$ 3,645,367
Alliance Partner Janitorial Labor Burden Costs	\$ 1,317,120	\$ 1,317,120	\$ 1,317,120
Alliance Partner Janitorial Management Fee	\$ 262,241	\$ 197,640	\$ 151,588
Alliance Partner Janitorial Supplies/Materials	\$ 1,433,638	\$ 1,433,638	\$ 1,433,638
Alliance Partner Grounds Labor	\$ 869,009	\$ 869,009	\$ 869,009
Alliance Partner Grounds Labor Burden Costs	\$ 300,674	\$ 300,674	\$ 300,674
Alliance Partner Grounds Management Fee	\$ 195,771	\$ 195,771	\$ 191,241
Alliance Partner Grounds Supplies/Materials	\$ 124,670	\$ 124,670	\$ 124,670
Other Facilities Subcontractor, supplies and materials costs	\$ 3,957,208	\$ 3,957,208	\$ 3,957,208
Transition Costs	\$ -	\$ -	\$ -
Governance Team Labor	\$ 247,318	\$ 205,380	\$ 133,855
Governance Team Labor Burden Costs	\$ 46,990	\$ 39,022	\$ 25,432
Governance Team Labor Administration Fee	\$ 22,259	\$ 16,430	\$ 9,370
<b>Year 1 Operations Budget</b>	<b>\$ 19,116,863</b>	<b>\$ 18,917,031</b>	<b>\$ 18,632,131</b>

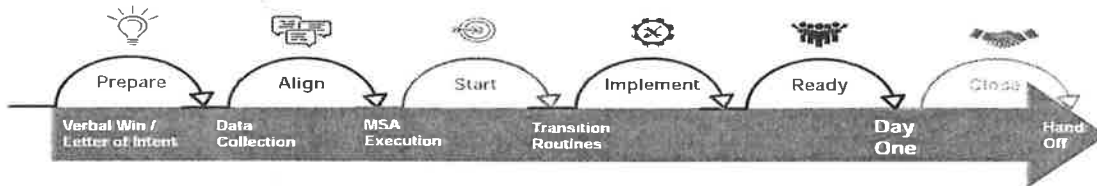
<b>University of Tennessee Health Science Center</b>			
<b>Cost Breakdown</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3)</b>
Current Operating Cost Baseline (provided by State)	<b>\$ 17,598,208</b>	<b>\$ 17,598,208</b>	<b>\$ 17,598,208</b>
Central Management Team JLL Labor	\$ -	\$ -	\$ -
Site Based JLL Labor	\$ 4,683,609	\$ 4,683,609	\$ 4,683,609
Site Based JLL Labor Equalization	\$ 465,082	\$ 465,082	\$ 465,082
JLL Labor Burden Costs	\$ 1,402,785	\$ 1,402,785	\$ 1,402,785
JLL Labor Administration Fee	\$ 463,382	\$ 411,895	\$ 360,408
Contractor Management Fee	\$ 306,462	\$ 275,815	\$ 209,007
Technology and Call Center	\$ 62,394	\$ 62,394	\$ 62,114
Insurance Premium	\$ 153,354	\$ 153,354	\$ 134,952
Alliance Partner Janitorial Labor	\$ 2,127,407	\$ 2,127,407	\$ 2,071,436
Alliance Partner Janitorial Labor Burden Costs	\$ 709,799	\$ 709,799	\$ 698,494
Alliance Partner Janitorial Management Fee	\$ 154,914	\$ 116,752	\$ 87,953
Alliance Partner Janitorial Supplies/Materials	\$ 941,186	\$ 941,186	\$ 941,186
Alliance Partner Grounds Labor	\$ 51,043	\$ 51,043	\$ 51,043
Alliance Partner Grounds Labor Burden Costs	\$ 19,396	\$ 19,396	\$ 19,396
Alliance Partner Grounds Management Fee	\$ 26,828	\$ 26,522	\$ 25,908
Alliance Partner Grounds Supplies/Materials	\$ 104,910	\$ 104,910	\$ 104,910
Other Facilities Subcontractor, supplies and materials costs	\$ 3,849,368	\$ 3,849,368	\$ 3,849,368
Transition Costs	\$ -	\$ -	\$ -
Governance Team Labor	\$ 247,318	\$ 179,804	\$ 117,186
Governance Team Labor Burden Costs	\$ 46,990	\$ 34,163	\$ 22,265
Governance Team Labor Administration Fee	\$ 22,259	\$ 14,384	\$ 8,203
<b>Year 1 Operations Budget</b>	<b>\$ 15,838,487</b>	<b>\$ 15,629,670</b>	<b>\$ 15,315,308</b>

<b>Tennessee School for the Blind</b>			
<b>Cost Breakdown</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3)</b>
Current Operating Cost Baseline (provided by State)	\$ 832,338	\$ 832,338	\$ 832,338
Central Management Team JLL Labor	\$ -	\$ -	\$ -
Site Based JLL Labor	\$ 354,024	\$ 354,024	\$ 354,024
Site Based JLL Labor Equalization	\$ 35,155	\$ 35,155	\$ 35,155
JLL Labor Burden Costs	\$ 106,034	\$ 106,034	\$ 106,034
JLL Labor Administration Fee	\$ 36,972	\$ 31,134	\$ 27,243
Contractor Management Fee	\$ 16,103	\$ 14,493	\$ 10,982
Technology and Call Center	\$ 2,342	\$ 2,342	\$ 2,327
Insurance Premium	\$ 8,058	\$ 8,058	\$ 7,091
Alliance Partner Janitorial Labor	\$ 119,301	\$ 119,301	\$ 110,017
Alliance Partner Janitorial Labor Burden Costs	\$ 42,473	\$ 42,473	\$ 36,715
Alliance Partner Janitorial Management Fee	\$ 8,370	\$ 6,308	\$ 4,482
Alliance Partner Janitorial Supplies/Materials	\$ 42,381	\$ 42,381	\$ 42,381
Alliance Partner Grounds Labor	\$ 155,964	\$ 155,964	\$ 155,964
Alliance Partner Grounds Labor Burden Costs	\$ 59,266	\$ 59,266	\$ 59,266
Alliance Partner Grounds Management Fee	\$ 33,785	\$ 33,398	\$ 32,625
Alliance Partner Grounds Supplies/Materials	\$ 5,584	\$ 5,584	\$ 5,584
Other Facilities Subcontractor, supplies and materials costs	\$ 48,309	\$ 48,309	\$ 48,309
Transition Costs	\$ -	\$ -	\$ -
Governance Team Labor	\$ 13,740	\$ 2,114	\$ 6,158
Governance Team Labor Burden Costs	\$ 2,611	\$ 402	\$ 1,170
Governance Team Labor Administration Fee	\$ 1,305	\$ 169	\$ 431
<b>Year 1 Operations Budget</b>	<b>\$ 1,091,776</b>	<b>\$ 1,066,908</b>	<b>\$ 1,045,957</b>

**TRANSITION MANAGEMENT**

1. Transition Management.

The Contractor shall prepare a Transition Management Plan, subject to State or Authorized Entity approval, that addresses the Transition Period, that consists of the six phases of Transition Management. The six phases of Transition Management are:



2. Six Phases of Transition Management.

A. Preparation.

The preparation phase consists of an alignment workshop with key Authorized Entity stakeholders and Site Level/Local Operations leadership. During this phase, the Contractor will establish, after consultation with Authorized Entities and Site Level/Local Operations leadership, the Contractor and Authorized Entity roles and responsibilities, provide an assessment of current State conditions, and collectively define KPIs that support the Authorized Entity.

i. The Contractor and Authorized Entity roles involved in an Authorized Entity's transition shall include one or more leads representing each of the following subject matter areas:

- Transition
- Human Resources
- Facility Operations
- Finance & Accounting
- Data Management & IT
- Call Center

B. Alignment.

During this phase, the Contractor and Authorized Entity will work collaboratively to review and validate data collected during the onboarding process. The Authorized Entity's key stakeholders and Contractor will engage in a Transition Management Plan review.

C. Transition Start.

The Contractor will plan three meetings to start this phase: (1) Transition preparation and planning, which is a joint alignment workshop where current and future state are reviewed, risks are identified and team roles and responsibilities are refined; (2) Transition launch, which is a virtual or in-person meeting where the Contractor's team of subject matter experts introduce their service lines, project plans, and transition approach to the Authorized Entity (all of which is further outlined in Section E of this Attachment G), and (3) High-level requirements workshop, which is



an in-depth discussion involving the Contractor and the Authorized Entity regarding the decisions that impact multiple service lines transitioning together.

D. Implementation.

This phase begins once the team of subject matter experts finalizes the data collection and joint alignment. This phase consists of transition routines that include weekly status summaries, regular transition meetings, and monthly progress schedule reviews.

E. Transition Preparedness.

To ensure all new processes are documented, during this phase technology is configured and staffing is filled appropriately, the Contractor's Transition Team, led by the Transition Executive outlined in Contract Attachment H, will host a "Transition Preparedness" evaluation with Authorized Entity and on-site Contractor teams in advance of the Transition Date. Additionally, the teams will determine final plans for day one support and the timing of new employee orientation activities.

Contractor will hold ongoing weekly transition status calls with Authorized Entity stakeholders or Site Level/Local Operations leadership in order to provide a clear understanding of progress and identify potential issues or roadblocks. The Contractor will create a dedicated web portal to keep all team members informed about activities taking place and enable team-wide online access to the transition plan, templates, contacts details and other information the Contractor will collectively leverage through the Transition Period.

F. Transition Close Out.

The Transition Close Out phase is the final phase of the Transition Period and includes the Transition Date for the Contractor. In the weeks following the Transition Date, the Transition Team will host calls between the Authorized Entity's Site Level/Local Operations team and Contractor Operational Governance Committee or Board of Advisors representatives in order to ensure business continuity. The team also hosts internal meetings to review lessons learned as well as collect feedback via anonymous surveys with the Contractor's client teams and new Contractor account team employees. The Transition Period shall end approximately 90 days following the Transition Date with a final meeting between the Transition Team and the Site Level/Local Operations team.

3. Transition of Employees.

During the Transition Start phase, the Contractor shall develop, subject to State or Authorized Entity approval, communication to personnel on the announcement to the Transition Employees for the Authorized Entity and conduct an introductory meeting between Contractor and the affected employees within seventy-two hours of the Effective Date of the signed PA for that Authorized Entity. During this meeting, the Contractor shall outline the transition process and overall timeline and allow the employees to ask any important questions around the transition.

During the Transition Period, a reconciliation process for each State employee will be undertaken to align Total Equitable Compensation structures between the Contractor and the Authorized Entity's compensation structure. The Contractor will make the appropriate adjustment to the following areas of compensation in order to achieve Total Equitable Compensation for Transition Employees:

- Employee tenure
- Pay and bonus by job levels
- Vacation policy
- General benefits (health, dental, vision, etc.)
- 401K

4. Sourcing, Contract Management, and Contract Assignment.

During the Transition Period, the Contractor will provide a dedicated transition sourcing resource who will work with the Authorized Entity to evaluate existing Authorized Entity Third Party Contracts and to manage the change control process with existing subcontractors, in accordance with Contract Section A.15.

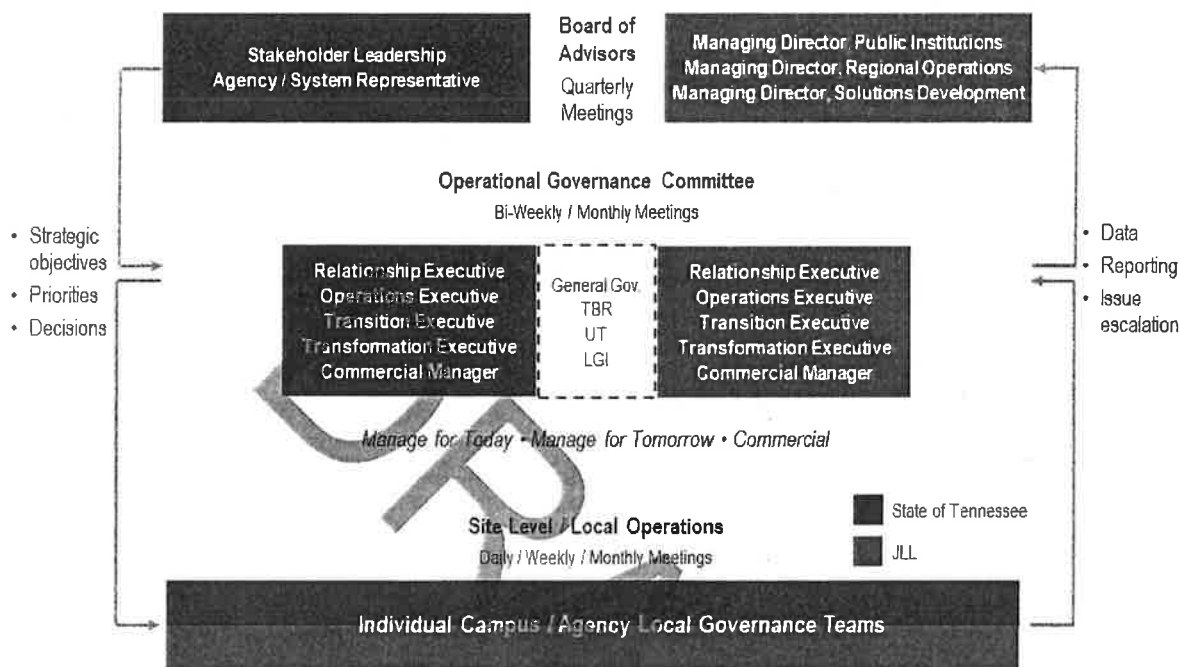
The Contractor will transfer information prior to the termination effective date and will coordinate with legal resources to ensure a complete list of data for transfer is included in the final termination letter. The Contractor will track contractor registration and monitor the status of any contractor resignation.

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**RELATIONSHIP MANAGEMENT**

1. Governance Structure.

This Contract shall be managed by the Parties through the Governance Structure that is set forth below:



2. Communications.

The Governance Structure shall have three tiers and be comprised of the following three committees, which shall collectively manage the relationship between the State and Contractor and meet as follows:

- Board of Advisors – Quarterly;
- Operational Governance Committee – Weekly, Monthly; and
- Site Level/Local Operations – Daily, Weekly, Monthly.

A. Board of Advisors.

The Board of Advisors shall be comprised of senior leaders from the Contractor and selected members of the State and shall meet in-person quarterly. The purpose of the Board of Advisors is to create a forum for relationship management between the senior leadership of the Authorized Entities and Contractor. The duties this committee shall be charged with include, but may not be limited to, the following:

- Ensuring that the Contractor understands the strategy and evolving needs of the Authorized Entities, to give the Contractor the opportunity to enhance this strategy with relevant insights and emerging trends;
- Oversight of any new or modified services during the Term;

- Review and approval any proposed changes to Performance Measures, service levels or KPIs, in accordance with Contract Sections A.17 and B.2.;
- Review and approval any Requestor that wishes to utilize this contract, in accordance with Contract Section A.12.1.a.; and
- Review and approval any recommended changes to the Governance Structure, in accordance with Contract Section A.2.7.1.
- Annual review of performance against Performance Measures and award of Term Extension incentive, in accordance with Contract Section B.2.

B. Operational Governance Committee.

The Operational Governance Committee shall be comprised of governance executives from both the State and the Contractor. This committee shall have responsibility for reviewing both long-term and short-term activities, as well as plans for the delivery of services. This committee shall meet, at a minimum, monthly and review Contractor's performance through KPIs, Operations Budget versus actual results, anticipated annual cost savings, customer service issues, and problem resolution. The committee shall also manage conflict resolution issues that cannot be solved at the site level.

C. Site Level/Local Operations Committees.

The Site Level/Local Operations Committees shall be comprised of on-site leaders for engineering, operations, custodial services, and grounds maintenance. These leaders shall meet weekly to discuss short-term and long-term plans, upcoming projects, customer feedback, problem resolution, personnel issues, and new ideas or innovations. Representatives from the State shall be invited to attend but shall not be required to attend every meeting.

**TRANSFORMATION MANAGEMENT****1. Transformation Management Plan.**

The Contractor shall implement a Transformation Management Plan, which the Contractor's Transformation Executive is primarily responsible for overseeing and managing. The Contractor is encouraged to develop innovative solutions during the Term that will improve Desired Outcomes. The Contractor shall submit, for approval through the Operations Governance Committee, any innovative solution prior to implementation.

**2. Contractor Innovation Roadmap.**

The Contractor shall develop an Innovation Roadmap for each Authorized Entity and shall update and refresh each Innovation Roadmap annually. The Innovation Roadmap documents and organizes the key Contractor integrated facility management innovations to be implemented at the Authorized Entity's facilities. The Innovation Roadmap shall adjust with the Authorized Entity's specific facility management goals and objectives with the latest innovations from the Contractor.

The Contractor shall make its Authorized Entity Innovation Roadmap templates available on the Contractor's SharePoint website. The Contractor's SharePoint website shall organize the best practices and innovations from across all of Contractor's managed facilities. Upon reasonable notice, Contractor shall provide the State or Authorized Entity access to the Contractor's SharePoint website files that are applicable to the FM Services being provided to the State and Authorized Entities. At a minimum, Contractor's SharePoint website shall include:

- Innovation Roadmap templates and examples from other client accounts;
- A search feature to quickly access specific innovations;
- How-to videos on creating an Innovation Roadmap
- A listing of subject-matter-experts for support;
- The ability to mark personal favorite innovations;
- A connection to an internal communications site to facilitate collaboration with other Contractor employees who are interested in the same topics and innovations;
- The ability to submit new innovations;
- The ability to view new innovations that are in active campaigns; and
- The ability to view the results of implemented innovations.

**3. Financing and Implementing Transformation.**

Contractor and Authorized Entities shall develop and implement any new innovative solutions, approved by the State or an Authorized Entity in writing, at the Implementer's sole expense. Any savings achieved through implementation of an innovative solution must first be used to reimburse the Implementer for the cost of development and implementation. After the Implementer's development and implementation costs have been recovered, ten-percent (10%) of the remaining savings shall be shared with Contractor and the State shall retain the other ninety-percent (90%).

**EXIT MANAGEMENT****1. Responsibilities of Exit Transition Team.**

At the end of the Term and in the event this Contract, or any PA under this Contract, is terminated, in whole or in part, not renewed or extended, or Contractor is not the contractor selected through a subsequent procurement process, the Contractor shall form an Exit Transition Team. The Exit Transition Team shall draft an Exit Transition Plan that will assist the State or an Authorized Entity, in the orderly transition of this Contract, or any PA under this Contract, to a successor contractor or to the State or an Authorized Entity in the event State or an Authorized Entity will perform FM Services at the end of the Term or earlier termination of this Contract or any PA under this Contract. The Exit Transition Plan shall cover the following areas:

- A personnel exit plan for the orderly transfer of employees;
- An inventory of resources and assets that will be transferred as part of the Exit Transition Process or that the State or the Authorized Entity will need to acquire as part of the Exit Transition Process;
- A communication plan for to communicate with external customers and stakeholders about the Exit Transition Process;
- A timeline for the Exit Transition Process, in consultation with the State or an Authorized Entity and any subsequent contractor, that will ensure an orderly transition of FM Services from Contractor to a subsequent contractor or to the State or an Authorized Entity in the event the Services will be performed by the State or an Authorized Entity;
- A risk mitigation assessment that addresses critical schedule dates and any necessary communication with employees or the public;
- A plan for transferring or migrating data to the State or to an Authorized Entity or to a contractor selected by the State or an Authorized Entity;
- A plan for transferring any documents, knowledge, or property necessary for an orderly transfer of the Contractor's duties and responsibilities to a successor contractor or the State or an Authorized Entity.
- Other responsibilities that may be identified by the Board of Advisors throughout the Term. Additional responsibilities include, but are not limited to, site tours, scheduling interviews for Contractor's employees, new Contractor orientation and Contractor's subcontractor introductions and meetings.

**2. Composition of Exit Transition Team.**

The Contractor will lead the creation of the Exit Transition Team, which shall be comprised of representatives of the Contractor (including an Exit Transition Manager), the Contractor's service providers that provide services in connection with this Contract, the successor contractor (in the event a successor contractor is selected by the State), and the State and any participating Authorized Entities. The Exit Transition Team shall be assisted by Contractor's subject matter experts in the fields of human resources, facility management, financial management, communication management, technology, and sourcing. The Exit Transition Team shall directly report to the Exit Transition Manager.

**3. Exit Transition Team Meetings.**

Once the Exit Transition Team is formed, it shall meet at least once per week, or as frequently as requested by the State or an Authorized Entity, for the purpose of facilitating an orderly transition of the Services performed by the Contractor to a successor contractor or the State or an

Authorized Entity.

4. Plans and Reports.

The Exit Transition Team shall report through the Governance Structure at a frequency and level that is mutually agreed-upon by the Board of Advisors. The initial draft of the Exit Transition Plan and any material updates shall be submitted and approved by the Board of Advisors prior to implementation. Contractor's Exit Transition Management lead will report weekly to both the Operational Governance Committee and the Authorized Entity, or their designee, on the status of Exit Transition. This plan will have detailed steps for the Exit Transition, owners, milestones and highlight any areas of concern.

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**EMPLOYEE AND BUSINESS CONDUCT**

The Contractor has identified special concerns and external requirements typically associated with FM Services, along with high level descriptions of how the Contractor plans to mitigate and address these concerns throughout the Term.

**1. Employee Conduct.**

**a. Progressive Disciplinary and Corrective Action Program.**

The Contractor shall have a personnel policy applicable all its employees performing FM Services under the Contract. The Contractor's personnel policy shall require the following progressive discipline when required:

- Documented Verbal Counseling;
- Documented Written Warning;
- Administrative Leave; and
- Termination.

**b. Standards of Conduct**

The Contractor have a standards of conduct policy (that "Contractor Standards of Conduct Policy") that at a minimum prescribes a code of business ethics, that distinguishes acceptable versus unacceptable behavior, and that provides for the grounds or circumstances under which the Contractor may exercise the right of immediate termination without prior notice or corrective action.

The Contractor Standards of Conduct Policy shall also, at a minimum, address the following, including any related disciplinary action:

- Harassment;
- Disorderly conduct, incapacitation or impairment due to use of alcohol, drugs or other controlled substance, or arranging or participating in the sale of such substances;
- Unauthorized release of Contractor information or violation of any Contractor or client confidence;
- Theft from the Contractor, fellow employees, vendors, or clients;
- Use or possession of firearms, fireworks, or any other weapon on Contractor property;
- Insubordination to any member of management;
- Willful destruction or misuse of Contractor property, including Contractor documents, equipment and supplies;
- Obscene, abusive, intimidating or threatening behavior with employees, managers, clients or non-employees;
- Dishonesty or falsification of employment records or Contractor documents;
- Repeated absenteeism, tardiness, or absences for three or more consecutive workdays without proper notification;
- Sleeping during work time;
- Gambling during work time;
- Audio or video recording of others without the written consent of all present;
- Failure to comply with safety procedures;
- Failure to comply with Contractor policies or procedures, including but not limited to the Contractor's Code of Business Ethics;
- Violation of applicable statutes, rules, regulations, or policies of the State or any Authorized Entity; and
- Misconduct occurring outside working hours of any work performed under this Contract.



## 2. Business Continuity Program Capabilities.

The Contractor shall fully cooperate with the State in order to ensure business continuity throughout the Term.

## 3. Compliance with Applicable Laws and Regulations.

In accordance with Section D.24, the Contractor shall maintain compliance with all applicable State and federal laws and regulations. The following areas are of particular concern under this Contract:

### a. *Environmental, Health, and Safety Compliance*

In order to ensure environmental, health, and safety law compliance with Section D.24, Contractor shall train all Site-Level and Local Operations employees at each Authorized Entity within the scope of a signed PA, and the Operational Governance Committee in the use of Contractor's environmental, health, and safety policies, procedures and best practices, which are accessed through the Contractor's internal information systems (EH&S Program).

During the Transition Period for an Authorized Entity, the Contractor shall immediately begin to prepare and implement a health and safety program for each managed location (in accordance with the EH&S Program).

In order to further ensure health and safety compliance with Section D.24, Contractor shall maintain a strong safety culture through all of its FM Services being provided for the State and promote a philosophy that is aimed at achieving zero injuries.

### b. *Quality Assurance*

In order to further ensure compliance with Contract Section D.24, Contractor shall implement a quality control and operational assurance program and its Engineering Services compliance program.

### c. *Ethics, Compliance and Social Responsibility*

At the beginning of each year, every Contractor and Alliance Partner employee shall sign and acknowledge Contractor's Code of Business Ethics, which demands ethical behavior accountability, and transparency.

## 4. Publicity and Marketing.

The Contractor shall not respond to any public inquiry without prior State approval. Upon request, Contractor shall work with communications officials from the State or the Authorized Entities to address any inquiries in a timely manner.

STATE INTENDED GOVERNANCE RESOURCES

The table below outlines the resources that the State intends to provide to support the Governance of this Contract. These resources represent the Operational Governance Committee of the Governance Structure as outlined in Attachment H.

Level	Contract Start	Initial Transitions	As it scales...
<b>Leadership</b>	<b>Governance Executive</b> Manage the overall relationship 1. Relationship Management Monitor and direct growth and alignment 2. Transition Leadership Provide transition oversight and assure teams formed and effective	<b>Relationship Executive</b> (silo neutral – “an advocate that I can trust – that will hold my hand and get me ‘there’ ”)	<b>Relationship Executive</b> (silo neutral)
<b>Manage for Today</b>		<b>Operational Executive</b>	<b>Operational Executives</b> <ul style="list-style-type: none"> <li>• Gen Govt</li> <li>• UT</li> <li>• LGI</li> <li>• TBR</li> </ul>
<b>Manage for Tomorrow</b>	<b>Operational Executive</b> Maintain consistency of approach as for operational decision-making and issue resolution	<b>Transformational Executive Transition Executive</b> <ul style="list-style-type: none"> <li>• Shepherd / facilitate</li> <li>• Work with designated Provider Transition PM's</li> </ul>	<b>Transformational Executives</b> (silo neutral) <ul style="list-style-type: none"> <li>• Change Executive</li> <li>• Data / Business Intel</li> <li>• Transformation</li> </ul> Plus SME support from Systems
<b>Commercial and Service Management</b>	<b>CPO Representative</b>	<b>Commercial Manager</b> (aggregated)	<b>Commercial Manager</b> (silo neutral) Supported by key individuals from Systems

**STREAM DATA STANDARDS****Introduction:**

This attachment and each of its sections describes State of Tennessee Real Estate Asset Management's ("STREAM") data gathering requirements and data standards for the Contractor when performing the following business functions on behalf of STREAM:

- Facilities Maintenance – includes preventative maintenance and on-demand maintenance.
- Equipment Inventory
- Facilities Condition Assessments

**Section 1: The Management, Maintenance, and Delivery of Data****1.1 Facilities Maintenance Data**

The Contractor will manage work orders and maintain Facilities Maintenance data. Historical extracts of this data will be provided to STREAM in a file format, delivery method, and schedule agreed upon between STREAM and the Contractor. See Section 2 for further details.

**1.2 Equipment Inventory and Facilities Conditions Assessment Data**

STREAM may require the Contractor to –

- manage and maintain an inventory of equipment data; or
- perform Facilities Conditions Assessments; or
- both

The data gathered during these processes must be delivered directly to STREAM's integrated workplace management system, Archibus. The data must match the exact format and standards used in STREAM's Archibus system. The Contractor may opt to enter the data directly into Archibus, in which case STREAM will provide the Contractor with instructions on the proper procedures and standards for entering data into the system. An alternative to keying data directly into STREAM's Archibus system is the electronic transmission of interface files, as described in Section 1.2.2.

**1.2.1 Timeliness / Time-sensitivity of Data**

Conditions Assessment and Equipment Inventory data must be delivered to Archibus within one week of when the information was gathered. This includes all photos taken.

**1.2.2 Optional – The Electronic Transmission of Data**

An alternative to keying data directly into STREAM's Archibus system is the electronic transmission of interface files. However, this must be agreed to in-advance by STREAM. The Contractor is responsible for transmitting the data and photos using an agreed upon delivery methodology, file layout, file format, and time schedule. The data must be accurate and the data requirements and standards must be followed. The state can rescind this option if the Contractor does not adhere to the agreement.

**1.3 Reports**

The Contractor is responsible for providing Facilities Maintenance reports and dashboards to STREAM.

**1.4 Central Point of Contact for Data Issues**

The Contractor will assign a point person responsible for ensuring compliance with the data requirements and standards in this document. This individual will serve as the central point of communication between the Contractor and STREAM for data and reporting matters.

**Section 2: Facilities Maintenance (FM) Data Extract:**

The Contractor will maintain a set of preventative maintenance and on demand work order data. Incremental historical extracts of this data must be provided to STREAM in a file format, method of delivery, and schedule agreed upon between STREAM and the Contractor. The purpose of this extract is to provide STREAM with a historical repository of data and is not intended to be used for the management of FM operations. The extract must include the data elements listed below and follow the data standards and requirements as defined. Note that when the term “work order” is used below, it includes to both preventative maintenance and on-demand requests.

A Mock Extract can be found at Attachment M.1 below:

**Required Facilities Maintenance Data Elements and Data Standards –**

<b>Name:</b>	<b>Work Order ID</b>
Definition:	A unique identifier for each work order record.
Required:	Yes.
Format:	CHAR(Up to 16)
Example:	See Column A on Section X.

<b>Name:</b>	<b>Department Code</b>
Definition:	A unique ID that identifies the State Agency that initiated the complaint or request. STREAM will provide a list of valid division codes and descriptions to the Contractor upon request or these values can be looked up in STREAM's Archibus system.
Required:	Yes.
Format:	CHAR. A specific list of values will be provided to the Contractor upon request or these values can be looked up in STREAM's Archibus system.
Example:	See Column B on Section X.

<b>Name:</b>	<b>STREAM Building Code</b>
Definition:	A unique ID that allows user to identify building. STREAM will provide a list of valid building codes and descriptions to the Contractor upon request or these values can be looked up in STREAM's Archibus system.
Required:	Yes.
Format:	CHAR(8).
Example:	See Column C on Section X.

<b>Name:</b>	<b>Floor</b>
Definition:	The floor number where the work was performed. Floor numbers must follow the standards specified in Section 3.4 in this document.
Required:	Yes.
Format:	CHAR(2). Leading zeros must be included.
Example:	See Column D on Section X.

<b>Name:</b>	<b>Work Order Type</b>
Definition:	A field that will allow the Contractor to select “On Demand Work” or “Preventative Maintenance” for the work order.
Required:	Yes.
Format:	CHAR(2*). Selection from a specific list of values. <i>The option to substitute</i>

	<i>the listed values for other values is subject to approval by STREAM.</i>
Selection:	<b>*PM</b> <b>*OD</b>
Example:	See Column E on Section X.

<b>Name:</b>	<b>Work Order Priority</b>
Definition:	A field that will allow the Contractor to select the priority level of the work order.
Required:	Yes.
Format:	CHAR(32). Selection from a specific list of values. <i>*The option to substitute the listed values for other values is subject to approval by STREAM.</i>
Selection:	<b>*Emergency</b> <b>*Urgent</b> <b>*Normal</b> <b>*Routine</b> <b>*Preventative Maintenance</b>
Example:	See Column F on Section X.

<b>Name:</b>	<b>Date Received</b>
Definition:	The date the work order was generated.
Required:	Yes.
Format:	DATE(MM/DD/YYYY).
Example:	See Column G on Section X.

<b>Name:</b>	<b>Requested By</b>
Definition:	Name of individual who requested the work order.
Required:	Yes.
Format:	CHAR(Up to 32) (Last Name, First Name).
Example:	See Column H on Section X.

<b>Name:</b>	<b>Requestor Email</b>
Definition:	The valid Email address of individual who requested the work order.
Required:	Yes.
Format:	CHAR(Up to 32) Freeform.
Example:	See Column I on Section X.

<b>Name:</b>	<b>Created By</b>
Definition:	Name of individual who created the work order. If work order was computer generated use "System."
Required:	Yes.
Format:	CHAR(Up to 32) (Last Name, First Name).
Example:	See Column J on Section X.

<b>Name:</b>	<b>Assigned To Name</b>
Definition:	Unique identifier that shows the employee that was assigned the work order.
Required:	Yes.
Format:	CHAR(Up to 32) Freeform. (Last Name, First Name)
Example:	See Column K on Section X.

<b>Name:</b>	<b>Date Assigned</b>
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Definition:	The date the work order was assigned to the technician.
Required:	Yes.
Format:	DATE(MM/DD/YYYY)
Example:	See Column L on Section X.

<b>Name:</b>	<b>Date Started</b>
Definition:	The date technician began working on request.
Required:	Yes.
Format:	DATE(MM/DD/YYYY)
Example:	See Column M on Section X.

<b>Name:</b>	<b>Completion Due Date</b>
Definition:	The scheduled due date for the completion of the work order.
Required:	Yes.
Format:	DATE(MM/DD/YYYY)
Example:	See Column N on Section X.

<b>Name:</b>	<b>Completion Date</b>
Definition:	The date work was completed and closed out.
Required:	Yes.
Format:	DATE(MM/DD/YYYY)
Example:	See Column O on Section X.

<b>Name:</b>	<b>SLA Met?</b>
Definition:	Field that shows if the Service Level Agreement (SLA) was met.
Required:	Yes.
Format:	CHAR. Selection from a specific list of values.
Selection:	<b>Yes</b> <b>No</b>
Example:	See Column P on Section X.

<b>Name:</b>	<b>Why Wasn't SLA Met?</b>
Definition:	Freeform field that contains the reason why the SLA is not met or work order is past due. Ex: "The filter needed to be replaced but part needs to be special ordered."
Required:	Yes, if past due or SLA was not met.
Format:	CHAR(No limit) Freeform.
Example:	See Column Q on Section X.

<b>Name:</b>	<b>Work Order Category</b>
Definition:	A list of work types by categories.
Required:	Yes.
Format:	CHAR(32). Selection from a specific list of values. <i>*The option to substitute the listed values for other values is subject to approval by STREAM.</i>
Selection:	<b>*Electrical</b> <b>*Exterior R&amp;M</b> <b>*Fire and Life Safety</b> <b>*General Maintenance</b> <b>*HVAC</b> <b>*Interior R&amp;M</b>

	<ul style="list-style-type: none"> <li>*Janitorial</li> <li>*Landscaping</li> <li>*Pest Control</li> <li>*Plumbing</li> <li>*Preventative Maintenance</li> <li>*Security</li> <li>*Supplies</li> </ul>
Example:	See Column R on Section X.

<b>Name:</b>	<b>Original Message</b>
Definition:	A freeform field that contains the original work order request message. For on demand work orders this will be the message the customer entered for the original request/problem. For preventative maintenance this will be the procedure and steps taken to perform the maintenance.
Required:	Yes.
Format:	CHAR(No limit) Freeform.
Example:	See Column U on Section X.

<b>Name:</b>	<b>Statement of Work</b>
Definition:	A freeform field that describes the work performed. Should be used for any comments about work performed.
Required:	Yes.
Format:	CHAR (No limit) Freeform.
Example:	See Column V on Section X.

<b>Name:</b>	<b>Equipment Involved?</b>
Definition:	Field to depict if a piece of equipment is involved in the work order. Answer "Yes" when equipment has failed to function properly or normally, or has stopped functioning altogether. For example, a customer complains about the room temperature and the technician determines that a chiller needs repair. In this case, select "Yes." On the other hand, if a simple thermostat adjustment resolves the problem, then select "No."
Required:	Yes.
Format:	CHAR. Selection from a specific list of values.
Selection:	<b>Yes</b> <b>No</b>
Example:	See Column S on Section X.

<b>Name:</b>	<b>Equipment Code</b>
Definition:	In accordance with the State of Tennessee BIM Standards Appendix D, the equipment code must be entered for new or replacement equipment in the format of the Equipment Naming Standard. Please reference the Section 3 for additional information regarding the use of the naming standard
Required:	Yes, when equipment has failed to function properly or normally, or has stopped functioning altogether.
Format:	<b>Please refer to the Equipment Code Naming Standard shown below in Diagram 1 and described in detail in Section 2 of this document.</b>
Example:	See Column T on Section X.

In addition to the data fields defined above, the Contractor may capture other useful Facilities Maintenance data as part of their normal business practices. STREAM reserves the right to request that these data fields be added to the extract described here in Section 2.

### **Section 3: Equipment Inventory Data Standards**

STREAM may require the Contractor to gather and maintain an inventory of equipment data for STREAM; and for that data the Contractor will follow the data standards and requirements described in this section. The Contractor will deliver the equipment data directly to STREAM's Archibus system using the specified naming convention provided below. This data includes new equipment data and updating previously added equipment. The structure of the entered data is defined and described below.

The information provided here is not intended to be all inclusive, but rather provide general guidance on STREAM's equipment coding standards. The Contractor may opt to enter equipment data directly into Archibus, in which case STREAM will provide the Contractor with instructions on the proper procedures and standards for entering data into the system. An alternative to keying data directly into STREAM's Archibus system is the electronic transmission of interface files, as described in Section 1.2.2.

#### **Equipment Code Naming Format**

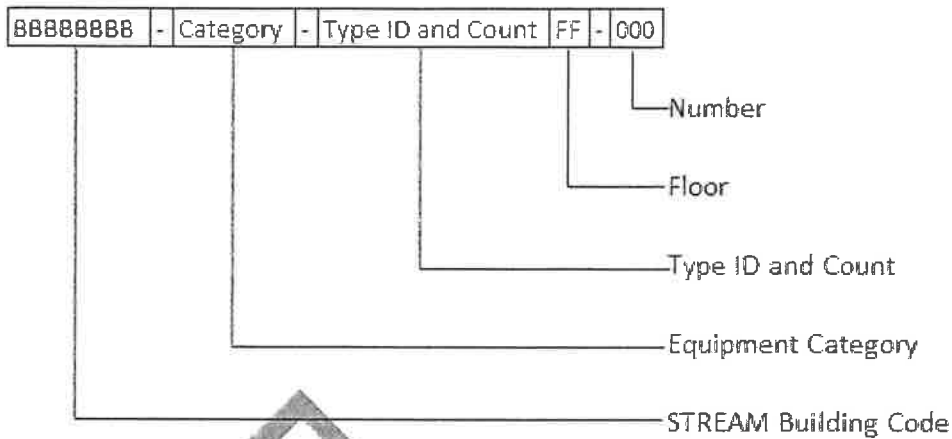
The Equipment Code Naming Standard is made up of six pieces of information: Building Number, Equipment Category, Type ID and Count, Floor and Number. When defined, the combination of this information creates a unique identifier for each piece of equipment and is referred to as the "Equipment Code." In Archibus, the Equipment Code field must be completed and the "Define Equipment" tab filled out whenever the Assessor is installing or replacing a single, specific piece of equipment per the Building Information Modeling (BIM) Requirements, Appendix D, State of Tennessee.

URL: <http://www.tn.gov/finance/article/fa-osa-bim-standards>



Diagram 1

### Equipment Code Naming Standard



#### 3.1 STREAM Building ID

The first part of the equipment code is the STREAM Building ID. The STREAM Building ID is an 8 digit unique ID that allows the user to identify the specific building in which an asset resides. STREAM will provide a list of valid building codes and descriptions to the Contractor upon request or these values can be looked up in STREAM's Archibus system.

E.g.: 19000030-HVAC-AHU01-01-001

#### 3.2 Equipment Category

The second part of the equipment code is the "Equipment Category." The Equipment Category is the specific mechanical category in which a piece of equipment is classified as. STREAM will provide a list of valid equipment categories to the Contractor.

E.g.: 19000030-HVAC-AHU01-01-001

#### 3.3 Type ID & Count

The third part of the equipment code is Type ID and Count. "Type ID" is the identifier of the type of equipment the asset is and the "Count" is the sequential number that, in conjunction with the Type ID, represents the make and manufacturer of a piece of equipment within the building. A list of valid Type IDs can be found in Appendix D, of the State of Tennessee BIM Standards or they can be looked up in STREAM's Archibus system.

E.g.: 19000030-HVAC-AHU01-02-001

"AHU" is the abbreviation for air handling unit and the "01" represents the first make and model of air handling unit within building 19000030. In this case assume AHU01 in building 19000030 is a Trane 5000.

19000030-HVAC-AHU01-02-002

This AHU01 is a Trane 5000 because it is in the same building as the first one listed.

19000030-HVAC-AHU02-02-001

In this case AHU02 represents the second type of air handling unit in building 19000030 which can be a Mitsubishi 2000.

### **19000020-HVAC-AHU01-02-001**

In this case AHU01 is not the same as the previous AHU01 because it is in another building. This AHU01 is entirely different than the one located in building 19000030 and may represent a different manufacturer and model.

### **3.4 Floor**

“Floor” is a two-digit designator that defines the floor in which the equipment is located. Use the values 01 - 99 as they are labeled for stairs and elevators. Use a leading zero for floors 1 - 9. For example floor “1” should be “01.” At the time of this writing, STREAM’s Floor number standards are under review. STREAM will provide the Contractor with instruction on the proper procedures and standards for entering floor data into Archibus.

### **E.g.: 19000030-HVAC-AHU01-02-001**

This piece of equipment is on the second floor.

### **3.5 Number**

The last part of the equipment code is the “Number.” Number refers to the instance number, or instance of the equipment. If there is more than one of the same type of equipment on the same floor, the equipment code will be the same except for the Number. Number is what will distinguish one piece of equipment from another.

### **E.g.: 19000030-HVAC-AHU01-02-001**

Above states that there is an “AHU01” on the 2<sup>nd</sup> floor of building 19000030.

### **19000030-HVAC-AHU01-02-002**

In contrast, above tells us that there is the second “AHU01” on the 2<sup>nd</sup> floor of building 19000030. It is same make and model but different instance of the unit.

### **19000030-HVAC-AHU01-02-003**

Above states that there is a third “AHU01” on the 2<sup>nd</sup> floor that is the same make and model but different instance. Each instance of identical equipment on the same floor will contain unique information in its portfolio including serial number, warranty date etc.

### **Additional Details:**

In some cases there are preexisting numbering systems that are physically present on equipment. These numbers are referred to as “legacy numbers” and oftentimes are located on a name plate or written in permanent marker on the equipment. When available, use the legacy numbering currently on the equipment for the “Number.” If legacy numbering is not present, or if it is a new piece of equipment, use a sequential number beginning with “001.” Use leading zeros if the number is less than three characters.

### **3.6 Other Equipment Data Elements**

Below are additional data elements the contractor will capture, maintain, and update for equipment.

- STREAM Building Number
- Floor Number
- Location
- Asset/Equipment Classification
- Manufacturer
- Model Number

- Serial Number
- State Tag Number
- Warrantee Start Date
- Comments

STREAM may request other equipment data elements that the Contractor captures as part of their normal business practices.

#### **Section 4: Facilities Conditions Assessments (FCA)**

When the Contractor performs Facilities Conditions Assessments for STREAM, the Contractor will deliver the data and photos directly to STREAM's Conditions Assessment module in Archibus. The data must match the exact format required by Archibus. The Contractor may opt to enter the data directly into Archibus, in which case STREAM will provide the Contractor with instructions on the proper procedures and standards for entering data and uploading photos to the system. An alternative to keying data directly into STREAM's Archibus system is the electronic transmission of interface files and photos, as described in Section 1.2.2.

#### **FCA Data Elements**

Below is a list of data elements used in the Archibus Conditions Assessment module. This list is not intended to be all inclusive, but rather provide general guidance on the types of data the Contractor will gather for STREAM.

- Assessment Project – A unique code that identifies the scope of the assessment project, often a building. Multiple items may be assessed under one Assessment Project.
- Title – A brief description of the asset, equipment, or item being assessed.
- Equipment – A unique code that identifies the equipment or asset being assessed. See Section 3 for additional information.
- Asset Classification – Categories of building elements and systems. Identifies an asset group the equipment or asset belongs to. For example HVAC, Plumbing, or Fire Protection.
- STREAM Building Code – A unique ID that allows user to identify building. See Sections 2 and 3 for additional information.
- Floor Code – The floor number of the asset, equipment, or item being assessed.
- Room – The floor number of the item being assessed.
- Contact / Assessed By – The name and contact information of the individual responsible for the assessment.
- Date Assessed – The date the item was assessed.
- Problem Location – A short free form field to describe further details about the location of the item being assessed.
- Condition Priority – A descriptive and numeric rating of how important this problem is from a business standpoint.
- Condition Value – A ranking of the items condition from Unacceptable to Very Good.
- Recommended Action – The action that is needed to correct any issues found. For example, No Action, Clean, Adjust, Remove, Repair, or Replace.
- Status – the current status of any actions needed to correct any issues found. For example; Budgeted, Planned, Scheduled, In Progress, Completed, etc.
- Upload Photos / Documents – Slots to upload multiple pictures or documents.
- Comments / Description – A description of the problem or other useful information about item being assessed.
- Costs – Estimated / Actual / Replacement – The costs to remedy a condition.

## Definitions

Below are definitions for some of the terminology used in Section 2 above.

CHAR(Number): "CHAR" means character, which is a letter or number, and the number in between the parenthesis is the maximum amount of characters the entered value can be. This term limits the amount of data that can be entered into the cell.

Freeform: Freeform is a format that allows for the user to input unstructured data. Most freeform fields required in this document have character limits.

NUM(Number): NUM means number, which is a numerical value, and the number in between the parenthesis is the maximum amount of numbers that can be entered.

Selection: means values will be provided to the Contractor to maintain consistency and allow for accurate reports to be extracted. User (technician or data entry person) should be able to select these values from a list and not able to enter.

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Attachment M.1 - Mock Extract

Entity Name	Entity Type	Entity Address	Entity City	Entity State	Entity Zip	Entity Phone	Entity Fax	Entity Email	Entity Website	Entity Description	Entity Status	Entity Date	Entity Notes
ABC COMPANY	Corporation	123 Main St	Anytown	CA	90210	(555) 123-4567	(555) 987-6543	info@abc.com	www.abc.com	ABC COMPANY is a public corporation organized under the laws of the State of California.	Active	2010-01-01	Entity established on 01/01/2010.
DEF CORPORATION	Corporation	456 Elm St	Someplace	TX	75401	(555) 234-5678	(555) 876-5432	contact@def.com	www.def.com	DEF CORPORATION is a public corporation organized under the laws of the State of Texas.	Active	2008-03-15	Entity established on 03/15/2008.
GHI LLC	LLC	789 Oak St	Nowhere	NY	10001	(555) 345-6789	(555) 765-4321	hello@ghi.com	www.ghi.com	GHI LLC is a limited liability company organized under the laws of the State of New York.	Active	2012-07-01	Entity established on 07/01/2012.
JKL PARTNERSHIP	Partnership	101 Pine St	Anywhere	FL	33101	(555) 456-7890	(555) 654-3210	partners@jkl.com	www.jkl.com	JKL PARTNERSHIP is a partnership organized under the laws of the State of Florida.	Active	2005-11-20	Entity established on 11/20/2005.
MNO TRUST	Trust	202 Cedar St	Everywhere	WA	98101	(555) 567-8901	(555) 432-1098	trust@mno.com	www.mno.com	MNO TRUST is a trust organized under the laws of the State of Washington.	Active	2001-05-10	Entity established on 05/10/2001.
PQR FUND	Fund	303 Birch St	Nowhere	IL	60601	(555) 678-9012	(555) 543-2109	fund@pqr.com	www.pqr.com	PQR FUND is a fund organized under the laws of the State of Illinois.	Active	2003-09-05	Entity established on 09/05/2003.
STU COOPERATIVE	Cooperative	404 Spruce St	Anywhere	VT	05401	(555) 789-0123	(555) 654-3210	coop@stu.com	www.stu.com	STU COOPERATIVE is a cooperative organized under the laws of the State of Vermont.	Active	2007-02-28	Entity established on 02/28/2007.
VWX ASSOCIATION	Association	505 Willow St	Everywhere	ND	58101	(555) 890-1234	(555) 765-4321	assoc@vwx.com	www.vwx.com	VWX ASSOCIATION is an association organized under the laws of the State of North Dakota.	Active	2009-06-12	Entity established on 06/12/2009.
YZA SOCIETY	Society	606 Ash St	Nowhere	SD	57101	(555) 901-2345	(555) 876-5432	society@yza.com	www.yza.com	YZA SOCIETY is a society organized under the laws of the State of South Dakota.	Active	2006-10-30	Entity established on 10/30/2006.
BCD UNION	Union	707 Hickory St	Anywhere	NE	68101	(555) 012-3456	(555) 987-6543	union@bcd.com	www.bcd.com	BCD UNION is a union organized under the laws of the State of Nebraska.	Active	2004-04-18	Entity established on 04/18/2004.
EFG TRUST	Trust	808 Maple St	Everywhere	OR	97101	(555) 123-4567	(555) 098-7654	trust@efg.com	www.efg.com	EFG TRUST is a trust organized under the laws of the State of Oregon.	Active	2002-08-22	Entity established on 08/22/2002.
HIJ COMPANY	Company	909 Poplar St	Nowhere	MT	59101	(555) 234-5678	(555) 109-8765	company@hij.com	www.hij.com	HIJ COMPANY is a company organized under the laws of the State of Montana.	Active	2008-12-01	Entity established on 12/01/2008.
JKL PARTNERSHIP	Partnership	1010 Cedar St	Anywhere	WY	82101	(555) 345-6789	(555) 210-9876	partners@jkl.com	www.jkl.com	JKL PARTNERSHIP is a partnership organized under the laws of the State of Wyoming.	Active	2007-05-15	Entity established on 05/15/2007.
MNO TRUST	Trust	1111 Birch St	Everywhere	CO	80101	(555) 456-7890	(555) 321-0987	trust@mno.com	www.mno.com	MNO TRUST is a trust organized under the laws of the State of Colorado.	Active	2006-03-08	Entity established on 03/08/2006.
PQR FUND	Fund	1212 Spruce St	Nowhere	UT	84101	(555) 567-8901	(555) 432-1098	fund@pqr.com	www.pqr.com	PQR FUND is a fund organized under the laws of the State of Utah.	Active	2005-11-20	Entity established on 11/20/2005.
STU COOPERATIVE	Cooperative	1313 Ash St	Anywhere	WV	26101	(555) 678-9012	(555) 543-2109	coop@stu.com	www.stu.com	STU COOPERATIVE is a cooperative organized under the laws of the State of West Virginia.	Active	2004-07-01	Entity established on 07/01/2004.
VWX ASSOCIATION	Association	1414 Hickory St	Everywhere	DE	19101	(555) 789-0123	(555) 654-3210	assoc@vwx.com	www.vwx.com	VWX ASSOCIATION is an association organized under the laws of the State of Delaware.	Active	2003-09-05	Entity established on 09/05/2003.
YZA SOCIETY	Society	1515 Maple St	Nowhere	NC	27101	(555) 890-1234	(555) 765-4321	society@yza.com	www.yza.com	YZA SOCIETY is a society organized under the laws of the State of North Carolina.	Active	2002-11-10	Entity established on 11/10/2002.
BCD UNION	Union	1616 Poplar St	Anywhere	VA	22101	(555) 901-2345	(555) 876-5432	union@bcd.com	www.bcd.com	BCD UNION is a union organized under the laws of the State of Virginia.	Active	2001-03-15	Entity established on 03/15/2001.
EFG TRUST	Trust	1717 Birch St	Everywhere	MD	21101	(555) 012-3456	(555) 987-6543	trust@efg.com	www.efg.com	EFG TRUST is a trust organized under the laws of the State of Maryland.	Active	2000-05-20	Entity established on 05/20/2000.
HIJ COMPANY	Company	1818 Spruce St	Nowhere	DC	20101	(555) 123-4567	(555) 098-7654	company@hij.com	www.hij.com	HIJ COMPANY is a company organized under the laws of the District of Columbia.	Active	1999-07-25	Entity established on 07/25/1999.

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DRAFT PARTICIPATING ADDENDUM

PARTICIPATING ADDENDUM  
STATE OF TENNESSEE, STATEWIDE CONTRACT #458  
FACILITIES MANAGEMENT SERVICES  
Administered by the State of Tennessee

MASTER AGREEMENT  
Statewide Contract #458, Edison Contract #XXXXX  
JONES LANG LASALLE AMERICAS, INC.  
(hereinafter "Contractor")

And  
INSERT AUTHORIZED ENTITY NAME  
(hereinafter "Authorized Entity")

- 1. **Scope:** This Participating Addendum ("PA") allows for purchase from the State of Tennessee's Facilities Management Services Statewide Contract #458 for use by state agencies and other entities located in the State of Tennessee that are authorized by state statutes to utilize statewide contracts, and which receive prior written approval of the state's Chief Procurement Officer.

The original solicitation contains the requirements and definitions establishing the services allowed under the Contract.

The Authorized Entity has selected the following services:

SPECIFY SELECTED SERVICES (AS WELL AS ANY IDENTIFIED POTENTIAL IN-SCOPE SERVICES), SQUARE FOOTAGE, WHICH SITES OR PORTIONS OF THE AUTHORIZED ENTITY WILL BE IN-SCOPE.

- i. **Workload Allocation-** Authorized Entities and the Contractor shall identify the appropriate workload allocation between the Authorized Entity and Contractor to meet the customer centric needs of this PA. This process involves identifying the processes and sub-processes within the Scope of FM Services above and assigning which party is responsible for that process or sub-process. This workload allocation does not include the specific governance responsibilities which are handled separately in the Contract.
- 2. **Participation:** Use of this Contract by agencies, political subdivisions and other entities (including cooperatives) authorized by state statute to use statewide contracts are subject to the prior approval of the Authorized Entity. Issues of interpretation and eligibility for participation are solely within the authority of the Chief Procurement Officer of the Central Procurement Office of the State.
- 3. **Primary Contacts:** The primary contact individuals for this PA are as follows (or their named successors):

Authorized Entity

Name	
Address	
Telephone	
Fax	
E-mail	

Contractor

Name	
Address	

Telephone	
Fax	
E-mail	

4. **Effective Date:** This PA shall be effective on DATE ("Effective Date") and extend for a period of number (#) months after the Effective Date ("Term"). The Authorized Entity shall have no obligation for goods or services provided by the Contractor prior to the Effective Date. This Effective Date must align with and cannot extend beyond the Term as outlined in Contract Section B.1.
5. **Transition Date:** OUTLINE TIMELINE AND ANTICIPATED COMPLETION DATE OF TRANSITION OF SCOPE OUTLINED IN PA SECTION 1. Transition of services and employees to the Authorized Entity must be done in accordance with Contract Section A and Contract Attachment G.
6. **Transition of Equipment:** Any equipment that the State wishes to sell, transfer, etc. must be done in accordance with TCA § 12-2-403. INSERT ANY DECISION MADE ABOUT SPECIFIC EQUIPMENT RESPONSIBILITY AND USE.
7. **Pricing:** The Operations Budget must be calculated in accordance with the terms of Statewide Contract #458 and the Pricing Model below. The Year 1 Operations Budget for the FM Services being provided to this Authorized Entity is \$NUMBER. Additional information and the Contractor Pricing Model that governs this Operations Budget can be found in Exhibit 1. This exhibit shall be updated to add the Operations Budgets for future years, as those Operations Budgets are developed. This Contractor Pricing Model must align with Contract Attachment F and Contract Section C.3. Contractor shall be responsible for making adjustments as necessary to costs, in accordance with Attachment F.2.
8. **Special Requirements-** INSERT KNOWN SPECIAL REQUIREMENTS SUCH AS REPORTING, COMPLIANCE, OR ANY DEVIATIONS FROM THE DATA STANDARDS OUTLINED IN CONTRACT ATTACHMENT M
9. **State Deliverables:** OUTLINE STATE DELIVERABLES AND NECESSARY TIMELINES IN ACCORDANCE WITH CONTRACT SECTION A.15 Throughout the Term, the Authorized Entity will provide copies of new Facility information documents, amendments, and any other material new information or changes to new or existing Facility information documents, as they occur during the Term.
10. **Contractor Deliverables:** OUTLINE CONTRACTOR DELIVERABLES AND NECESSARY TIMELINES IN ACCORDANCE WITH CONTRACT SECTION A.16.
11. **Requirements Roadmap and Performance Measurement:** PA Exhibit 2 contains the Requirements Roadmap in accordance with Contract Section A.2.4. INSERT ROADMAP AS EXHIBIT 2. This exhibit may be updated periodically as necessary.
12. **Transition Acknowledgement Agreement:** PA Exhibit 3 contains the transition acknowledgement agreement, as outlined in Contract Section A.19.c. INSERT TRANSITION ACKNOWLEDGEMENT AGREEMENT, AS WELL AS A LIST OF SALARY AND BENEFITS OF ALL TRANSITIONED EMPLOYEES.
13. **Orders:** Any Order placed by an Authorized Entity for a Product or Service available from Statewide Contract #458 shall be deemed to be a request for goods or services under (and governed by the prices and other terms and conditions) of Statewide Contract #458 unless the parties to the Order agree in writing that another contract or agreement applies to such Order.
14. **Authorized Entity Modifications or Additions to Contract:** INSERT SPECIFIC CHANGES TO TERMS AND CONDITIONS OR A STATEMENT THAT NO CHANGES ARE REQUIRED. Only exempt agencies as defined by Tenn. Code Ann. § 12-3-102 are permitted to modify the terms and

conditions of Statewide Contract #458. Executive branch state agencies are not allowed to modify or deviate from the terms and conditions of Statewide Contract #458.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

**JONES LANG LASALLE AMERICAS, INC.:**

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**CONTRACTOR SIGNATURE** **DATE**

---

**PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)**

**AUTHORIZED ENTITY NAME:**

---

**AUTHORIZED ENTITY SIGNATURE** **DATE**

---

**PRINTED NAME AND TITLE OF AUTHORIZED ENTITY SIGNATORY (above)**

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**AUTHORIZED ENTITY OPERATIONS BUDGET AND PRICING**

INSERT CONTRACTOR PRICING AND YEAR 1 OPERATIONS BUDGET. UPDATE THIS EXHIBIT TO ADD THE OPERATIONS BUDGETS FOR FUTURE YEARS AS THE OPERATIONS BUDGETS ARE DEVELOPED.

<b>Service Delivery</b>			<b>Transformation</b>
<b>Base Service</b>	<b>Other Services</b>	<b>Governance Model</b>	

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**REQUIREMENTS ROADMAP**

INSERT REQUIREMENTS ROADMAP LINKING DESIRED OUTCOMES TO PERFORMANCE OBJECTIVES AND STANDARDS.

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**TRANSITION ACKNOWLEDGEMENT AGREEMENT**

INSERT THE AUTHORIZED ENTITY'S TRANSITION ACKNOWLEDGEMENT AGREEMENT, AS OUTLINED IN CONTRACT SECTION A.19.c, AS WELL AS A LIST OF SALARY AND BENEFITS OF ALL TRANSITIONED EMPLOYEES.

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**TUITION BENEFIT SUMMARY**

Employee	Benefit at UT Institutions	Benefit at TBR Institutions								
Gen Govt Employee	One course per semester (not to exceed 4 credits or 120 clock hours), undergraduate or graduate, at any State supported college or university or one course per calendar quarter at a Tennessee Technology Center or Tennessee Foreign Language Institute. Generally all fees are waived except for parking fees, lab fees and fees over and above tuition charged for courses within a particular discipline. Additionally, special fees for on-line courses are not waived except for on-line courses taken through the Regents Online Degree Program.									
Gen Govt Dependent	25 percent discount on enrollment fee for undergraduate courses which is calculated by the number of hours taken and generally referred to as tuition. No other fees are included in the discount.									
UT Employee	<p>Full-time may enroll without payment of fees in up to a maximum of nine undergraduate or graduate credit hours per term (implied to be at employed campus).</p> <p>Part-time regular faculty and staff working 50 percent time or more may enroll without payment of fees based upon their percent of effort as follows (implied to be at employed campus):</p> <table border="0" data-bbox="391 808 779 919"> <tr> <td>Employee Effort</td> <td>Fee Waiver</td> </tr> <tr> <td>50-74 percent</td> <td>up to 4 hours</td> </tr> <tr> <td>75-99 percent</td> <td>up to 6 hours</td> </tr> <tr> <td>100 percent</td> <td>up to 9 hours</td> </tr> </table>	Employee Effort	Fee Waiver	50-74 percent	up to 4 hours	75-99 percent	up to 6 hours	100 percent	up to 9 hours	<p>A fee waiver for one course for credit per term at any state supported college, university, or area vocational-technical school. This waiver also applies to tuition charges, maintenance fees, student activity fees, or registration fees.</p>
Employee Effort	Fee Waiver									
50-74 percent	up to 4 hours									
75-99 percent	up to 6 hours									
100 percent	up to 9 hours									
UT Dependent	<p>Student fee discount shall be no more than 50 percent of the undergraduate in-state maintenance fee. Applicable only to undergraduate students at the University of Tennessee (including the Colleges of Allied Health and Nursing in Memphis), the University of Tennessee at Chattanooga, and the University of Tennessee at Martin. Eligible spouses and dependent children may enroll in any number of courses up to and including full-time study. The student fee discount will not be provided for correspondence and non-credit courses.</p>	<p>Fee discounts up to 50% of the undergraduate fee and all mandatory student fees payable at the time of registration for spouses and dependent children of regular full-time employees and regular part-time employees (pro-rated on % employment).</p>								
LGI / TBR Employee	<p>Full-time employees – one credit course (not to exceed 4 credits or 120 clock hours) per term at any state of Tennessee public postsecondary institution (TBR or UT), with fees waived for the employee. Part-time regular and part-time temporary employees, excluding adjuncts, of community colleges and TN Colleges of Applied Technology (TCATs) are eligible to enroll in one credit course per term at the college in which they work, with fees waived for the employee.</p>									
LGI / TBR Dependent	<p>Fee discounts up to 50% of the undergraduate fee and all mandatory student fees payable at the time of registration for spouses and dependent children of regular full-time and regular part-time employees. Spouses and dependent children of regular part-time employees who have one or more years of continuous service within either system working a minimum of fifty percent (50%) time shall receive a pro rata discount based on the employee's percentage of employment.</p>									

**PAYMENT BOND TEMPLATE**

**PAYMENT BOND FOR LABOR AND MATERIALS**

This bond (the "Bond") made date, by contractor name ("Principal"), a corporation organized under the laws of name of state, having its principal office at contractor's address, as principal, and surety name ("Surety"), a corporation organized under the laws of name of state, and licensed to transact a surety business in the State of Tennessee, having its principal office at surety's address, as surety.

**OBLIGATION**

WHEREAS, the parties are obligated to the State of Tennessee Department of General Services Central Procurement Office ("State"), whose principal address is 312 Rosa L. Parks Avenue, 3rd Floor, Nashville, TN 37243, as obligee, for the benefit of Claimants as defined below, in the amount of written amount (\$ number), for the payment of which Principal and Surety bind themselves, their heirs, representatives, successors and assigns, jointly and severally, firmly by this Bond.

WHEREAS, Principal has by written agreement, dated date of agreement, entered into a contract with State for description of work in accordance with the drawings and specifications prepared by name of architect or engineer, which contract is made a part of this Bond by this reference, and is referred to as the "Contract."

**CONDITION**

The condition of this obligation is such that if the Principal shall promptly make payment to all Claimants as defined in SECTION ONE of this Bond for all labor and materials used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect.

**AGREEMENT**

For the reasons recited above, and in consideration of the parties' mutual covenants, the parties agree as follows:

**SECTION ONE. CLAIMANT DEFINED**

"Claimant" is defined as one having a direct contract with Principal or with a subcontractor of Principal for labor, materials, or both, used or reasonably required for use in the performance of the Contract, "labor and material" including that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

**SECTION TWO. ACTION ON SUMS DUE CLAIMANT**

Principal and Surety jointly and severally agree with State that every Claimant who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such Claimant's work or labor was done or performed, or on which the last of such materials were furnished by Claimant, may sue on this Bond for the use of Claimant in the name of State, prosecute the suit to final judgment for such amount as may be justly due Claimant, and have execution, provided, however, that State shall not be liable for the payment of any costs or expenses of any such suit.

**SECTION THREE. LIMITATIONS ON SUIT BY CLAIMANT**

Any suit or action commenced under this Bond shall comply with Tenn. Code Ann. § 12-4-205. Claimant shall give written notice to any two of the following: Principal, State, or Surety, above named, within ninety (90) days after completion of the public work. The claim shall state with substantial accuracy the amount claimed and the name of the party to whom materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served or sent by certified mail, return receipt requested, in an envelope addressed to Principal, State, or Surety, at any place where an office is regularly maintained for the transaction of business.

**SECTION FOUR. PAYMENTS MADE**

The amount of this Bond shall be reduced by and to the extent of any payment or payments made in good faith under this Bond, inclusive of the payment by Surety of mechanics' liens which may be filed of record against the improvement, whether or not claim for the amount of such lien be presented under and against this Bond.

The parties have executed this Bond at place of execution the day and year first above written.

PRINCIPAL:

Contractor name

By: \_\_\_\_\_  
Contractor's authorized signatory

\_\_\_\_\_  
Printed name and title

SURETY:

Surety Name

By: \_\_\_\_\_  
Surety's authorized signatory

\_\_\_\_\_  
Printed name and title

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