

COMMONWEALTH OF VIRGINIA

STANDARD CONTRACT

Contract Number: VTS-1525-2021

This contract entered into this 5th day of April 2021 by Chartwell Procurement Consultants, LLC hereinafter called the "Contractor" and Commonwealth of Virginia, Virginia Polytechnic Institute and State University called "Virginia Tech."

WITNESSETH that the Contractor and Virginia Tech, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide Contract Audit and Compliance Review Services to Virginia Tech as set forth in the Contract Documents.

PERIOD OF CONTRACT: From April 5, 2021 through April 4, 2026 with the option for three 2 year renewals.

COMPENSATION AND METHOD OF PAYMENT: Payment shall be made in accordance with the Contract Documents.

CONTRACT DOCUMENTS: The Contract Documents shall consist of this signed contract, Request for Proposal (RFP) number 0061465 dated September 11, 2020 ,together with Addendum #1 dated October 7, 2020 the proposal submitted by the Contractor dated October 9, 2020, the PAC Agreement, and the negotiation summary, all of which Contract Documents are incorporated herein.

ELECTRONIC TRANSACTIONS: If this paragraph is initialed by both parties, to the fullest extent permitted by Code of Virginia, Title 59.1, Chapter 42.1, the parties do hereby expressly authorize and consent to the use of electronic signatures as an additional method of signing and/or initialing this contract and agree electronic signatures (for example, the delivery of a PDF copy of the signature of either party via facsimile or electronic mail or signing electronically by utilizing an electronic signature service) are the same as manual executed handwritten signatures for the purposes of validity, enforceability and admissibility.


(Initials)

In WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

Contractor DocuSigned by:
By: John Fogarino
(Signature)
John Fogarino DocuSigned by: Vice President
Name and Title

Virginia Tech DocuSigned by:
By: Mary Helmick
5943314F5CD3478...
Mary W. Helmick
Director of Procurement



Request for Proposal # 0061465

For

Contract Compliance Reviews & Cost Containment
Services

September 11, 2020

Note: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

RFP 0061465
GENERAL INFORMATION FORM

QUESTIONS: All inquiries for information regarding this solicitation should be directed to: Reed Nagel, Phone: (540) 231-5240 e-mail: nagelr@vt.edu

DUE DATE: Proposals will be received until October 11, 2020 at 3:00 PM. Failure to submit proposals to the correct location by the designated date and hour will result in disqualification.

PROPOSAL SUBMISSION:

Bids or Proposals may NOT be hand deliver to the Procurement Office.

Due to the COVID-19 Emergency Declaration, Virginia Tech will be accepting electronic submission of proposals. All submissions should be submitted to procurement@vt.edu with the RFP number, due date, and time in the subject line of the email.

Virginia Tech will not confirm receipt of proposals. It is the responsibility of the proposers to make sure their proposal is delivered on time. Delivery Confirmation functionality is recommended from the proposer's email system.

Attachments must not exceed 25MB to avoid delivery issues thru email servers.

TYPE OF BUSINESS: (Please check all applicable classifications). If your classification is certified by the Virginia Department of Small Business and Supplier Diversity (SBSD), provide your certification number: _____. For assistance with SWaM certification, visit the SBSD website at <http://sbsd.virginia.gov/> .

_____ **Large**

_____ **Small business** – An independently owned and operated business which, together with affiliates, has 250 or fewer employees or average annual gross receipts of \$10 million or less averaged over the previous three years. Commonwealth of Virginia Department of Small Business and Supplier Diversity (SBSD) certified women-owned and minority-owned business shall also be considered small business when they have received SBSD small business certification.

_____ **Women-owned business** – A business concern that is at least 51% owned by one or more women who are U. S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law, and both the management and daily business operations are controlled by one or more women who are U. S. citizens or legal resident aliens.

_____ **Minority-owned business** – A business concern that is at least 51% owned by one or more minority individuals (see Section 2.2-1401, Code of Virginia) or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

COMPANY INFORMATION/SIGNATURE: In compliance with this Request For Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the goods or services in accordance with the attached signed proposal and as mutually agreed upon by subsequent negotiation.

FULL LEGAL NAME (PRINT) (Company name as it appears with your Federal Taxpayer Number)		FEDERAL TAXPAYER NUMBER (ID#)	
BUSINESS NAME/DBA NAME/TA NAME (If different than the Full Legal Name)		BILLING NAME (Company name as it appears on your invoice)	
PURCHASE ORDER ADDRESS		PAYMENT ADDRESS	
CONTACT NAME/TITLE (PRINT)			E-MAIL ADDRESS
TELEPHONE NUMBER	TOLL FREE TELEPHONE NUMBER	FAX NUMBER TO RECEIVE E-PROCUREMENT ORDERS	

I acknowledge that I have received the following addendums posted for this solicitation.

1 _____ 2 _____ 3 _____ 4 _____ 5 _____ 6 _____ (Please check all that apply)

Is any member of the firm an employee of the Commonwealth of Virginia who has a personal interest in this contract pursuant to the Code of Virginia, 2.2 – 3102 - 3112

YES _____ NO _____

SIGNATURE _____ Date: _____

03/17/2020

I. PURPOSE:

The purpose of this Request for Proposal (RFP) is to solicit proposals to establish a contract through competitive negotiations for Contract Compliance Reviews & Cost Containment Services by Virginia Polytechnic Institute and State University (Virginia Tech), an agency of the Commonwealth of Virginia on behalf of the Virginia Higher Education Procurement Cooperative (VHEPC).

II. SMALL, WOMAN-OWNED AND MINORITY (SWAM) BUSINESS PARTICIPATION:

The mission of the Virginia Tech supplier opportunity program is to foster inclusion in the university supply chain and accelerate economic growth in our local communities through the engagement and empowerment of high quality and cost competitive small, minority-owned, women-owned, and local suppliers. Virginia Tech encourages prime suppliers, contractors, and service providers to facilitate the participation of small businesses, and businesses owned by women and minorities through partnerships, joint ventures, subcontracts, and other inclusive and innovative relationships.

III. CONTRACT PERIOD:

The term of this contract is for three (3) year(s), or as negotiated. There will be an option for two (2) three (3) year renewals, or as negotiated.

IV. BACKGROUND:

This solicitation is being issued by Virginia Tech on behalf of the Virginia Higher Education Procurement Cooperative (VHEPC), who will manage the contract(s) that are the outcome of this procurement process. The intent of this procurement is to enact one or more contracts that will form the basis for a beneficial and mutually supportive long term business relationship with each of the member institutions of the VHEPC. We envision participation by each member institution on preferred basis and active management and stewardship of the contracts by the VHEPC. In fiscal year 2020 VHEPC members spent over \$2,000,000,000 on goods, services, and construction. VHEPC members include The College of William & Mary, The University of Virginia, Virginia Polytechnic Institute and State University, Virginia Military Institute, Longwood University, University of Mary Washington, James Madison University, Radford University, Old Dominion University, Virginia Commonwealth University, Christopher Newport University, George Mason University, and The Virginia Community College System, which includes 23 Community Colleges. More information about VHEPC can be found here: <https://vhepc.org/>

The University reserves the right to negotiate and designate certain Selected Firms as "Strategic". One of the benefits of the Strategic designation is the promotion as a preferred/prime/strategic supplier to the VHEPC Members. To potentially be designated as Strategic, the Selected Firm must provide an incentive based rebate structure

V. EVA BUSINESS-TO-GOVERNMENT ELECTRONIC PROCUREMENT SYSTEM:

The eVA Internet electronic procurement solution streamlines and automates government purchasing activities within the Commonwealth of Virginia. Virginia Tech, and other state agencies and institutions, have been directed by the Governor to maximize the use of this system in the procurement of goods and services. *We are, therefore, requesting that your firm register as a vendor within the eVA system.*

There are transaction fees involved with the use of eVA. These fees must be considered in the provision of quotes, bids and price proposals offered to Virginia Tech. Failure to register within the

eVA system may result in the quote, bid or proposal from your firm being rejected and the award made to another vendor who is registered in the eVA system.

Registration in the eVA system is accomplished on-line. Your firm must provide the necessary information. Please visit the eVA website portal at <http://www.eva.virginia.gov/pages/eva-registration-buyer-vendor.htm> and **register both with eVA and Ariba**. *This process needs to be completed before Virginia Tech can issue your firm a Purchase Order or contract.* If your firm conducts business from multiple geographic locations, please register these locations in your initial registration.

For registration and technical assistance, reference the eVA website at: <http://www.eva.virginia.gov>, or call 866-289-7367 or 804-371-2525.

VI. CONTRACT PARTICIPATION:



It is the intent of this solicitation and resulting contract to allow for cooperative procurement. Accordingly, any public body, public or private health or educational institutions, or Virginia Tech's affiliated corporations and/or partnerships may access any resulting contract if authorized by the contractor.

Participation in this cooperative procurement is strictly voluntary. If authorized by the Contractor, the resultant contract may be extended to the entities indicated above to purchase at contract prices in accordance with contract terms. The Contractor shall notify Virginia Tech in writing of any such entities accessing the contract, if requested. No modification of this contract or execution of a separate contract is required to participate. The Contractor will provide semi-annual usage reports for all entities accessing the Contract, as requested. Participating entities shall place their own orders directly with the Contractor and shall fully and independently administer their use of the contract to include contractual disputes, invoicing and payments without direct administration from Virginia Tech. Virginia Tech shall not be held liable for any costs or damages incurred by any other participating entity as a result of any authorization by the Contractor to extend the contract. It is understood and agreed that Virginia Tech is not responsible for the acts or omissions of any entity, and will not be considered in default of the contract no matter the circumstances.

Use of this contract does not preclude any participating entity from using other contracts or competitive processes as the need may be.

VII. STATEMENT OF NEEDS:

A. Contract Audit Services:

Provide contract compliance reviews. These services will include conducting a price analysis review through examination of contracted prices with vendors versus actual prices paid. This would include but not limited to accumulating, processing and analyzing our

procurement/contract and payment data and tracking purchase information for multiple fiscal periods.

Provide a detailed overview on how audits are conducted. Include a description on how data will be pulled to conduct the audit.

Provide a detailed overview of what software will be used during audits and how it can be used in a continuation of services after completion of an audit.

Describe what type of monitoring systems are available to help insure the overcharges are minimalized in the future and what services are available after an audit is completed.

Provide a plan for sales representation for each customer. We recognize that not all institution accounts will warrant full-time on-campus representation. Provide a narrative on how you propose to provide this service

Payment to the Contractor shall only occur after funds are recovered from the audit. If an audit fails the produce any recovered funds, the University shall not be required to pay the Contractor.

B. Contract Review Services:

Provide a review of prices paid under the contract in comparison to others in the market to determine if the contract price is competitive.

Provide a non-legal overview of terms and conditions in contracts to ensure customers are receiving the best deal.

VIII. PROPOSAL PREPARATION AND SUBMISSION:

A. Specific Requirements

Proposals should be as thorough and detailed as possible so that Virginia Tech may properly evaluate your capabilities to provide the required goods or services. Offerors are required to submit the following information/items as a complete proposal:

1. Provide a list of the firm's clients comparable to Higher Education.
2. Provide samples of an audit conducted at institutions of varying sizes to show value to smaller potential customers.
3. Provide a rebate structure or financial incentive as detailed in the background section of the RFP.

4. Complete the price chart below.

Total Auditable	
Spend	Recovery Fee %
up to \$1,000,000	
\$1M - \$5M	
\$5M - \$15M	
\$15M - \$25M	
\$25M - \$50M	
over \$50,000,000	

Alternative pricing models will be considered if provided.

5. Participation of Small, Women-owned and Minority-owned Business (SWAM) Business:

If your business cannot be classified as SWaM, describe your plan for utilizing SWaM subcontractors if awarded a contract. Describe your ability to provide reporting on SWaM subcontracting spend when requested. If your firm or any business that you plan to subcontract with can be classified as SWaM, but has not been certified by the Virginia Department of Small Business and Supplier Diversity (SBSD), it is expected that the certification process will be initiated no later than the time of the award. If your firm is currently certified, you agree to maintain your certification for the life of the contract. For assistance with SWaM certification, visit the SBSBD website at <http://www.sbsd.virginia.gov/>

6. The return of the General Information Form and addenda, if any, signed and filled out as required.

B. General Requirements

1. RFP Response: In order to be considered for selection, Offerors shall submit a complete response to this RFP to include;

- a. **One (1) electronic document** in WORD format or searchable PDF (*flash drive*) of the entire proposal as one document, INCLUDING ALL ATTACHMENTS emailed to procurement@vt.edu.

Reference the Due Date and Hour, and RFP Number in the subject line of the email. No confirmation receipt will be provided by Virginia Tech.

Any proprietary information should be clearly marked in accordance with 2.d. below.

- b. Should the proposal contain **proprietary information**, provide **one (1) redacted electronic copy** of the proposal and attachments **with proprietary portions removed or blacked out**. This copy should be clearly marked "*Redacted Copy*" within the name of the document. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable. Virginia Tech shall not be responsible for the Contractor's failure to exclude proprietary information from this redacted copy.

No other distribution of the proposals shall be made by the Offeror.

2. Proposal Preparation:

- a. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in Virginia Tech requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by Virginia Tech at its discretion. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
 - b. Proposals should be prepared simply and economically providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
 - c. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents which cross references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
 - d. Ownership of all data, material and documentation originated and prepared for Virginia Tech pursuant to the RFP shall belong exclusively to Virginia Tech and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act. However, to prevent disclosure the Offeror must invoke the protections of Section 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other materials is submitted. The written request must specifically identify the data or other materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and may result in rejection of the proposal.
3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to Virginia Tech. This will provide an opportunity for the Offeror to clarify or elaborate on the proposal but will in no way change the original proposal. Virginia Tech will schedule the time and location of these presentations. Oral presentations are an option of Virginia Tech and may not be conducted. Therefore, proposals should be complete.

IX. SELECTION CRITERIA AND AWARD:

A. Selection Criteria

Proposals will be evaluated by Virginia Tech using the following:

Maximum Point

<u>Criteria</u>	<u>Value</u>
1. Quality of products/services offered and suitability for the intended purposes	20
2. Qualifications and experiences of Offeror in providing the goods/services	20
3. Specific plans or methodology to be used to provide the Services	20
4. Cost (or Price)	30
5. Participation of Small, Women-Owned and Minority (SWAM) Business	10
Total	100

B. Award

Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposal, including price, if so stated in the Request for Proposal. Negotiations shall then be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, Virginia Tech shall select the offeror which, in its opinion, has made the best proposal, and shall award the contract to that offeror. Virginia Tech may cancel this Request for Proposal or reject proposals at any time prior to an award. Should Virginia Tech determine in writing and in its sole discretion that only one offeror has made the best proposal, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of this solicitation and the Contractor's proposal as negotiated. See Attachment C for sample contract form.

Virginia Tech reserves the right to award multiple contracts as a result of this solicitation.

XI. INQUIRIES:

All inquiries concerning this solicitation should be submitted in writing via email, citing the particular RFP section and paragraph number. All inquiries will be answered in the form of an addendum. Inquiries must be submitted by 4:00pm on September 25, 2020. Inquiries must be submitted to the procurement officer identified in this solicitation.

XII. INVOICES:

Invoices for goods or services provided under any contract resulting from this solicitation shall be submitted by email to vtinvoices@vt.edu or by mail to:

Virginia Polytechnic Institute and State University (Virginia Tech)
 Accounts Payable
 North End Center, Suite 3300
 300 Turner Street NW
 Blacksburg, Virginia 24061

XIII. METHOD OF PAYMENT:

The Contractor shall be paid a percentage of the recovered funds from an audit. These funds will be released after the University receives its funds for the audit.

XIV. ADDENDUM:

Any **ADDENDUM** issued for this solicitation may be accessed at <http://www.apps.vpfin.vt.edu/html.docs/bids.php>. Since a paper copy of the addendum will not be mailed to you, we encourage you to check the web site regularly.

XV. COMMUNICATIONS:

Communications regarding this solicitation shall be formal from the date of issue, until either a Contractor has been selected or the Procurement Department rejects all proposals. Formal communications will be directed to the procurement officer listed on this solicitation. Informal communications, including but not limited to request for information, comments or speculations regarding this solicitation to any University employee other than a Procurement Department representative may result in the offending Offeror's proposal being rejected.

XVI. CONTROLLING VERSION OF SOLICITATION:

The posted version of the solicitation and any addenda issued by Virginia Tech Procurement Services is the mandatory controlling version of the document. Any modification of/or additions to the solicitation by the Offeror shall not modify the official version of the solicitation issued by Virginia Tech Procurement Services. Such modifications or additions to the solicitation by the Offeror may be cause for rejection of the proposal; however, Virginia Tech reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

XVII. TERMS AND CONDITIONS:

This solicitation and any resulting contract/purchase order shall be governed by the attached terms and conditions, see Attachment A.

XVIII. CONTRACT ADMINISTRATION:

The individual user departments at Virginia Tech shall be identified as the Contract Administrators and shall use all powers under the contract to enforce its faithful performance.

A. The Contract Administrators in each user departments shall determine the amount, quantity, acceptability, fitness of all aspects of the services and shall decide all other questions in connection with the services. Contract Administrators, or designees, shall not have authority to approve changes in the services which alter the concept or which call for an extension of time for this contract. Any modifications made must be authorized by the Virginia Tech Procurement Department through a written amendment to the contract.

B. Reed Nagel, Procurement, shall oversee the contract in its entirety and will serve as the point of contact for issues involving this contract.

XIX. ATTACHMENTS:

Attachment A - Terms and Conditions
Attachment B - Sample of Standard Contract Form

ATTACHMENT A

TERMS AND CONDITIONS

RFP GENERAL TERMS AND CONDITIONS

See:

http://procurement.vt.edu/content/dam/procurement_vt_edu/docs/terms/GTC_RFP_07012019.pdf

ADDITIONAL TERMS AND CONDITIONS

- A. ADDITIONAL GOODS AND SERVICES:** The University may acquire other goods or services that the supplier provides other than those specifically solicited. The University reserves the right, subject to mutual agreement, for the Contractor to provide additional goods and/or services under the same pricing, terms and conditions and to make modifications or enhancements to the existing goods and services. Such additional goods and services may include other products, components, accessories, subsystems, or related services newly introduced during the term of the Agreement.
- B. AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. Virginia Tech, its authorized agents, and/or the State auditors shall have full access and the right to examine any of said materials during said period.
- C. AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that Virginia Tech shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- D. CANCELLATION OF CONTRACT:** Virginia Tech reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- E. CONTRACT DOCUMENTS:** The contract entered into by the parties shall consist of the Request for Proposal including all modifications thereof, the proposal submitted by the Contractor, the written results of negotiations, the Commonwealth Standard Contract Form, all of which shall be referred to collectively as the Contract Documents.
- F. IDENTIFICATION OF BID/PROPOSAL EMAIL:** Due to the COVID-19 emergency declaration, Virginia Tech will be accepting electronic submission of proposals. All submissions should be submitted to procurement@vt.edu with the **RFP number, due date, and time in the subject line of the email**. No confirmation receipt will be provided. It is the responsibility of the proposers to make sure their proposal is delivered on time. Delivery Confirmation receipts are highly recommended from the vendor side. Attachments must be smaller than 25MB in order to be received by the University.

The offeror takes the risk that if the email is not marked as described above, it may be inadvertently opened and the information compromised, which may cause the proposal to be disqualified. Bids or Proposals may **NOT** hand deliver to the Procurement Office.

- G. NOTICES:** Any notices to be given by either party to the other pursuant to any contract resulting from this solicitation shall be in writing via email.

- H. SEVERAL LIABILITY:** Virginia Tech will be severally liable to the extent of its purchases made against any contract resulting from this solicitation. Applicable entities described herein will be severally liable to the extent of their purchases made against any contract resulting from this solicitation.
- I. CLOUD OR WEB HOSTED SOFTWARE SOLUTIONS:** For agreements involving Cloud-based Web-hosted software/applications refer to link for additional terms and conditions: [http://www.ita.vt.edu/purchasing/VT Cloud Data Protection Addendum final03102017.pdf](http://www.ita.vt.edu/purchasing/VT%20Cloud%20Data%20Protection%20Addendum%20final03102017.pdf)

SPECIAL TERMS AND CONDITIONS

INSURANCE:

By signing and submitting a Proposal/Bid under this solicitation, the offeror/bidder certifies that if awarded the contract, it will have the following insurance coverages at the time the work commences. Additionally, it will maintain these during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

During the period of the contract, Virginia Tech reserves the right to require the contractor to furnish certificates of insurance for the coverage required.

INSURANCE COVERAGES AND LIMITS REQUIRED:

- A. Worker's Compensation - Statutory requirements and benefits.
- B. Employers Liability - \$100,000.00
- C. General Liability - \$2,000,000.00 combined single limit. Virginia Tech and the Commonwealth of Virginia shall be named as an additional insured with respect to goods/services being procured. This coverage is to include Premises/Operations Liability, Products and Completed Operations Coverage, Independent Contractor's Liability, Owner's and Contractor's Protective Liability and Personal Injury Liability.
- D. Automobile Liability - \$500,000.00
- E. Builders Risk – For all renovation and new construction projects under \$100,000 Virginia Tech will provide All Risk – Builders Risk Insurance. For all renovation contracts, and new construction from \$100,000 up to \$500,000 the contractor will be required to provide All Risk – Builders Risk Insurance in the amount of the contract and name Virginia Tech as additional insured. All insurance verifications of insurance will be through a valid insurance certificate.
- F. The contractor agrees to be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers, agents and employees from the payment of all sums of money by reason of any claim against them arising out of any and all occurrences resulting in bodily or mental injury or property damage that may happen to occur in connection with and during the performance of the contract, including but not limited to claims under the Worker's Compensation Act. The contractor agrees that it will, at all times, after the completion of the work, be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers, agents and employees from all liabilities resulting from bodily or mental injury or property damage directly or indirectly arising out of the performance or nonperformance of the contract.

LICENSE TO USE VIRGINIA TECH LICENSED INDICIA: By signing and submitting this Proposal, the offeror agrees that if it is awarded a purchase order/contract as a result of this solicitation, it will follow the procedures outlined by Virginia Tech's Licensing and Trademarks Administration to become a licensed vendor authorized to use Virginia Tech licensed trademarks indicia identified in the solicitation and to follow all procedures for submitting artwork for product for approval prior to producing any product with Virginia Tech indicia. As a licensed vendor, the offeror/bidder will be required to pay the university's standard royalty rate for similarly licensed vendors. *More information on the licensing process and application can be found at: <http://clc.com/Licensing-Info.aspx>.*

PRIME CONTRACTOR RESPONSIBILITIES: The contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime Contractor. The contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.

SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of Virginia Tech. In the event that the contractor desires to subcontract some part of the work specified herein, the contractor shall furnish Virginia Tech the names, qualifications and experience of their proposed subcontractors. The contractor shall, however, remain fully liable and responsible for the work to be done by his subcontractor(s) and shall assure compliance with all requirements of the contract.

ATTACHMENT B

SAMPLE CONTRACT FORM

**Standard Contract form for reference only
Offerors do not need to fill in this form**

**COMMONWEALTH OF VIRGINIA
STANDARD CONTRACT**

Contract Number: _____

This contract entered into this ____ day of _____, 20____, by _____, hereinafter called the "Contractor" and Commonwealth of Virginia, Virginia Polytechnic Institute and State University called "Virginia Tech".

WITNESSETH that the Contractor and Virginia Tech, in consideration of the mutual covenants, promises and agreements herein contained, agrees as follows:

SCOPE OF CONTRACT: The Contractor shall provide the _____ to Virginia Tech as set forth in the Contract Documents.

PERIOD OF CONTRACT: From _____ through _____.

COMPENSATION AND METHOD OF PAYMENT: The Contractor shall be paid by Virginia Tech in accordance with the contract documents.

CONTRACT DOCUMENT: The Contract Documents shall consist of this signed contract, Request For Proposal Number _____ dated _____, together with all written modifications thereof and the proposal submitted by the Contractor dated _____ and the Contractor's letter dated _____, all of which Contract Documents are incorporated herein.

In WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

Contractor:	Virginia Tech
By: _____	By: _____
Title: _____	Title: _____

ADDENDUM # 1 TO RFP # 0061465

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY (Virginia Tech)
 Procurement Department (MC 0333)
 North End Center, Suite 2100
 300 Turner Street NW
 Blacksburg, Virginia 24061

DATE	NEW DUE DATE AND HOUR
October 7, 2020	October 23, 2020 @ 3:00pm

ADDRESS ALL INQUIRIES AND CORRESPONDENCE TO: Reed Nagel E-MAIL ADDRESS: nagelr@vt.edu TELEPHONE NUMBER (540) 231-5240 FAX NUMBER (540) 231-9628 AFTER HOUR MESSAGES (540) 231-6221
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Contract Compliance Reviews & Cost Containment Services

1. The following inquiries have arisen as a result of this solicitation.
 1. How will the Contract Review Services be paid or proposed as that is a fixed task requiring staff time? Is time and materials acceptable for this task?
 Virginia Tech Answer: The hope is that contract review services can occur concurrently with audits. If that is not the case, please propose an hourly staffing rate.
 2. Can we have a list of categories by service that will be under audit / analysis?
 Virginia Tech Answer: There are a vast variety of contracts that VHEPC holds. Any of these could be selected it is up to the schools to select which contracts they would like to have reviewed. The awarded firm(s) would be expected to advise the Universities.
 3. Are you able to also extract the fiscal spend per category / service as a yearly spend amount?
 Virginia Tech Answer: Yes.
 4. What is your definition of "multiple fiscal periods?"
 Virginia Tech Answer: Contracts often run multiple years, analysis of a contract would expect to cover the life of the contract.
 5. Please provide more context related to the need for sales representation for each customer. Does this question relate to our approach to servicing each of the VHEPC members that may request contract compliance review services?
 Virginia Tech Answer: Yes, we would like proposers to be able to service all VHEPC members.
 6. Is there a calculation to determine the scoring of SWAM participation (e.g., based on % of contract subcontracted to a SWAM business)?
 Virginia Tech Answer: There is no calculation to determine SWaM subcontracting participation. If your business cannot be classified as SWaM, describe your plan for utilizing SWaM subcontractors if awarded a contract.
 7. Is it acceptable to provide separate pricing proposals for the two services?
 Virginia Tech Answer: Yes, however the University reserves the right to ask for revisions to any proposed pricing model.
 8. Is there an identifiable business challenge or event (singular or ongoing) that prompted the desire to contract for long term audit and review services?
 Virginia Tech Answer: No, this has been prompted by a lack of cooperative contract options for VHEPC members.
 9. Has Virginia Tech performed any related supplier/contract audits or reviews over the past five years? If so, what have been your historical findings, including any applicable recovery percentages?

Virginia Tech Answer: No audits of this kind have been conducted in the past 5 years.

10. There are a number of contract compliance and audit automation solutions available on the market today. Has Virginia Tech seen any demonstrations of similar solutions in the past year? Will Virginia Tech be open to demonstrations of solutions as part of the evaluation process of this RFP?

Virginia Tech Answer: We are open to all options proposed, but further discussion would be needed.

11. Has Virginia Tech met with any potential respondents and/or providers to discuss contract compliance and audit services over the past year?

Virginia Tech Answer: There was a conversation with a potential respondent in the past year.

12. Does Virginia Tech envision some contract review and audits as having a larger scope than just a commercial (recovery) arrangement? For example, would Virginia Tech consider optional value added services that propose a more holistic approach to contract management?

Virginia Tech Answer: These services would be discussed at the moment these are the services

13. Considering the significance of effectively evaluating audit and contract compliance capabilities for establishing a long term contract, and provided a rebate or financial incentive structure has been requested of the respondent, would Virginia Tech consider an optional pilot program with selected contract audits prior to finalizing a long term contract to ensure a mutually beneficial relationship?

Virginia Tech Answer: We are unable to offer such a trial period.

14. What are the source system(s), data sources, and formats for contracts and related data relevant to contract audit and review services?

Virginia Tech Answer: Data sources will vary from school to school, but some common ones are Banner, Peoplesoft, and Workday.

15. What are the number and value of the contracts anticipated pertinent for the initial audit and review?

Virginia Tech Answer: This would be negotiated with the selected provider, it is not anticipated that a full audit of every contract would occur. We are interested in how proposers recommend sampling.

16. Is VHEPC requesting only pricing verification service or a full contract compliance audit of selected suppliers?

Virginia Tech Answer: We are interested in proposals for both. Please describe the types of auditing services you offer in your proposal.

17. Can VHEPC clarify if there is a desire to have a fully automated solution in place as a part of the desired price verification solution? If yes, is there a requirement for a continuous software license price to be included as a part of the RFP submission?

Virginia Tech Answer: This is not the expectation at this time, but we would be interested in seeing options for such a software solution.

18. What ERP platform(s) are in use? Is there a single occurrence or are there multiple systems in use at each different institution in scope of the RFP?

Virginia Tech Answer: There are multiple systems across the different institutions, but some common systems are Banner, Peoplesoft, and Workday.

19. What is the transaction fee for use of the eVA?

Virginia Tech Answer: Please go to <https://www.eva.virginia.gov/> for more information.

20. To enhance our price model, could we access basic supplier information to determine potential scope of work?

Virginia Tech Answer: To view some of the contracts please go to <https://vascupp.org/>

21. Are payments for "Contract Review Services" intended, or are they only paid as part of an audit. Section XIII below, only references payments related to Audit Services.

Virginia Tech Answer: The current intent is that they would be performed at the time of an audit. However, this could change during negotiations.

22. Please describe the intent at which time audits are expected to be performed.

Virginia Tech Answer: Audits schedules will be coordinated by either individual institutions or by VHEPC.

23. Is there any additional information related to quantity of contracts and or type such as GMP, Cost Plus, Fixed/Lump Sum etc, anticipated over the term of the requested services?

Virginia Tech Answer: Not at this time; however, the VASCUPP contract database can provide insight to types of contracts.

24. Can you please elaborate and or clearly define "non-legal"?

Virginia Tech Answer: A review for best practices or areas that can be improved. Not a review of legal terms and conditions.

25. In regards to the contract audit services, how will the contracts be selected for testing?

Virginia Tech Answer: Contracts will be selected by the institutions working with the awarded firm(s).

26. Please provide further details regarding the "Plan for sales representation for each customer."

Virginia Tech Answer: Firms should be prepared to service all clients within VHEPC and have a plan to do so.

27. Is the recovery fee a percent of the total dollars recovered or a percent of the total auditable spend if a recoverable is identified?

Virginia Tech Answer: This can be addressed during negotiations.

28. Is there a timeline after funds are recovered from the audit in order for the contractor to collect the associated fees?

Virginia Tech Answer: This can be addressed during negotiations.

29. Is there a target percentage for SWaM?

Virginia Tech Answer: Virginia Tech and VHEPC strive to support SWaM businesses and would the percentage of SWaM businesses used to be as high as feasibly possible.

30. Is the work expected to be completed on site or is there the ability to work remotely?

Virginia Tech Answer: Work can be completed remotely; however, if an Institution wants to meet on site the awarded firm(s) must be able to accommodate that request.

31. Is there a need for software as part of this RFP solicitation, or is it strictly for services to perform the audits themselves?

Virginia Tech Answer: This is for the performance of the audit services.

2. The due date and hour has been changed from **October 11, 2020 @ 3:00pm to October 23, 2020 @ 3:00pm.**

3. All other terms and conditions remain the same.

I acknowledge that I have read and understand this addendum in its entirety.

Signature

Date



Virginia Polytechnic Institute and State University

**Proposal to Provide Contract Compliance Reviews & Cost
Containment Services by**

CHARTWELL

RFP# 0061465

October 9, 2020

3:00 p.m.

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

Reed Nagel, VCCO, CUPO
Assistant Director for Facilities and Services
Virginia Tech Procurement, 300 Turner Street, Ste 2100
Blacksburg, VA 24061

Re: RFP# 0061465 Contract Compliance Reviews & Cost Containment Services

Dear Reed Nagel:

Chartwell Procurement Consultant's (Chartwell) is pleased to provide this proposal for the Contract Compliance Reviews & Cost Containment Services at Virginia Tech. The attached documents outline our proposed approach to identify and obtain refunds along with offering ideas that will reduce future costs for the University.

With decades of experience and having worked with members of VASCUPP in the past, we believe a partnership with Virginia Tech would have a tremendous impact on your bottom line. Chartwell is known throughout higher education as a firm that will help clients recover overcharges, reduce costs, improve contract compliance, and uncover savings opportunities. Our staff consists of Certified Public Accountants, Consultants and Audit Professionals who have a proven track record providing cost recovery services. Our goal is to deliver sustainable and measurable results.

As the Managing Director, I will have overall responsibility for the management and direction of this contract. I have nearly 15 years of experience helping clients work through cost recovery projects and cost containment services. I will be the primary contact coordinating contract and project activities with the University and technical teams. If you have any questions regarding this proposal, please contact me at (267) 570-9903 (c) or via email.

Sincerely,
John Fogarino

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

TABLE OF CONTENTS

TYPE OF BUSINESS 4

COMPANY INFORMATION/SIGNATURE 5

STATEMENT OF NEEDS (SECTION VII OF RFP)..... 7

CONTRACT AUDIT SERVICES..... 7

CONTRACT REVIEW SERVICES..... 9

PROPOSAL PREPARATION AND SUBMISSION (SECTION VIII OF RFP) 10

SPECIFIC REQUIREMENTS 10

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

TYPE OF BUSINESS

(Please check all applicable classifications). If your classification is certified by the Virginia Department of Small Business and Supplier Diversity (SBSD), provide your certification number: _____. For assistance with SWaM certification, visit the SBSB website at <http://sbsd.virginia.gov/>.

_____ **Large**

Small business – An independently owned and operated business which, together with affiliates, has 250 or fewer employees or average annual gross receipts of \$10 million or less averaged over the previous three years. Commonwealth of Virginia Department of Small Business and Supplier Diversity (SBSD) certified women-owned and minority-owned business shall also be considered small business when they have received SBSB small business certification.


_____ **Women-owned business** – A business concern that is at least 51% owned by one or more women who are U. S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law, and both the management and daily business operations are controlled by one or more women who are U. S. citizens or legal resident aliens.

_____ **Minority-owned business** – A business concern that is at least 51% owned by one or more minority individuals (see Section 2.2-1401, Code of Virginia) or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

COMPANY INFORMATION/SIGNATURE

In compliance with this Request For Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the goods or services in accordance with the attached signed proposal and as mutually agreed upon by subsequent negotiation.

FULL LEGAL NAME (PRINT) (Company name as it appears with your Federal Taxpayer Number) Chartwell Procurement Consultants, LLC		FEDERAL TAXPAYER NUMBER (ID#) 	
BUSINESS NAME/DBA NAME/TA NAME (If different than the Full Legal Name)		BILLING NAME (Company name as it appears on your invoice) Chartwell Procurement Consultants, LLC	
PURCHASE ORDER ADDRESS 3214 Pietro Way Philadelphia PA 19145		PAYMENT ADDRESS 3214 Pietro Way Philadelphia PA 19145	
CONTACT NAME/TITLE (PRINT) John Fogarino, Managing Director			E-MAIL ADDRESS john.fogarino@chartwellprocurement.com
TELEPHONE NUMBER 267-570-9903	TOLL FREE TELEPHONE NUMBER	FAX NUMBER TO RECEIVE E-PROCUREMENT ORDERS	

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

I acknowledge that I have received the following addendums posted for this solicitation.

1 _____ 2 _____ 3 _____ 4 _____ 5 _____ 6 _____ (Please check all that apply)

Is any member of the firm an employee of the Commonwealth of Virginia who has a personal interest in this contract pursuant to the Code of Virginia, 2.2 – 3102 - 3112

YES _____ NO _____ X _____

SIGNATURE: 

Date: 10/9/2020

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES**STATEMENT OF NEEDS (SECTION VII OF RFP)****A. Contract Audit Services:**

1. Provide contract compliance reviews. These services will include conducting a price analysis review through examination of contracted prices with vendors versus actual prices paid. This would include but not limited to accumulating, processing and analyzing our procurement/contract and payment data and tracking purchase information for multiple fiscal periods.

Chartwell has performed contract compliance reviews for over 20 years working with dozens of clients in higher education. Our review is conducted on a line by line evaluation, analyzing every purchase made to ensure our clients are not getting overcharged. We have identified and recovered six and even seven figure refunds for our clients.

We understand how demanding and busy it is for purchasing and finance departments, therefore we have designed our review to be nonintrusive and the time commitment is extremely minimal for our clients. Our goal is to identify and document every item purchased and whether the pricing is accurate or inaccurate based on the vendor agreement. We do not want to renegotiate your current contract and/or move you to a different supplier. We uncover the truth between the contracted price and invoiced price and we strive to inform and protect our clients from any misinterpretation.

2. Provide a detailed overview on how audits are conducted. Include a description on how data will be pulled to conduct the audit.

Our audit process consists of the following steps:

- The client will provide Chartwell documentation of all written pricing agreements with their vendor(s) applicable to the review period.
- Chartwell will request and obtain historical purchase information from each vendor via electronic files.
- If the vendor requires a Non-Disclosure Agreement from Chartwell, the vendor will send one to Chartwell for execution.
- Chartwell's experts will utilize proprietary analysis software to compare contract pricing to the actual prices charged by the vendors for every purchase made during the review period.

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

- Price Discrepancy Reports will be prepared and provided to the client. These reports will show overcharges, undercharges and items that were priced correctly for all purchases made during the review period.
 - With the client's approval, Chartwell will submit the Price Discrepancy Reports to each vendor to give them an opportunity to provide feedback. Chartwell will obtain supporting documentation for all purchases where the vendor does not agree with the price discrepancy identified by Chartwell.
 - An agreement will be reached on the specific discrepancies identified by Chartwell and reimbursement will be made to the client.
3. Provide a detailed overview of what software will be used during audits and how it can be used in a continuation of services after completion of an audit.

Chartwell will utilize proprietary software to assist with our detailed analysis. We will generate reports in Microsoft Excel showing detailed and summary information made during the review period. Our detailed information, along with our experience, can assist the University by reducing overcharges and assist with savings going forward. Lastly, we can leverage this information to help you prepare for an RFP for services and can also help make changes or addendums to the existing contract to ensure overcharges do not continue and savings are achieved.

4. Describe what type of monitoring systems are available to help insure the overcharges are minimalized in the future and what services are available after an audit is completed.

After an audit is completed, there are several ways to minimize future overcharges.

- Based on the review, contract language can be adjusted to ensure "grey areas" "problem areas" "misinterpretations" in the contract are corrected going forward.
- Quarterly, Semiannual and/or Annual real time audits can take place to ensure the vendor knows that this ongoing pricing compliance will take place and vendors usually manage these contracts much more closely to eliminate large scale pricing discrepancies. (This safeguard service can be a fixed fee or creative rebate structure paid by the vendor)

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

5. Provide a plan for sales representation for each customer. We recognize that not all institution accounts will warrant full-time on-campus representation. Provide a narrative on how you propose to provide this service

Our sales team, led by John Fogarino, will conduct zoom meetings, telephone conference calls and face to face meetings (based on COVID 19 restrictions) to discuss the process, gather information, and keep all clients informed on vendor responses. John Fogarino and members of his team will also conduct periodic calls to keep clients informed on the status of the audit.

6. Payment to the Contractor shall only occur after funds are recovered from the audit. If an audit fails to produce any recovered funds, the University shall not be required to pay the Contractor.

Chartwell always has and will continue to conduct our contract compliance reviews on a contingent fee arrangement. Our reviews are based solely on the financial benefit and total recovery obtained by our client. The total recovery shall include all refunds and/or credits received by the client as a result of Chartwell's efforts.

B. Contract Review Services:

1. Provide a review of prices paid under the contract in comparison to others in the market to determine if the contract price is competitive.

Certain vendors in various industries require non-disclosure agreements that prevent benchmarking activities. During the course of an audit we will identify product pricing anomalies and, to the extent possible, we will document and communicate those anomalies to the client.

Where possible and based on our NDA restrictions, we will note areas of the contract where we believe better pricing can be obtained. We will offer this information in our report under a tab titled "potential for better pricing in this category."

2. Provide a non-legal overview of terms and conditions in contracts to ensure customers are receiving the best deal.
 - As a result of the contract compliance review, we will identify and document the causes of price discrepancies.
 - We will offer the client ideas on how to prevent those discrepancies from occurring in the future with changes in contract language.

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

- We will provide samples of contract language to the client that they can review with their legal counsel.
- We will recommend changes to the contract language via an addendum to the current contract.
- Chartwell is comprised of Certified Public Accountants and Consultants, at no time should our recommendations to adjust pricing be considered legal advice as we are not attorneys.

PROPOSAL PREPARATION AND SUBMISSION (SECTION VIII OF RFP)

A. Specific Requirements

1. Provide a list of the firm's clients comparable to Higher Education.

- Inter-University Council of Ohio Purchasing Group (IUC-PG)
- Illinois Public Higher Education Cooperative (IPHEC)
- Kent State University
- Massachusetts Institute of Technology
- University of Pennsylvania
- University of Cincinnati
- Swarthmore College
- Cornell University
- Ohio University
- University of Pittsburgh
- University of Virginia
- North Carolina State
- Florida State University
- University of Illinois
- University of Chicago
- University of Toledo
- University of Central Florida
- New York University
- Syracuse University
- George Washington University
- Virginia Commonwealth University

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

2. Provide samples of an audit conducted at institutions of varying sizes to show value to smaller potential customers.

The Client (Large Public University)

A large public university with a student population of over 30,000, employing over 12,000 individuals spending approximately \$3.5 Million annually on office supplies. This university has a centralized purchasing management system for its five (5) campuses located in western Pennsylvania.

The Business Situation

The client's office supply spend was divided almost evenly between 3 vendors - 2 national and 1 regional. All 3 vendor agreements contained pricing structures that included fixed prices for core items and a "variable discount" for non-core items. There was no list of discount for non-core items nor was there any explanation of the term "variable discount" in any of the vendor agreements. Management continuously looks to implement cost-cutting and recovery initiatives throughout the organization. They were curious as to the accuracy of their invoices from the 3 different office supply vendors and hired Chartwell to perform a contract bill review for each vendor.

The Results and Benefits

As a result of Chartwell's efforts, the client received a total refund of \$295,000. Furthermore, the client has decided to consolidate its office supply spend to one primary vendor in order to leverage its overall spend volume. Client has engaged Chartwell to assist in developing a more auditable vendor contract that includes a more favorable weighted average discount off of list price and more favorable core and non-core terms.

The Client (Small Private University)

A small private University in Massachusetts with a student population of under 2,800 spending under \$300,000 annually on office supplies.

The Business Situation

During the audit period, over five years, there were 2 similar purchasing contracts between the client and its vendor. Both contracts called for a

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

mixed pricing structure: fixed pricing for several standard computer configurations and discounted pricing for all other purchases.

The Results and Benefits

As a result of Chartwell's efforts, the client received a total refund of just under \$60,000. Client has engaged Chartwell to assist in developing a more clearly defined addendum to the vendor contract that includes better defined non-core categories and paper pricing.

3. Provide a rebate structure or financial incentive as detailed in the background section of the RFP.

Chartwell will provide a rebate structure based on Chartwell's fees collected on per project basis.

Chartwell Fees

Collected	Rebate %
up to \$100,000	0.5%
\$100,001 - \$250,000	1%
\$250,001- 500,000	2%
500,001- \$1M	3%
\$1,000,001 - \$2M	4%
over \$2,000,000	5%

PROPOSAL FOR CONTRACT COMPLIANCE REVIEWS AND COST CONTAINMENT SERVICES

4. Complete the price chart below.

Chartwell's fee percentage is per project, per vendor based on the entire review period.

(i.e. Our fee for a laboratory products review will be as follows: Over a 3 year contract The University is spending \$1M annually with vendor 1 and \$2M with vendor 2. Therefore, we will analyze, on a 3 year review, \$3M for vendor 1 and the fee % will be 28% for the vendor 1 review. We will review \$6M for vendor 2 and the fee % will be 25% for vendor 2 review).

Total Auditable Spend	Recovery Fee %
up to \$1,000,000	31%
\$1M - \$5M	28%
\$5M - \$15M	25%
\$15M - \$25M	22%
\$25M - \$50M	18%
over \$50,000,000	15%

**ADDENDUM
PUBLICLY ACCESSIBLE CONTRACT (PAC)**

This Addendum to Agreement VTS-1525-2021 (“Primary Agreement”) is effective April 5, 2021, and is by and between Virginia Polytechnic Institute and State University (the “University”), on behalf of the Virginia Higher Education Procurement Consortium (the “Consortium”) (collectively the "University"), and Chartwell Procurement Consultants LLC (“Supplier”).

TERM

The term of this Addendum coincides with the end date of the Primary Agreement.

WITNESS

WHEREAS, the University and Supplier have executed the Primary Agreement, and included in the Primary Agreement is a third party access / cooperative clause. Now therefore, the University and Supplier wish to express in this Addendum the specific terms that will allow third party access to the Primary Agreement.

Accordingly, and in consideration of the mutual premises and provisions hereof, the parties hereby agree as follows:

- I. Supplier will:
 - A. Pay the University 1% of fees collected by Chartwell from accessing entities outside of the Consortium membership (<http://vhepc.org/>) associated with the Primary Agreement (as the “PAC Fee”). Payment of the PAC Fee will be in exchange for marketing services provided by the University and the Consortium described below in Section II.
 - B. Fully support this marketing relationship by promoting the availability of the Primary Agreement to non-Consortium entities;
 - C. Provide annual reports detailing the amount of sales to each non-Consortium accessing entity;

- II. The University/Consortium will:
 - A. Promote the Primary Agreement on its website and through other channels (e.g., conferences) to non-Consortium members
 - B. Maintain an approved version of Supplier’s logo on the Consortium website

III. Payment

- A. Payment of PAC Fee will arrive at the University no later than October 31st of each year. The University and Consortium will share the payments equally and allocate payments to the appropriate accounts.

In the event of early termination of the Primary Agreement, this residual payment will arrive at the University no later than 45 calendar days from termination date of the Primary Agreement.

- B. Payment of PAC Fee will take the form of a check. Checks will be made payable to the University of Virginia and sent to:

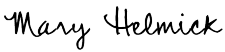
Constance Alexander, Office Manager
 Procurement and Supplier Diversity Services
 University of Virginia, Carruthers Hall
 PO Box 400202
 1001 N. Emmet Street
 Charlottesville, VA 22904

In case of conflict between this Amendment and the Agreement, this Amendment shall take precedence. All other terms and conditions of the Agreement remain in effect.

ACCEPTANCE


For University

For Supplier

DocuSigned by:


5943314F5CD3478...
 Mary Helmick, Director
 Procurement
 4/14/2021

 Date

DocuSigned by:


31D3247269AF4D7...
 4/14/2021

 Date

Negotiation Questions for Vendors

1. As part of Virginia Tech standard procedures, all awarded contracts will be publicly posted on an online contracts portal. Is there any information included that would be used to identify or harm a person's identity, finances or personal information? If so, please provide a redacted copy of your proposal.

This contract will not harm a person's identity, finances or personal information. We do not see any reason to provide a redacted copy of your proposal. Thank you.

2. Are there any additional financial or value-added incentives you would like to offer at this time?

Yes, please see revised pricing table as the answer to number 11.

3. Are there any additional forms or documents that you will require to be incorporated into the contract documents? If so, please submit.

We do not have any additional forms or documents that will need to be incorporated into the contract.

4. Do you agree that you will be performing services as an Independent Contractor, Company, Corporation or other business entity and are not an employee of Virginia Tech or any other Commonwealth Entity?

We agree.

5. Do you further agree that Virginia Tech will not withhold any income taxes from its payments to contractors nor will it provide any employment benefits to the contractor or contractor's employees?

We agree.

6. How did your firm arrive at the figure for price adjustments? Is this a similar adjustment made to all your clients, or an industry standard?

Similar adjustments made to all of our clients along with our risk of our contingent fee structure.

7. Do you agree that the initial contract period shall be three years? Are there any value adds your firm can provide for a longer initial contract period?

Yes, we can decrease our fee structure by one percentage point for a five year initial contract period as shown in our fee table for question number 11.

8. Upon completion of the initial contract period, does your firm agree that the contract may be renewed by Virginia Tech upon written agreement of both parties for two (2) three year periods, under the terms of the current contact?

Yes, we agree that the contract may be renewed by Virginia Tech upon written agreement of both parties for two (2) three year periods, under the terms of the current contact.

9. If awarded a contract, do you agree to limit price increases to no more than the increase in the Consumer Price Index, CPI-W, All Items category for the latest twelve (12) months for which statistics are available at the time of renewal or 3 percent, whichever is less?

Our fee percentages will not increase for the initial contract period and the first renewal.

10. If awarded a contract, are you willing to hold prices firm for the initial contract period and the first renewal?

Yes, our fee percentages will not increase for the initial contract period and the first renewal.

11. While other factors such as the methodology, quality of service and prior experience are considered during the selection process, the evaluation of price, including the annual maintenance fee, is a key element of the evaluation. With this in mind, please provide your most competitive price structure.

We do not have an annual maintenance fee. Please see our table below for our most competitive price structure. The first table is our RFP pricing and the second table is the reduction in fee for a five year initial term.

RFP Pricing Table:

Total Auditable Spend	Recovery Fee %
up to \$1,000,000	31%
\$1M - \$5M	28%
\$5M - \$15M	25%
\$15M - \$25M	22%
\$25M - \$50M	18%
over \$50,000,000	15%

Fee reduction for five-year initial term:

Total Auditable Spend	Recovery Fee %
up to \$1,000,000	30%
\$1M - \$5M	27%
\$5M - \$15M	24%
\$15M - \$25M	21%
\$25M - \$50M	17%
over \$50,000,000	15%

12. Please provide your best schedule of prices for all services offered.

Please see pricing table for question number 11.

13. How soon after contract award can you begin providing services?

We can begin providing our services the week the contract is awarded and executed.

14. Are you registered with and willing to participate in the eVA internet procurement solution described in the terms and conditions of the RFP?

Yes, we are currently registered with and willing to participate in the eVA procurement solution.

15. Do you acknowledge, agree and understand that Virginia Tech cannot guarantee a minimum amount of business if a contract is awarded to your company?

Yes, we acknowledge, agree and understand that Virginia Tech cannot guarantee a minimum amount of business if a contract is awarded to Chartwell.

16. Are the prices for all goods/services listed in your proposal inclusive of all applicable eVA system transaction fees?

Yes.

17. Does the vendor acknowledge, agree, and understand that the terms and conditions of the RFP # 0061465 shall govern the contract if a contract is awarded to your company?

Yes, Chartwell does acknowledge, agree, and understand that the terms and conditions of the RFP # 0061465 shall govern the contract if we are awarded.

18. Do you agree to become a certified SWaM vendor with the Virginia Department of Small Business and Supplier Diversity and maintain that certification throughout the term of this contract?

Yes.

19. VHEPC (<http://vhepc.org>) leadership approved a model that allows for non-VHEPC members to access VHEPC contracts by having the firm pay a Publicly Accessible Contract (PAC) Fee of 1% back to VHEPC for purchases on the contract. This model allows non-VHEPC members to access contract pricing without non-VHEPC members having to do an RFP. This contract could be used as a marketing tool for your business, and VHEPC would provide strategic contract administration and marketing as well. Attached is the PAC Agreement template for your review. Please indicate if your firm is willing to participate in this program?

After reviewing the PAC Agreement, we suggested a couple of changes based on our contingent fee services. Please see our changes below in blue.

In the PAC agreement under WITNESS – I. Supplier will:

A. Pay the University 1% of all sales to accessing entities outside of the Consortium membership (<http://vhepc.org/>) associated with the Primary Agreement (as the “PAC Fee”). Payment of the PAC Fee will be in exchange for marketing services provided by the University and the Consortium described below in Section II.

Pay the University 1% of fees collected by Chartwell from accessing entities outside of the Consortium membership (<http://vhepc.org/>) associated with the Primary Agreement (as the “PAC Fee”). Payment of the PAC Fee will be in exchange for marketing services provided by the University and the Consortium described below in Section II.

C. Provide quarterly sales reports detailing the amount of sales to each non-Consortium accessing entity;

Provide annual fee reports detailing the amount of fees collected from each non-Consortium accessing entity;