



Request for Proposal

University Trademark Licensing Plan

March 28, 2017



A VASCUPP Member Institution
Issued by
Procurement and Supplier Diversity Services
Charlottesville, Virginia

University Trademark Licensing Plan
Request for Proposal #SH032817
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This Request for Proposal (RFP) has been posted on Procurement and Supplier Diversity Services web site for your convenience. Addenda and attachments are posted if issued. The RFP can be downloaded at this web site: <http://www.procurement.virginia.edu/pagerfp>. It is the firm's responsibility to ensure that the latest version of the entire RFP and related links are reviewed prior to submission of a proposal. We encourage you to check the web site frequently for any changes prior to the due date. Call (434) 924-1346 if you have trouble accessing the RFP from the web. For questions about the content of the RFP, contact the buyer listed in Section VI, Information about this RFP. Additional information can be found on Procurement and Supplier Diversity Services web site: <http://www.procurement.virginia.edu/pagehome>

I. Overview of the RFP Process

The Rector and Visitors of the University of Virginia (the "University"), a Virginia public corporation, seeks an experienced firm to provide trademark licensing services. This RFP is part of a competitive procurement process which helps to serve the University's best interests. It also provides firms with a fair opportunity for its services to be considered. The process of competitive negotiation being used in this case should not be confused with the different process of competitive sealed bidding. The latter process is usually used where the goods or services being procured can be described precisely and price is generally the determinative factor. With competitive negotiation, however, price is not required to be the determinative factor, although it may be, and the University has the flexibility it needs to negotiate with firms to arrive at a mutually agreeable relationship.

For ease of reference, each firm receiving this RFP is referred to as a "firm" and the firm selected to provide services for the University is referred to as the "Selected Firm." This RFP states the instructions for submitting proposals, the procedure and criteria by which a firm may be selected, and the contractual terms by which the University proposes to govern the relationship between it and the Selected Firm.

It is the policy of the Commonwealth of Virginia and the University to contribute to the establishment, preservation, and strengthening of small businesses and businesses owned by women and minorities, and to encourage its participation in State procurement activities. The Commonwealth and the University encourage firms to provide for the participation of small businesses and businesses owned by women and minorities through partnerships, joint ventures, subcontracts, or other contractual opportunities.

II. Background Discussion and Goals of the University

When Thomas Jefferson founded the University in 1819, he intended it to be nothing less than a world-class institution of higher learning. Jefferson's spirit lives on – not only in the Rotunda and Academical Village he designed, and which remain treasures of American architecture, but in the University's standing as a leader in education, research, and community service.

The 24,541 students attending the University work within a true meritocracy and live by an Honor Code unique among American universities. Each student is exposed to the widest spectrum of disciplines – from arts and athletics to humanities and technology. Our students also enjoy a unique connection to the world beyond college through the University's outstanding professional training, exemplified by its nationally ranked schools of Law, Business, and Medicine. The University as a whole has had a consistently high ranking not only among public schools, where it often heads the list, but among all American universities, public and private.

Over 12,400 permanent University faculty and staff are committed to serving both the local and national community. The University makes a real difference in the world, through its invaluable research, a hospital ranked among the nation's finest, and graduates who have consistently been among the forefront of our nation's shapers. At the University, our bright future is the direct result of our great history.

The University is seeking to maximize revenues and program effectiveness by engaging a firm to manage its trademark licensing program in a spirit of partnership. Through this RFP, the University intends to select a firm to act as the University's exclusive agent in representing University trademarks (name, logos, and indicia) on consumer products sold throughout the territory during the term of the resulting Agreement. The Selected Firm will focus its efforts on assisting the University in the development and distribution of consumer products that preserve the integrity, character, dignity, and reputation of the University across a wide range of high quality consumer products.

Overview of the University's Athletics Program

A member of the prestigious and highly competitive Atlantic Coast Conference (ACC), the University has 12 intercollegiate sports for men and 13 for women at the NCAA Division I level. The University's athletics department is in the midst of its second aggressive ten-year strategic plan that includes goals of graduating 100 percent of its student athletes, winning 12 national championships and 70 conference championships, fully endowing all scholarships, building and maintaining the finest facilities, attracting top prospective athletes and fully complying with Title IX.

University Athletics Accomplishments

The University is one of 12 schools to rank in the Top 30 in the Learfield Sports Directors' Cup standings in each year of the program's existence. The University's highest finish was third in 2010. The University finished fourth in 2014, sixth in 2015, and eighth in 2016.

- The University captured four ACC championships in 2015-16 and its 74 conference titles since the spring of 2002 are the most of any ACC school during that time.
- Over the last two academic years (2014-15 and 2015-16), the University has won national championships in men's soccer team, baseball and men's tennis (twice). The men's basketball team has received a number one or number two seed in the NCAA Tournaments for 2014-2016.
- The Virginia Athletics Foundation (VAF) raises money in support of the athletics department from an annual donor base of approximately 9,400. In addition to an aggressive annual fund goal of more than \$18 million in 2016, VAF also raises money for scholarship endowments, academic affairs, operational budget support and facilities, averaging over \$30 million in contributions per year for each of the past nine years.

Current Status of the University's Licensing Program

The Collegiate Licensing Company (CLC) is the University's incumbent Trademark Licensing firm. Working together in a true cooperative arrangement, CLC and the University manage the Trademark Licensing program.

A three-year financial history of the Trademark Licensing Program is listed below:

2015-16

- Total Royalties: \$1,149,298
- Total Sales: \$8,676,451
- Apparel Royalties: \$713,021
- Apparel Sales: \$5,409,620
- Non-Apparel Royalties: \$337,749
- Non-Apparel Sales: \$3,266,831
- Top Five Overall Licensees: Nike, Gear for Sports, Blue Ridge Graphics, Commemorative Brands, Knights Apparel

2014-15

- Total Royalties: \$1,170,671
- Total Sales: \$8,936,229
- Apparel Royalties: \$754,569
- Apparel Sales: \$5,447,085
- Non-Apparel Royalties: \$350,261
- Non-Apparel Sales: \$3,479,169
- Top Five Overall Licensees: Nike, Blue Ridge Graphics, Colosseum Athletics Corporation, Commemorative Brands, Twins Enterprise

2013-14

- Total Royalties: \$917,321
- Total Sales: \$6,598,127
- Top Five Overall Licensees: Nike, Gear for Sports, EA Sports, Blue Ridge Graphics, Commemorative Brands

In support of its mission and in an effort to maintain the highest quality services for its customers, the University seeks an experienced firm to provide services related to the University's trademark licensing plan.

III. Scope of Services

It is the University's intent to enter into an Agreement with the Selected Firm to provide those goods and services necessary to operate the University's Trademark Licensing Program in a manner which will enable the University to achieve its goals as outlined in this RFP (the "Services"). In order to achieve this goal the Selected Firm may be requested to provide those goods and services outlined in this section.

A. The Selected Firm will provide Services which will include, but not be limited to:

1. Administration of Licensing Program
 - a. Report to the University's Contract Administrator to assure compliance with licensor goals, objectives, policies, and procedures.
 - b. Respond to and process all licensing requests in a timely manner, providing the necessary information to potential licensees.
 - c. Secure product and concept approvals from the University's Contract Administrator.
 - d. Execute license agreements on behalf of the University.
 - e. Maintain accurate records and files on all license agreements and royalties for a period of three years beyond the term of the Agreement.
 - f. Analyze royalties and send comprehensive reports along with a royalty check to the University on a quarterly basis.
2. Development of marketing programs to expand the market for licensed products.
 - a. Attend trade shows, subscribe to trade publications, visit with licensees/potential licensees in the field, and otherwise understand who the key players are in each licensor's market.
 - b. Develop a program to reach local retailers in the University's immediate locale to encourage support and sale of licensed products.
 - c. Communicate with retailers nationwide to encourage the sale of licensed products and discourage infringement.
3. Advice and assistance to the University
 - a. Develop policies and procedures to govern licensing program while setting goals and objectives by which progress is to be measured.
 - b. Provide detailed financial analysis and reports to the University's Contract Administrator on a regular basis.

- c. Communicate with and visit the University as often as necessary to assure effective progress toward licensor's goals and objectives.
4. Legal assistance and enforcement of licensing requirements
 - a. Assist the University as needed in the federal registration process and in preventing infringing or diluting uses of the indicia.
 - b. Identify non-licensed vendors found using the University's marks and either enlist them into the licensing program or demand that they cease and desist any further use of licensor's marks.
 - c. Assist the University in building a case against infringing parties.
5. Conduct of licensee contract compliance audits
 - a. Conduct on-site contract compliance audits on a regular basis and follow up to ensure that all discrepancies are resolved.
 - b. Assure accurate and timely reporting of royalties
 - c. Assure that licensee is selling only those products and designs which have been approved by the University.
 - d. Monitor on-site quality of products and production
6. Labor Practices
 - a. Ensure that all licenses issued for products bearing University indicia will be done so in accordance with policies similar to those outlined in Attachment 5, Labor Code Standards. These standards are in place with the University's current Licensing Program Service Provider, Collegiate Licensing Company. The Selected Firm agrees that monitoring of these standards will be carried out in accordance with Fair Labor Association (FLA) standards and procedures.

IV. Basis of Selection

The University will evaluate proposals and, if a firm is to be selected, select the firm on the basis of:

- A. The firm's plan to assist the University to meet its goals for a Trademark Licensing Plan as discussed in Section II, Background Discussion and Goals of the University, and Section III, Scope of Services;

- B. The firm's relevant experience, qualifications and success in providing the goods and services outlined in this RFP;
- C. The firm's references from institutions of higher education, NCAA Division 1/FBS athletics programs, and clients which are comparable to the University;
- D. The firm's financial proposal including trademark licensing royalty revenue payments, bonus payments, and all anticipated expenses;
- E. The quality of the proposal, specifically, responsiveness to requirements and adequacy of information provided;
- F. The contractual terms which would govern the relationship between the University and the Selected Firm;
- G. The firm's plan for the utilization of Small, Women-owned and Minority-owned (SWAM) businesses. (In evaluating the firm's proposal, the University will assign a minimum of 10 percent of the total selection weight to this individual selection criterion.); and
- H. Any other factors relevant to the firm's capacity and willingness to satisfy the University.

V. Contents of the Proposal

Proposals should include information outlined in this section. Copies of proposals must be sent to the Issuing Office, Procurement and Supplier Diversity Services, Carruthers Hall, and not to any other office or department whatsoever at the University.

Firms are encouraged to submit proposal(s) for conducting the activities and delivering the services specified within the RFP. All proposals must be submitted in accordance with the requirements of this RFP. A firm's failure to include any information in its proposal may disqualify that firm from further consideration for award. All responding firms should meet the requirements specified in this section and submit the required information within their proposal. If the firm plans to subcontract any of the items described within the specifications, the firm will specify accordingly and respond to all questions raised regarding each proposed subcontractor. If the firm plans a joint venture with another company, the firm should so state and respond to all questions regarding each company involved in the joint venture.

Proposals will be prepared in a manner that is clear, complete, concise, and responds to the RFP. Unless specific exceptions are made to the RFP specifications within the firm's proposal, the University will assume that the firm accepts all terms and conditions outlined within the specifications.

A. Services

1. Describe how the firm plans to provide to provide trademark licensing program Services which is the primary goal of this RFP.
2. Provide a plan of operation to achieve the objectives set forth in Section II Background Discussion and Goals of the University and Section III, Scope of Services, specifically responding to each paragraph and subparagraph in the order addressed. Include an overview of the firm's operating philosophy as it relates to a business relationship with the University and of the firm's mission, vision, and core values.
3. Brand Protection
Provide:
 - a. A summary of the legal resources available through the firm to the University to swiftly and thoroughly address all licensee contract compliance matters, as well as instances of trademark infringement/dilution.
 - b. A brief overview of the firm's services to help the University track licensee factories in the supply chain and provide reports to those agencies (i.e., FLA) that the University has supported via relationships to improve supply chain compliance.
 - c. Provide an overview of the firm's auditing program.
4. Brand Management
Provide:
 - a. An overview of the firm's technology infrastructure, licensing software, and reporting capabilities. Please also include sample reports of data that will be available to the University using the firm's technology.
 - b. An overview of royalty reporting processes maintained by the firm to ensure

fiduciary controls over the University's royalties.

- c. Sample reports that summarize the University's financial performance from consumer products licensing and indicate which reports can be accessed by the University to monitor licensee and program performance.
- d. A summary of the firm's digital asset management services to properly distribute digital logos to the University's licensees, including a summary of any associated costs charged to licensees.

5. Brand Development

Provide:

- a. An overview of the firm's Brand Development services and philosophies; including primary areas in which firm feels it can impact a client's brand.
 - b. Specific information about the firm's philosophy in how the firm manages both Apparel and Non-Apparel opportunities for its clients.
 - c. The firm should describe how it will support the University in seeking and executing licensee relationship programs in the spirit of partnership that will position the University for continued growth. Provide plans for types of licensees, as well as your process and capabilities for executing and managing such licensee relationships.
 - d. A summary of the firm's experience dealing with major collegiate apparel/team uniform suppliers in crafting unique licensing relationships benefiting both the apparel licensee and the University.
 - e. Examples of other experiences from your firm that might illustrate innovative thinking that could benefit the University's licensing program in the future.
6. Provide a timeline and process for transitioning the University's licensing program (if the firm is not the University's incumbent).
7. The University invites proposals that present different options for provision of the Goods and Services, and/or alternate creative proposals from firms. The University will, in its sole judgment, consider such options and/or alternatives as long as the functionality and minimum requirements of the University are met.

B. Firm Information, Personnel, References

1. Provide a brief history of the firm and its experience in providing trademark licensing Services similar to those described in this RFP to include the management of multi-million dollar licensing programs and the firm's principals' experience in college licensing.
2. Provide information on those individuals assigned to work with the University including a description of its experience in providing similar trademark licensing Service to include:
 - a. Background on the personnel that will be assigned to work with the University on licensing strategy, as well as those personnel assigned to managing day-to-day operational matters and customer service in conjunction with the University.
 - b. An overview of the firm's ownership structure and biographies on the key principals involved in leading the firm
 - c. Specifically identify the name and contact information for the individual assigned to act as the coordinator for both the firm's proposal and any subsequent responses required of the firm as a part of the RFP process.
3. Provide a list of all of the firm's clients comparable to the University indicating the length of service of each account. The University may contact and/or visit any of these accounts.
4. Provide a list of institutions of higher education with which the firm has signed a term contract.
5. Provide a list of clients lost within the last three years which includes:
 - a. A contact name and telephone number
 - b. Length of service at the account
 - c. Reason for the loss
6. Provide a copy of the firm's most recent audited financial statements.
7. Provide the amount of annual sales the firm has with each VASCUPP Member Institution. A list of the VASCUPP Members can be found at <https://vascupp.org>.
8. Provide the name of the individual responsible for the firm's supplier diversity program. This individual is responsible for implementing and reporting on the

firm's Small, Women-owned and Minority-owned (SWAM) program as it will relate to this procurement should the firm be selected.

C. Financial Proposal

1. Describe the revenue that will be paid to the University to include the firm's royalty sharing formula, as well as any proposed corresponding Agreement term length adjustments. (Note that the University desires a contractual relationship with the firm that will operate in a spirit of partnership and continue to foster growth in trademark licensing revenues, while providing shared incentives for the University and the firm to increase such revenues.)
2. Describe how the University will be paid. Include a discussion of the firm's proposed timing and associated payment documentation.
3. The firm should indicate any unique financial considerations as a part of its proposal.
4. Describe how the University will benefit from bonuses, cost savings and/or enhanced revenue generation by accepting the firm's proposal.
5. State the firm's agreement to receive payments electronically via Bank of America's ("BoA") ePayables® method of electronic payment or BoA's PayMode® method of electronic payment. Prior to contract award, the Selected Firm will be required to contact University Procurement and Supplier Diversity Services' Payment Processor Specialist group to set up its preferred method of receiving electronic payments [Phone: (434) 924-4212 and E-mail: uva-prs-boa@virginia.edu].

D. Contractual Arrangements

1. Provide the University with any form or contract the University may be requested to sign.
2. State the firm's acceptance of Attachment 1, Mandatory Contractual Provisions.
3. State the firm's acceptance, with any proposed modifications, of Attachment 2, Preferred Contractual Provisions.
4. Provide a written statement with the firm's proposal that its principals or legal counsel have reviewed Attachment 1, Mandatory Contractual Provisions, and

Attachment 2, Preferred Contractual Provisions, and agree that these provisions will become a part of any final agreement.

5. Provide a list of clients with which the firm has signed a term contract that allows for cooperative procurement.

E. Site Visits

It may be necessary or desirable for the University's evaluation team of less than ten people to travel to a site chosen jointly by the firm and the University to view its operation. Each firm will indicate whether it will reimburse the University for the reasonable and actual expenses (travel, lodging, meals, etc.) incurred by the University for its travel.

F. Small, Women-owned and Minority-owned (SWAM) Business

The University is committed to the goal of non-discrimination and to giving fair consideration for all vendors in its procurement programs. The University has set a voluntary goal of doing 5% more business with SWAM firms each year. The University's 2014 SWAM plan spend goal for firms certified by the Commonwealth of Virginia's Department of Small Business & Supplier Diversity (SBSD) is 45%. Targets for each business segment are as follows:

Small Business & Supplier Diversity	6%
Women Business Enterprises	7%
Small Business Enterprises	32%

This goal does not allow for "set aside" purchases. SWAM firms must compete equally with majority firms and be able to provide the University with quality goods and services at competitive prices. To view the University's current quarterly achievements, click here ([Current SWAM Report](#)). As this report shows, the University is in need of assistance in the Minority-owned and Women-owned categories. Please tailor your firm's SWAM plan to assist the University in meeting its goal and targets.

Specify whether the firm is a SWAM. Firms can only be considered a Small, Women-owned or a Minority-owned Business Enterprise if certified by SBSD. All certified SWAM firms will be assigned a specific identification number. No SWAM firm is

required to certify under this program and no SWAM firm will be excluded from doing business with the Commonwealth because of its failure to certify as a SWAM firm.

If the firm is not a SWAM firm, describe the firm's partnering relationships with SWAM firms and how it plans to support the University's goal to increase business annually by 5% with these firms in accordance with Attachment 4, Vice President for Finance's Request for Commitment letter.

G. Other Information

Provide any other information which the University should consider in evaluating the firm's proposal.

VI. Information about this RFP

A. Procurement Schedule

Here is a brief schedule for this procurement, specifying the important dates and milestones:

Issue Date of RFP:	03/28/17
Preproposal Conference:	04/12/17
Deadline for Receipt of Proposals:	04/25/17
Oral Presentations and Negotiations:	05/16/17
Contract Award:	06/30/17

B. Issuance of RFP and Questions

The Issuing Office for this RFP is:
Procurement and Supplier Diversity Services
University of Virginia
1001 North Emmet Street
P.O. Box 400202*
Charlottesville, Virginia 22904-4202

**NOTE: If RFP proposal is sent U. S. Postal Service use the P.O. Box. The University does not take responsibility for lost or misdirected mail.

Attention: Steve Heldreth, Major Procurements Manager
Telephone: (434) 924-4217
Fax : (434) 982-2690
TDD: (434) 982-HEAR

Email: heldreth@virginia.edu

Any questions concerning this RFP will be directed to {Buyer name} as listed above and not to any other person at the University, with the exception of issues directly related to SWAM business and SWAM subcontracting opportunities. Such SWAM issues may be alternately directed to Les Haughton, Director, Supplier Diversity, at (434) 924-7174 or lh7sn@virginia.edu. The University will determine whether any addenda should be issued as a result of any question or other matters raised.

C. Preproposal Conference

A conference for firms receiving this RFP will be held on Wednesday, April 12, 2017 at 12:00 p.m. EDT in the McCue Center 3rd Floor Conference Room, Charlottesville, Virginia (map viewed at this web site: <http://www.virginia.edu/webmap>). Attendance at this conference is advised if your firm wishes to raise any questions in connection with this RFP. Please print a copy of the RFP and bring it with you as no additional copies will be provided at the conference. The University intends to present general information which may be helpful in the preparation of proposals and to offer firms the opportunity to ask questions concerning this RFP. No firm may have more than two representatives present at the conference.

Firms planning to attend the Preproposal Conference should notify ToShun Campbell at UVA Request for Proposals pur-rfp@eservices.virginia.edu , no later than 12:00 p.m. EDT on Monday, April 10, 2017 of the names, titles, and phone numbers of the individuals who will attend. Firms traveling to Charlottesville can go to the following website for travel arrangement assistance: <http://www.virginia.edu/placestostay/>

D. Proposal Deadline

All proposals must be received at the Issuing Office by 3:00 p.m., EDT, on Tuesday, April 25, 2017. The University may, at its discretion, accept late proposals if it is determined to be in the best interest of the University. Firms must submit an electronic original proposal that will be received by the University by the proposal deadline. The electronic original proposal must be submitted on a flash drive. In addition to the original

proposal, firms must provide seven hard copies of the original proposal in individual, bound volumes. Each hard copy of the proposal must be accompanied by an electronic copy of the proposal on a flash drive. All electronic proposal documents, whether originals or copies, should be formatted as Microsoft Word documents.

Any trade secrets or proprietary information submitted with a proposal (original or copy) for which the firm seeks protection from public disclosure must be clearly identified by the specific page and section number in the proposal and accompanied by a suitable justification requesting non-disclosure. RFP Section VI-J, Virginia Freedom of Information Act, applies.

E. Oral Presentations and Negotiations

An oral presentation by two or more firms may be required after written proposals are received by the University. If the University requires such a presentation, the Issuing Office will schedule a time and place. Each firm should be prepared to discuss and substantiate any of the areas of the proposal it submitted, its own qualifications for the services required and any other area of interest relative to its proposal. Oral presentations and negotiations are tentatively scheduled for Tuesday, May 16, 2017. Negotiations with two or more firms will be conducted by the University on the firms' financial proposals and proposed terms and conditions during this time.

F. Communications Between the University and the Firms Regarding This RFP

Informal Communications

From the date of receipt of this Request for Proposal by each firm until a binding contractual agreement exists with the Selected Firm and all other firms have been notified, or when the University rejects all proposals, informal communications regarding this procurement will cease. Informal communications will include but not be limited to:

1. Requests from the firms to any department at the University, with the exception of Procurement and Supplier Diversity Services for information, comments, speculation, etc.; and

2. Requests from any department at the University, or any employee of the University, with the exception of Procurement and Supplier Diversity Services for information, comments, speculation, etc.

Formal Communications

From the date of receipt of this Request for Proposal by each firm until a binding contractual agreement exists with the Selected Firm and all other firms have been notified, or when the University rejects all proposals, all communications between the University and the firms will be formal, or as provided for in this Request for Proposal, or as requested by Procurement and Supplier Diversity Services. Formal communications will include but not be limited to:

1. Preproposal Conference
2. Oral presentations
3. Site visits, Interviews, etc.

Any failure to adhere to the provisions set forth in Informal Communications and the Formal Communications sections above may result in the rejection of any firm's proposal or cancellation of this RFP.

G. Formation of the Agreement with the Selected Firm

All proposals received will first be carefully evaluated by the University, and then the University intends to conduct negotiations with two or more firms. After negotiations have been conducted, if the University chooses to make award, the University will select the firm which, in its opinion, best meets the needs of the University. Alternately, if the University determines in writing and in its sole discretion that only one firm is fully qualified, or that one firm is clearly more highly qualified than the others under consideration, it may decide to negotiate and award an agreement to that single firm. In either event, the University intends to execute a mutually satisfactory written agreement which will reflect and largely incorporate this RFP as reconciled with any pertinent documents, such as the proposal submitted and relevant negotiation correspondence.

Because the University may choose to negotiate and award to a single firm as discussed above, each firm must include in its written proposal all requirements, terms or conditions it may have, and should not assume that an opportunity will exist to add such matters after the proposal is submitted.

Any firm(s) invited to negotiations should note that the University reserves the right to begin negotiations by combining the best aspects of submitted proposals from all responding firms as the basis for subsequent formation of any Agreement resulting from this RFP.

Firms should also note that, as described in Section H, Provisions Deemed Included in the Proposal, certain matters will automatically be deemed part of the proposal.

H. Provisions Deemed Included in the Proposal

The University will consider each proposal to include not only the matters expressly stated in the proposal as requested in Section V, Contents of the Proposal, but also other provisions which consist of two different types: those which are "mandatory" and cannot be changed by a firm in its proposal; and those which are "preferred" by the University, but which a firm may wish to alter by expressly and specifically so stating in its proposal.

The University includes mandatory provisions so that all proposals will be governed by the same basic contractual terms. The University encourages any firm which feels that a mandatory provision is unreasonable to contact the University before proposals are due so the University can consider amending the provision. The University includes preferred provisions so that any difference between the firm and the University's preferred contractual provisions can be considered during the University's evaluation of proposals.

1. Mandatory Provisions

Each proposal received by the University in response to this RFP will automatically be deemed to include the firm's agreement to the provisions of (a) and (b) below.

Although such provisions will govern the firm's proposals as submitted, the University and one or more firms may later mutually agree to amend such provisions, such as when additional time is needed to consider proposals, or when contractual negotiations or performance indicate that such amendments are appropriate.

- a. The proposal constitutes an offer by the firm which will remain open and irrevocable for a period of 120 days from the deadline for submitting proposals as stated in Section D, Proposal Deadline.

- b. If selected by the University, the provisions governing the firm's performance will include all the provisions of Attachment 1, Mandatory Contractual Provisions.

2. Preferred Provisions

Unless a firm expressly and specifically provides otherwise in its written proposal, the proposal received by the University in response to this RFP will automatically be deemed to include the firm's agreement to these provisions:

- a. The firm consents to the University contacting and obtaining any information relevant to this RFP from the references and others identified by the firm in its proposal, as well as from any other persons, firms, or organizations which the University wishes to contact; and
- b. If selected by the University, the provisions governing the firm's performance will include all the provisions of Attachment 2, Preferred Contractual Provisions.

I. Rejection of Proposals

The University reserves the right to reject any or all proposals received. Nonacceptance of a firm's proposal will mean that one or more proposals were deemed more advantageous to the University or that all proposals were rejected. Firms whose proposals are not accepted will be notified after a binding contractual agreement between the University and the Selected Firm exists, or when the University rejects all proposals.

J. Virginia Freedom of Information Act

Except as provided, once an award is announced, all proposals submitted in response to this RFP will be open to inspection by any citizen, or interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by a firm prior to or as part of its proposal will not be subject to public disclosure under the Virginia Freedom of Information Act only under the following circumstances: (1) the appropriate information is clearly identified by some distinct method such as highlighting or underlining; (2) only the specific words, figures, or paragraphs that constitute trade secrets or proprietary information are identified; and (3) a summary page is supplied immediately following the proposal title page that includes (a) the information to be protected, (b) the section(s)/page number(s) where this information is

found in the proposal, and (c) a statement why protection is necessary for each section listed. The firm must also provide a separate electronic copy of the proposal (CD, etc.) with the trade secrets and/or proprietary information redacted. *If all of these requirements are not met, then the firm's entire proposal will be available for public inspection.*

IMPORTANT: A firm may not request that its entire proposal be treated as a trade secret or proprietary information, nor may a firm request that its pricing/fees be treated as a trade secret or proprietary information, or otherwise be deemed confidential.

Attachment 1
Mandatory Contractual Provisions

A. Nondiscrimination

During the performance of this Agreement, the Selected Firm will comply with the contract provisions contained in Section 2.2-4311 (1) & (2) of the Code of Virginia or any successor provisions which may be applicable to this Agreement. Also, in accordance with Section 2.2-4343.1, the University does not discriminate against faith-based organizations.

B. Conflict of Interests

The Selected Firm represents to the University that its entering into this Agreement with the University and its performance through its agents, officers and employees does not and will not involve, contribute to nor create a conflict of interest prohibited by the Virginia State and Local Government Conflict of Interests Act (Va. Code 2.2-3100 *et seq*), the Virginia Ethics In Public Contracting Act (Va. Code 2.2-4367 *et seq*), the Virginia Governmental Frauds Act (Va. Code 18.2-498.1 *et seq*) or any other applicable law or regulation.

C. Assignment

Neither party to this Agreement will have the right to assign this Agreement in whole or in part without the prior written consent of the other.

D. Amendments

No amendment of this Agreement will be effective unless it is reduced to writing and executed by the University's Director of Procurement and Supplier Diversity Services and by the individual signing the Selected Firm's proposal or by other individuals named by either party as specified in Section E, Notices below. If the Selected Firm deviates from the terms of this Agreement without a written amendment, it does so at its own risk.

E. Notices

Any notice required or permitted to be given under this Agreement will be in writing and will be deemed duly given: (1) if delivered personally, when received; (2) if sent by recognized overnight courier service, on the date of the receipt provided by such courier service; (3) if sent by registered mail, postage prepaid, return receipt requested, on the date shown on the signed receipt; or (4) if sent by facsimile, when received (as verified by sender's machine) if delivered no later than 4:00 p.m. (receiver's time) on a business day or on the next business day if delivered (as verified by sender's machine) after 4:00 p.m. (receiver's time) on a business day or on a non-business day. All such notices will be addressed to a party at such party's address or facsimile number as shown below.

If to the University:
Eric N. Denby
Director of Procurement and Supplier Diversity Services
Carruthers Hall
University of Virginia
1001 North Emmet Street
P.O. Box 400202
Charlottesville, Virginia 22904-4202
Fax: (434) 982-2690

If to the Selected Firm:

The person signing the Selected Firm's proposal in response to the University's RFP, at the Selected Firm's address indicated in such proposal; or to such other person or address as either may designate for itself in writing and provide to the other.

F. Independent Contractor

The Selected Firm is not an employee of the University, but is engaged as an independent contractor. The Selected Firm will indemnify and hold harmless the Commonwealth of Virginia, the University, and its employees and agents, with respect to all withholding, Social Security, unemployment compensation and all other taxes or amounts of any kind relating to the Selected Firm's performance of this Agreement. Nothing in this Agreement will be construed as authority for the Selected Firm to make commitments which will bind the University, or to otherwise act on behalf of the University, except as the University may expressly authorize in writing.

G. Workers' Compensation and Employers' Liability

The Selected Firm will (i) maintain Employers Liability coverage of at least \$100,000 and (ii) comply with all federal or state laws and regulations pertaining to Workers' Compensation Requirements for insured or self-insured programs.

H. Drug-Free Workplace

The Selected Firm, its agents and employees are prohibited, under the terms of this Agreement, Code of Virginia Section 2.2-4312, and the Commonwealth of Virginia, Department of Human Relations Management Policy Number 1.05, from manufacturing, distributing, dispensing, possessing, or using any unlawful or unauthorized drugs or alcohol while on University property.

During the performance of this Agreement, the Selected Firm agrees to 1) provide a drug-free workplace for the Selected Firm's employees; 2) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Selected Firm's workplace and specifying the actions that will be taken against employees for violations of such prohibition; 3) state in all solicitations or advertisements for employees placed by or on behalf of the Selected Firm that it maintains a drug-free workplace; and 4) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific agreement awarded to a Selected Firm, the employees of whom are prohibited from engaging in the unlawful manufacturing, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the agreement.

I. Information Technology Access

All electronic and information technology procured through this RFP must meet the applicable accessibility standards of Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) as amended and is viewable at <http://www.section508.gov>.

Additionally, in accordance with § 2.2-3504 of the Code of Virginia, the following will apply to all information technology Agreements:

NON-VISUAL ACCESS TO TECHNOLOGY: All information technology (the "Technology") which is purchased or upgraded by the University will comply with the following non-visual access standards from the date of purchase or upgrade until the expiration of the Agreement:

- Effective, interactive control and use of the Technology will be readily achievable by non-visual means;
- Technology equipped for non-visual access will be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;
- Non-visual access technology will be integrated into any networks used to share communications among employees, program participants or the public; and
- Technology for non-visual access will have the capability of providing equivalent access by non-visual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing non-visual access standards will not be required if the Director of Procurement and Supplier Diversity Services, University of Virginia determines that 1) the Technology is not available with non-visual access because the essential elements of the Technology are visual and 2) non-visual equivalence is not available.

Installation of hardware, software, or peripheral devices used for non-visual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information will permit the installation and effective use of non-visual access software and peripheral devices.

If requested, the Agreement must provide a detailed explanation of how compliance with the foregoing non-visual access standards is achieved and a validation of concept demonstration.

J. Intellectual Property Rights/Disclosure

Unless expressly agreed to the contrary in writing, all goods, products, materials, documents, reports, writings, video images, photographs or papers of any nature including software or computer images prepared or provided by the Selected Firm (or its subcontractors) for the University will not be disclosed to any other person or entity without the written permission of the University. The Selected Firm warrants to the University that the University will own all rights, title and interest in any and all intellectual property rights created in the performance or otherwise arising from any Agreement resulting from this RFP and will have full ownership and beneficial use free and clear of claims of any nature by any third party including without limitation copyright infringement claims. The Selected Firm will execute any assignments or other documents needed for the University to perfect such rights. Notwithstanding the foregoing, for research collaboration pursuant to subcontracts under sponsored research agreements administered by the University's Office of Sponsored Programs, intellectual property rights will be governed by the terms of the grant or contract to the University to the extent such grant or contract requires intellectual property terms to apply to subcontractors.

K. eVA Business To Government Registration

The eVA Internet electronic procurement solution, web site portal www.eva.virginia.gov, is the Commonwealth of Virginia's comprehensive electronic procurement system. The portal is the gateway for firms to conduct business with state agencies and public bodies. All agencies and public bodies are expected to utilize eVA. All firms desiring to provide goods and/or services in the Commonwealth are encouraged to participate in the eVA Internet e-procurement solution. The Selected Firm is required to register in the eVA Internet e-procurement solution prior to an award being made.

L. eVA Transaction Fee

The Selected Firm agrees, by accepting an award as a result of this RFP, that it is a registered eVA vendor and will be subject to an eVA transaction fee, for which the Selected Firm will be invoiced by Commonwealth of Virginia, Department of General Services. Additional information is available at www.eva.virginia.gov.

M. License Requirements

State statutes and regulatory agencies require that some firms be properly registered and licensed, or hold a permit, prior to performing specific types of services. If firms provide removal, repair, improvement, renovation or construction-type services they, or a qualified individual employed by the firm, must possess and maintain an appropriate State of Virginia Class A, B, or C Contractor License (as required by applicable regulations and value of services to be performed) for the duration of the Agreement. It is the firm's responsibility to comply with the rules and regulations issued by the appropriate State regulatory agencies.

If applicable to the Services described in this Agreement, the firm must possess and maintain such an appropriate license. A copy of the license must be furnished upon request to the University or VASCUPP member institution.

N. Unauthorized Alien Use.

The Selected Firm warrants that it does not knowingly employ an "unauthorized alien," as such term is defined in the federal Immigration Reform and Control Act of 1986. The Selected Firm furthermore agrees that, during the term of the Agreement, it will not knowingly employ an unauthorized alien.

Attachment 2
Preferred Contractual Provisions

A. Goods and Services

During the term of this Agreement, the Selected Firm will provide for the University the goods and services offered to the University by the firm in its proposal and/or any addenda to its proposal which has been approved in writing by the University and as may be further specified by the University in writing when it selected the firm.

B. Term of Agreement

The term of this Agreement will be for five years, with the ability to renew on the same or similar terms and conditions, for periods totaling an additional five years if mutually agreeable to the University and the Selected Firm. The Selected Firm and the University will mutually agree at least 180 days prior to each renewal period whether to renew the terms of the Agreement.

C. Contract Administrator

The University will identify a Contract Administrator for any Agreement which results from this RFP. The individual will be the point of contact at the University for day-to-day operations but cannot approve amendments to the Agreement or price changes.

D. Waiver

No waiver of any right will be deemed a continuing waiver, and no failure on the part of either party to exercise wholly or in part any right will prevent a later exercise of such or any other right.

E. Indemnification

The Selected Firm will indemnify and hold harmless The Commonwealth of Virginia, The Rector and Visitors of the University of Virginia, and its agents, employees and officials from any and all costs, damage or loss, claims, liability, damages, expenses (including, without limitation, attorneys' fees and expenses) caused by or arising out of the performance or non performance of the Agreement by the Selected Firm or its agents or subcontractors, including the provision of any services or products. The Selected Firm warrants that the products, goods and services provided the University may be used by the University without being in violation of any copyright, patent

or similar property right or claim by others and will defend, indemnify and save the University (its employees and agents) from and against any such claim.

F. Governing Law

This Agreement will be governed in all respects by the laws of the Commonwealth of Virginia.

G. Termination

If the Selected Firm fails to provide quality goods or services in a professional manner, solely as determined by the University, and, upon receipt of notice from the University, does not correct the deficiency to the University's satisfaction within a reasonable period of time, not to exceed five calendar days unless otherwise agreed to by both parties in writing, the University reserves the right to terminate this Agreement upon written notice to the Selected Firm.

H. Non-Appropriation

Funding for any Agreement between the University and a Selected Firm is dependent at all times upon the appropriation of funds by the Virginia General Assembly and/or any other organization of the Commonwealth authorized to appropriate such funds. In the event that funding to support this Agreement is not appropriated, whether in whole or in part, then the Agreement may be terminated by the University effective the last day for which appropriated funding is available.

I. Right of Audit

The University reserves the right to audit or cause to be audited the Selected Firm's books and accounts regarding the University's account at any time during the term of this Agreement and for three years thereafter. The Selected Firm will make available to the University all books and records relating to performance of this Agreement as may be requested during said period. This specifically includes, but is not limited to, the right of the University to require that the Selected Firm perform self-audits within reasonable parameters established by the University.

J. Contractual Claims

This Agreement is subject to the University's policy on Contractual Claims which is provided as Attachment 3, Procedure for Resolution of Contractual Claims.

K. Insurance

Listed below is the insurance the Selected Firm must maintain under any Agreement resulting from this RFP. In no event should the Selected Firm construe these minimum required limits to be its limit of liability to the University. The Selected Firm will maintain insurance which meets or exceeds the requirements of the University with insurance companies that hold at least an A-financial rating with A.M. Best Company. No Agreement will be executed by the University until the Selected Firm satisfies the insurance requirements of the University. The Selected Firm may be required to provide the University with a valid Certificate of Insurance before providing any goods or services to the University. The University reserves the right to approve any insurance proposed by the Selected Firm.

Comprehensive Commercial General Liability:

The Selected Firm and any Subcontractor will provide a minimum combined single Limit of Liability for bodily injury and property damage of \$1,000,000 per occurrence with coverage for:

- | | | | |
|-------------------------------------|---------------------|-------------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> | Premises/Operations | <input checked="" type="checkbox"/> | Products/Completed Operations |
| <input checked="" type="checkbox"/> | Contractual | <input checked="" type="checkbox"/> | Independent Contractors |
| <input checked="" type="checkbox"/> | Personal Injury | <input checked="" type="checkbox"/> | Additional Insured* |

Automobile Insurance:

The Selected Firm and any Subcontractor will provide a minimum combined single Limit of Liability for bodily injury and property damage of \$1,000,000 per occurrence with the following coverages for vehicles operated by its employees.

- | | | | |
|-------------------------------------|----------------|-------------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> | Any Automobile | <input checked="" type="checkbox"/> | Owned and Non-Owned Automobiles |
|-------------------------------------|----------------|-------------------------------------|---------------------------------|

Errors and Omissions:

The Selected Firm and any Subcontractor will provide a minimum liability limit of \$2,000,000 per claim for any errors and omissions in the performance of the scope of duties outlined in the RFP and any resulting Agreement.

*Additional Insured:

The University will be named as an Additional Insured, and the proper name is: "The Commonwealth of Virginia, and the Rector and Visitors of the University of Virginia, its officers, employees, and agents".

L. Cooperative Purchasing / Use of Agreement by Third Parties

It is the intent of this RFP and any resulting Agreement to allow for cooperative procurement. Accordingly, any public body (to include government/state agencies, political subdivisions, etc.), cooperative purchasing organizations, public or private health or educational institution, or any University related foundation may access the Agreement if authorized by the Selected Firm.

Participation in this cooperative procurement is strictly voluntary. If authorized by the Selected Firm, the Agreement may be extended to the entities indicated above to purchase goods and services in accordance with the Agreement. As a separate contractual relationship, the participating entity will place its own orders with the Selected Firm and will fully and independently administer its use of the Agreement to include contractual disputes, invoicing and payments without direct administration from the University. No modification of the Agreement or execution of a separate agreement is required to participate; however, the participating entity and the Selected Firm may modify the terms and conditions of the Agreement to accommodate specific governing laws, regulations, policies, and business goals required by the participating entity. Any such modification will apply solely between the participating entity and the Selected Firm.

The Selected Firm will notify the University in writing of any such entities accessing the Agreement. The Selected Firm will provide semi-annual usage reports for all entities accessing the Agreement. The University will not be held liable for any costs or damages incurred by any other participating entity as a result of any authorization by the Selected Firm to extend the Agreement. It is understood and agreed that the University is not responsible for the acts or omissions of any entity, and will not be considered in default of the Agreement no matter the circumstances.

Use of the Agreement does not preclude any participating entity from using other agreements or competitive processes as needed.

M. Favored Nations

The Selected Firm represents that the prices, terms, warranties, and benefits specified in its proposal are comparable to or better than the equivalent terms being offered by the firm to any present customer.

N. The University's Authorized Representatives

The only persons who are or will be authorized to speak or act for the University in any way with respect to this Agreement are those whose positions or names have been specifically designated in writing to the Selected Firm by the University's Director of Procurement and Supplier Diversity Services.

O. Purchasing Manual

This Agreement is subject to the provisions of the Commonwealth of Virginia "Purchasing Manual for Institutions of Higher Education and Their Vendors" and any subsequent revisions, which is available at this web site: <https://vascupp.org/hem.pdf>

P. Small, Women-owned and Minority-owned (SWAM) Business Reporting

The Selected Firm will identify and fairly consider SWAM firms for subcontracting opportunities when qualified SWAM firms are available to perform a given task in performing for the University under the resulting Agreement. The Selected Firm will submit a quarterly SWAM business report to the University by the 8th of the month following each calendar quarter, specifically the months of April, July, October, and January. The Selected Firm will submit the quarterly SWAM business reports to:

Lorie Strother
SWAM Contract Administrator
Procurement and Supplier Diversity Services
E-mail: ljs8n@virginia.edu

The quarterly SWAM business reports will contain this information:

- SWAM firm's name, address and phone number with which the Selected Firm has contracted over the specified quarterly period.
- Contact person at the SWAM firm who has knowledge of the specified information.
- Type of goods and/or services provided over the specified period of time.

- Total amount paid to the SWAM firm as it relates to the University's account.

The Selected Firm's failure to provide SWAM reports on a quarterly basis which contain the information required by this section and/or the Selected Firm's failure to comply with the plan for utilizing SWAM businesses submitted by the Selected Firm as part of its proposal and/or negotiation response may be grounds for debarment pursuant to Section 9. G. 4 of the "Purchasing Manual for Institutions of Higher Education and their Vendors."

Q. Confidentiality

Both parties acknowledge that in the negotiation and performance of this Agreement, confidential and proprietary information of each has been and will be made available to the other. The parties agree to use reasonable efforts to maintain the confidentiality of such material, but in no event lesser than was used with like material of the receiving party, and not to make any internal use of such material not required under this Agreement. Neither party will disclose the information to any third party without prior written authorization from the disclosing party, and will not use the information received by it, except to those of its employees, agents, and consultants whose duties justify the need for access to the information provided that such individuals are subject to obligations of secrecy and limited use commensurate in scope with this Agreement. These obligations will apply to verbal information as well as specific portions of the information that are disclosed in writing or other tangible form and marked to indicate its confidential nature. These obligations will not apply to any of the information which:

1. Was known to the receiving party prior to receipt under this Agreement, as demonstrated by the receiving party's records; or
2. Was publicly known or available prior to receipt under this Agreement, or later becomes publicly known or available through no fault of the receiving party; or
3. Is disclosed to the receiving party without restrictions on disclosure by a third party having the legal right to disclose the same; or
4. It is disclosed to a third party by the disclosing party with an obligation of confidentiality; or
5. It is independently developed by an employee, consultant, or agent of the receiving party without access to the information as received under this Agreement; or

6. The receiving party is obligated to produce as required by law, lawfully issued subpoena, or a court order, provided that the disclosing party has been given notice thereof and an opportunity to waive its rights or to seek a protective order or other appropriate remedy.

Upon written request of a disclosing party, the receiving party will return all information disclosed in written or tangible form, and the receiving party will destroy all of its copies, excerpts, or notes made by it which contain any portions of the information unless otherwise provided for by the parties.

U. Future Services

The University reserves the right to have the Selected Firm provide additional goods and/or services under the same pricing, terms, and conditions. Such additional Goods and Services may include other products, components, accessories, subsystems or related services that are newly introduced during the term of this Agreement. Such newly introduced additional Goods and Services will be provided to the University at favored nations pricing, terms, and conditions.

Attachment 3
Procedure for Resolution of Contractual Claims

The Virginia Acts of Assembly of 2007, Chapter 943, Chapter 3, Exhibit P and its attachments requires contractors with the University to submit any claims, whether for money or other relief, in writing no later than 60 days after final payment; however, written notice of the contractors intention to file such a claim must be given at the time of the occurrence or beginning of the work upon which the claim is based.

The University's procedure for deciding such contractual claims is:

A. The Selected Firm must provide the written claim to:

Assistant Director of Procurement and Supplier Diversity Services
University of Virginia
1001 North Emmet Street
P. O. Box 400202
Charlottesville, Virginia 22904-4202

B. Although the Selected Firm may, if it chooses, attempt to resolve its claim by dealing with a University department other than the one stated in Section A above, the Selected Firm must submit any unresolved claim in writing no later than 60 days after final payment to the Assistant Director of Procurement and Supplier Diversity Services if it wishes to pursue its claim.

C. Upon receiving the written claim, the Assistant Director of Procurement and Supplier Diversity Services will review the written materials relating to the claim and decide whether to discuss the merits of the claim with the Selected Firm. If such discussion is to be held, the Assistant Director of Procurement and Supplier Diversity Services will contact the Selected Firm and arrange such discussion. The manner of conducting such discussion will be as the Assistant Director and the Selected Firm mutually agree.

D. The Assistant Director of Procurement and Supplier Diversity Services will mail his or her decision to the Selected Firm within 60 days after receipt of the claim. The decision will state the reason for granting or denying the claim.

E. The Selected Firm may appeal the decision to:

Director of Procurement and Supplier Diversity Services
University of Virginia
Carruthers Hall
1001 North Emmet Street
P.O. Box 400202
Charlottesville, Virginia 22904-4202

by providing a written statement explaining the basis of the appeal, within 15 days after the Selected Firm's receipt of the decision.

- F. Upon receiving the written appeal, the Director of Procurement and Supplier Diversity Services will review the written materials relating to the claim and decide whether to discuss the merits of the claim with the Selected Firm. If such discussion is to be held, the Director of Procurement and Supplier Diversity Services will contact the Selected Firm and arrange such discussion. The manner of conducting such discussion will be as the Director of Procurement and Supplier Diversity Services and the Selected Firm mutually agree.
- G. The Director of Procurement and Supplier Diversity Services will mail his or her decision to the Selected Firm within 60 days after the Director of Procurement and Supplier Diversity Services receipt of the appeal. The decision will state the reasons for granting or denying the appeal.
- H. Nothing in this Attachment 3 will preclude either party from filing a claim in any court of the Commonwealth of Virginia to seek legal or equitable remedy if a dispute should arise, in addition to such other remedies as are expressly provided in this Agreement; provided, the Selected Firm may not file such claim unless and until it has complied fully with the procedure set forth in this Attachment 3.



Office of the Vice President for Finance

Attachment 4

Vice President for Finance's Request for Commitment

Greetings:

The University of Virginia is able to deliver excellent education, research, healthcare, and public service because the high value support from you and all our suppliers of goods and services. Thank you for sharing our commitment to excellence. As a University, we are committed to diversity within our students, our faculty and staff, and our vendors and contractors. An important part of our procurement program involves our commitment to doing business with small, women- and minority-owned (SWaM) businesses. We look to you to help us achieve this objective.

We currently have a substantial volume of activity with small firms; however, we are striving to increase the number of substantial, long-term business relationships with minority- and women-owned businesses. We need your help here.

I have two requests. First, I ask that you actively seek out opportunities to involve small, women- and minority-owned businesses as you deliver services to UVa. Our team in Procurement and Supplier Diversity Services will assist you in identifying qualified diverse business partners. Second, please report your success in this area through our quarterly subcontracting reports – this is critical in quantifying how well we are meeting our goals. The terms and conditions previously provided to your organization outlined this process.

This effort is important to the University. We truly appreciate your efforts to join us in this commitment and partnership towards excellence.

Sincerely,

A handwritten signature in black ink that reads "Melody S. Bianchetto".

Melody S. Bianchetto
Vice President for Finance

Attachment 5

Labor Code Standards Schedule I

- I. Introduction: The Collegiate Licensing Company (“CLC”) and the collegiate institutions represented by CLC (“Member Institutions”) are each committed to conducting their business affairs in a socially responsible and ethical manner consistent with their respective educational, research and/or service missions, and to protecting and preserving the global environment. While CLC and the Member Institutions believe that Licensees share this commitment, CLC and certain Member Institutions have adopted the following Labor Code Standards (the “Code”) which requires that all Licensees, at a minimum, adhere to the principles set forth in the Code.

Throughout the Code the term “Licensee” shall include all persons or entities which have entered into a written “License Agreement” with CLC to manufacture “Licensed Articles” (as that term is defined in the License Agreement) bearing the names, trademarks and/or images of one or more Member Institutions. The term “Licensee” shall for purposes of the Code, and unless otherwise specified in the Code, encompass all of Licensee’ contractors, subcontractors or manufacturers which produce, assemble or package finished Licensed Articles for the consumer.

- II. Standards: Licensees agree to operate work places and contract with companies whose work places adhere to the standards and practices described below. CLC and the Member Institutions prefer that Licensees exceed these standards.
- A. Legal Compliance: Licensees must comply with all applicable legal requirements of the country(ies) of manufacture in conducting business related to or involving the production or sale of Licensed Articles. Where there are differences or conflicts with the Code and the laws of the country(ies) of manufacture, the higher standard shall prevail, subject to the following considerations. In countries where law or practice conflicts with these labor standards, Licensees agree to consult with governmental, human rights, labor and business organizations and to take effective actions as evaluated by CLC, the applicable Member Institution(s) or their designee, and the applicable Licensee(s) to achieve the maximum possible compliance with each of these standards. Licensees further agree to refrain from any actions that would diminish the protections of these labor standards.
- B. Employment Standards: Licensees shall comply with the following standards:
1. Wages and Benefits: Licensees recognize that wages are essential to meeting employees’ basic needs. Licensees shall pay employees, as a floor, at least the minimum wage required by local law or the local prevailing industry wage, whichever is higher, and shall provide legally mandated benefits.¹
 2. Working Hours: Except in extraordinary business circumstances, hourly and/or quota-based wage employees shall (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such

¹CLC and the Member Institutions will continue to monitor these issues and will promote studies that examine conditions and factors related to minimum and prevailing wages and employees’ basic needs.

- country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.
3. Overtime Compensation: In addition to their compensation for regular hours of work, hourly and/or quota-based wage employees shall be compensated for overtime hours at such a premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.
 4. Child Labor: Licensees shall not employ any person at an age younger than 15 (or 14, where, consistent with International Labor Organization practices for developing countries, the law of the country of manufacture allows such exception). Where the age for completing compulsory education is higher than the standard for the minimum age of employment stated above, the higher age for completing compulsory education shall apply to this section. Licensees agree to consult with governmental, human rights and nongovernmental organizations, and to take reasonable steps as evaluated by CLC, the applicable Member Institution(s) or their designee, and the applicable Licensee(s) to minimize the negative impact on children released from employment as a result of implementation or enforcement of the Code.
 5. Forced Labor: There shall not be any use of forced prison labor, indentured labor, bonded labor or other forced labor.
 6. Health and Safety: Licensees shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of Licensee facilities.
 7. Nondiscrimination: No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.
 8. Harassment or Abuse: Every employee shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse. Licensees will not use or tolerate any form of corporal punishment.
 9. Freedom of Association and Collective Bargaining: Licensees shall recognize and respect the right of employees to freedom of association and collective bargaining.

Labor Code Standards

Rider 1

Full Public Disclosure:

Each Licensee shall disclose to the Member Institution or its designee the location (including factory name, contact name, address, phone number, e-mail address, products produced, and nature of business association) of each factory used in the production of all items which bear Licensed Indicia. Such information shall be updated upon change of any factory site location. The Member Institution reserves the right to disclose this information to third parties, without restriction as to its further distribution.

Labor Code Standards

Rider 2

Women's Rights:

1. Women workers will receive equal remuneration, including benefits, equal treatment, equal evaluation of the quality of their work, and equal opportunity to fill all positions as male workers.
2. Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.
3. Workers who take maternity leave will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits.
4. Workers will not be forced or pressured to use contraception.
5. Workers will not be exposed to hazards, including glues and solvents, that may endanger their safety, including their reproductive health.
6. Licensees shall provide appropriate services and accommodations to women workers in connection with pregnancy.