



Administered by
UNIVERSITY OF MAINE SYSTEM
Office of Strategic Procurement

REQUEST FOR QUALIFICATIONS

**CONSULTING SERVICES FOR A REVIEW
OF POTENTIAL ADMINISTRATIVE SERVICES IMPROVEMENTS**

RFQ #20-12

ISSUE DATE:
January 17, 2012

LETTERS OF INTEREST MUST BE RECEIVED BY:
Friday, February 10, 2012

DELIVER TO:

University of Maine System
Office of Strategic Procurement
Attn: Rebecca Wyke
16 Central Street
Bangor, ME 04401

CONSULTING SERVICES FOR A REVIEW TO IMPROVE ADMINISTRATIVE SERVICES

The University of Maine System (the System) at the direction of its Board of Trustees is seeking consulting services to conduct a comprehensive review and analysis of academic and operational administrative structures, services, processes and practices within the System and its seven universities. The purpose of this review is to identify recommendations that would improve administrative efficiency and effectiveness, as well as service delivery and cost-effectiveness at all organizational levels of the System in support of the System's public higher education mission. The financial goal is to reduce costs or otherwise save a minimum of \$8 million in fiscal year 2012-13, \$16 million in fiscal year 2013-14, and \$24 million in fiscal year 2014-15 as part of an overall effort to reduce annual increases in tuition and fees during this period while maintaining academic quality and the System's educational mission for teaching, research and public service.

Overview:

The Trustees of the System are the executive sponsors and champions for this review. Oversight of the review will be exercised by the Strategic Imperatives Committee of the Board and through its staff. The findings and recommendations which result from this review will be publicly presented to the Board of Trustees for consideration and potential action by the Board and Administration of the System.

As stated in the 2011 Annual Financial Report, the University of Maine System unites seven distinctive public universities in the common purposes of providing first-rate higher education at reasonable cost in order to improve the quality of life for the citizens of Maine. The System, through its universities, carries out the traditional tripartite mission – teaching, research, and public service. As a System, it extends its mission as a major resource for the State, linking economic growth, the education of its people, and the application of research and scholarship.

The University of Maine System is a comprehensive public institution of higher education serving nearly 41,000 students annually and is supported by the efforts of 1,308 regular full-time faculty, 82 regular part-time faculty, 3,201 regular full-time staff, and 337 regular part-time staff members. Nationally recognized as a leader in combining excellence with access in public higher education, the System consists of the following seven universities: University of Maine (UM); University of Maine at Machias (UMM); University of Maine at Augusta (UMA); University of Maine at Presque Isle (UMPI); University of Maine at Farmington (UMF); University of Southern Maine (USM); and, University of Maine at Fort Kent (UMFK).

Additionally, Lewiston-Auburn College is a campus of the University of Southern Maine. University of Maine at Augusta-Bangor is a campus of the University of Maine at Augusta. The Hutchinson Center in Belfast is a campus of the University of Maine. University College offers access to quality public higher education statewide. Students may participate by interactive television (ITV) at dozens of sites throughout the State or may attend one of the nine University College locations below that offers both on-site and ITV instruction: Bath/Brunswick; Norway/South Paris; Penquis Dover-Foxcroft; Rockland; East Millinocket; Rumford/Mexico; Ellsworth; Saco; and, Houlton.

The goal of the review is to focus on those opportunities that promise the greatest benefit and return on investment for improved administrative efficiency and effectiveness, as well as service delivery and cost-effectiveness. So, while all areas of the System and its operations will not ultimately be included in this review, no area of the System and its operations is beyond its scope if it holds an opportunity to achieve the goals of the review.

The scope of work shall include, but is not limited to:

1. Identification of benchmarks and standards deemed most appropriate for assessing the academic and operational administrative structure and services of the System. For example, determination of how the System's administrative and academic staffing compares to its enrollment and how that ratio compares to peer institutions.

2. Review and analysis of the administrative structures, services, processes and practices within the System and its seven universities and identification of opportunities and related recommendations to improve administrative efficiency and effectiveness, as well as service delivery and cost-effectiveness at all organizational levels of the System in support of the System's public higher education mission.
3. Identification of opportunities for efficiencies or other improvements and strategies to pursue and achieve them. For example:
 - a. Duplication of services where savings could be achieved through the elimination or consolidation of services and the level or part of the System through which those services would be delivered most effectively and efficiently.
 - b. Sharing of services currently distributed, or alternatively the wider distribution of services currently centralized, and the level or part of the System through which those services would be delivered most effectively and efficiently.
 - c. Administrative practices, information systems, and data collection that are not cost-effective and should be revised, replaced, or eliminated.
 - d. Noteworthy models or best practices within the System, or generally, that should be expanded to other parts of the System.

Deliverables shall include, but are not limited to:

1. A written report delivered no later than June 29, 2012, that includes:
 - a. An overview of the challenges and opportunities facing public higher education in general, and specifically in the State of Maine, to provide context for the review and the implementation of the resulting recommendations;
 - b. A description of the review process and the participants;
 - c. A recitation of the benchmarks and standards deemed most appropriate for assessing the administrative structure and services of the System and the System's standing in relation to those benchmarks, including any related findings for staffing and/or spending, and a description of how those and other findings informed the review;
 - d. An outline of the most effective administrative structure for the efficient and cost-effective delivery of services and for the provision of adequate oversight to enable the Board of Trustees to meet its fiduciary and stewardship responsibilities for the System and the achievement of its educational mission. The outline should include an analysis of any risks associated with any change in administrative structure, as well as any actions that could be taken to mitigate those risks.
 - e. An organized and detailed portfolio of specific, actionable, practicable opportunities for improving administrative efficiency, service delivery and cost-effectiveness, including an estimation of the cost and timeline for implementation of each identified opportunity, associated cost savings by fiscal year, and the resulting return on investment. Each identified opportunity must be well supported by evidence and include an analysis of any risks associated with execution, as well as any actions that could be taken to mitigate those risks.
 - f. A prioritized summary matrix of the recommendations and opportunities described in paragraph 1. d. and 1. e. to include a descriptor, cost of implementation, deadline for implementation, estimated cost savings, and return on investment. The prioritization should reflect the order of importance, in the view of the consultant, which demonstrates the quickest return on investment of those opportunities that are most readily achievable in the current environment.
 - g. Identification of the potential resources available to assist the System in executing the implementation of the identified opportunities and funding any associated costs of implementation.
 - h. Identification of any additional game-changing or longer-term opportunities that may exist but which, for whatever reason, were not otherwise captured or included in the report.
2. An in-person presentation and discussion of the review's findings with the Strategic Imperatives Committee prior to finalization of the written report.

3. An in-person presentation and discussion of the written report with the Board of Trustees.

Submission requirements and instructions:

Firms desiring to be considered for this project should submit a letter indicating interest and the ability to start work during the period of March 8 through March 16. The University of Maine System has the expectation that this project, including the delivery of a final report, would conclude by **no later than** June 29, 2012.

Consultants have an obligation to disclose any situation of actual *or* potential conflict that impacts their capacity to serve the best interest of the University of Maine System, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of the contract. The System reserves the right to consider potential conflict in the selection process to include potential relationships that may affect implementation solutions.

Ten (10) copies of the following must accompany the letter:

1. A statement of qualifications to include experience in public higher education policy and systems, as well as organizational analysis and business process reengineering;
2. A list of analogous administrative consulting projects conducted in the last three years for colleges and universities similar in size and resources to the University of Maine System;
3. A profile of key personnel to be involved in the project;
4. A list of three references from colleges and universities for work performed within the last three years on projects of similar size and scope;
5. An indication of the types of information and data you would require from the System;
6. A proposed schedule and budget for the project;
7. The standard hourly rates for the key personnel identified in the submission pursuant to item 3 above;
8. Affirmation of the University's standard terms and conditions. Any desired deviations from the standard terms and conditions must be identified in the affirmation and the System reserves the right to reject any such requests or proposals making such requests.

Firms may be contacted to participate in interviews. If so requested, those **interviews currently are expected to be conducted on February 29 and any firm making a submission must be prepared to participate at a time designated by the System on those dates.** The System will make reasonable attempts to accommodate scheduling constraints. Firms selected for interviews will have the option of doing so by telephone conference or a webinar such as Go-To-Meeting and all such arrangements shall be made by the firm at its expenses subject to the approval of the System.

Attached is a copy of the University's Professional Service Contract for your review. **Please be advised that the University will require the standard terms and conditions included with that contract as part of any agreement resulting from this request for qualifications, pursuant to item 8 above.** It is not necessary to complete the contract at this time; it is for your information. The firm selected for this project will be required to show evidence of, and maintain through completion of the project, all required insurance as provided for in Attachment B of the Professional Services Contract.

The University reserves the right to reject any or all responses, in whole or in part, and is not necessarily bound to accept the lowest cost response if that response is contrary to the best interests of the University. Submitters may appeal the award decision by submitting a written protest to the UMS Director of Strategic Procurement within 5 business days of the date of the award notice with a copy of the protest to the awardee. The protest must contain a statement of the basis for the challenge.

All responses should be addressed to:

Rebecca Wyke
Vice Chancellor for Finance and Administration
Administrative Review of the UMS
c/o The Office of Strategic Procurement
University of Maine System
16 Central Street
Bangor, Maine 04401.
(207)973-3302, Fax (207)973-3322
Email hcwells@maine.edu

Letters of interest must be received prior to 5:00 p.m., EST **Friday, February 10, 2012.**

If required, clarifications or other addenda to this RFQ will be posted as addenda on the University's web site at: http://www.maine.edu/strategic/upcoming_bids.php Vendors are responsible for checking the web site for addenda.

**UNIVERSITY OF MAINE SYSTEM
CONTRACT FOR PROFESSIONAL SERVICES**

This Contract entered into this ____ day of _____, _____, by and between the University of Maine System, hereinafter referred to as the "University", and _____, hereinafter referred to as "Contractor".

WHEREAS, the University desires to enter into a contract for professional services, and the Contractor represents itself as competent and qualified to accomplish the specific requirements of this Contract to the satisfaction of the University;

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties hereby agree as follows:

1. **Specifications of Work**: The Contractor agrees to perform the Specifications of Work as described in **Attachment A**, hereby incorporated by reference.

2. **Term**: This Contract shall commence on _____ and shall terminate on _____, unless terminated earlier as provided in this Contract.

3. **Payment**:

A. The total of **all** payments made against this contract shall not exceed \$_____. Any expenses not listed here will not be reimbursed.

B. The University shall compensate the Contractor at the rate of \$ _____ per _____ (hour, week, semester, entire project.) Payment will be made within 30 days upon submittal and approval of invoices.

C. Reimbursement for travel:

_____ All travel, lodging and meals are part of the compensation described in section A. No additional reimbursement will be made.

OR

_____ Contractor will be reimbursed for pre-approved travel, lodging and meals in an amount not to exceed \$ _____. Copies of receipts or itemized bills for expenses must be submitted for reimbursement.

D. Other expenses (postage, printing, phone, etc.) shall not exceed \$ _____. Copies of receipts or itemized bills for expenses must be submitted for reimbursement.

4. **Termination:** This Contract may be terminated by mutual agreement of the parties or by either party upon thirty (30) days prior written notice to the other. If at any time the Contractor fails to comply with the provisions of this Contract, the University shall have the right to terminate this Contract immediately with written notice. Termination does not release the Contractor from its obligations to provide services per the terms of the Contract during the notification period.
5. **Obligations Upon Termination:** Any materials produced in performance of this agreement are the property of the University and shall be turned over to the University upon request. The University shall pay the Contractor for all services performed to the effective date of termination subject to offset of sums owed by the Contractor to the University.
6. **Conflict of Interest:** No officer or employee of the University shall participate in any decision relating to this contract which affects his or her personal interest in any entity in which he or she directly or indirectly has interest. No employee of the University shall have any interest, direct or indirect, in this contract or proceeds thereof.
7. **Modification:** This Contract may be modified or amended only in a writing signed by both parties.
8. **Assignment:** This Contract, or any part thereof, may not be assigned, transferred or subcontracted by the Contractor without the prior written consent of the University.
9. **Applicable Law:** This Contract shall be governed and interpreted according to the laws of the State of Maine.
10. **Administration:** _____ shall be the University's authorized representative in all matters pertaining to the administration of the terms and conditions of this Contract and to whom all notices must be sent.
11. **Non-Discrimination:** In the execution of the contract, the Contractor shall not discriminate on the basis of race, color, religion, sex, sexual orientation, transgender status or gender expression, national origin or citizenship status, age, disability, genetic information, or veteran status and shall provide reasonable accommodations to qualified individuals with disabilities upon request. The university encourages the employment of qualified individuals with disabilities.
12. **Indemnification:** The Contractor shall comply with all applicable federal, state and local laws, rules, regulations, ordinances and orders relating to the services provided under this Contract. Contractor shall indemnify, defend and hold the University, its Trustees, officers, employees, and agents, harmless from and against any and all loss, liability, claims, damages, actions, lawsuits, judgments and costs, including reasonable attorney's fees, that the University may become liable to pay or defend arising from or attributable to any acts or omissions of the Contractor, its agents, employees or subcontractors, in performing its obligations under this Contract, including, without limitation, for violation of proprietary rights, copyrights, or rights of privacy, arising out of a publication, translation, reproduction, delivery, performance, use or disposition of any data furnished under the Contract or based on any libelous or other unlawful matter contained in such data.

- 13. Contract Validity:** In the event one or more clauses of this Contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of this Contract.
- 14. Independent Contractor:** Contractor is an independent contractor of the University, not a partner, agent or joint venturer of the University and neither Party shall hold itself out contrary to these terms by advertising or otherwise, nor shall either party be bound by any representation, act or omission whatsoever of the other. Contractor, its employees and subcontractors if any, is/are independent contractors for whom no Federal or State Income Tax will be deducted by the University, and for whom no retirement benefits, social security benefits, group health or life insurance, vacation and sick leave, Worker's Compensation and similar benefits available to University's employees will accrue. The parties further understand that annual information returns as required by the Internal Revenue Code and Maine Income Tax Law will be filed by the University with copies sent to Contractor. Contractor will be responsible for compliance with all applicable laws, rules and regulations involving but not limited to, employment, labor, Workers Compensation, hours of work, working conditions, payment of wages, and payment of taxes, such as unemployment, social security and other payroll taxes, including other applicable contributions from such persons when required by law.
- 15. Intellectual Property:** Any information and/or materials, finished or unfinished, produced in performance of this Contract, and all of the rights pertaining thereto, are the property of the University and shall be turned over to the University upon request.
- 16. Entire Contract:** This Contract sets forth the entire agreement between the parties on the subject matter hereof and replaces and supersedes all prior agreements on the subject, whether oral or written, express or implied.
- 17. Licensing:** Contractor shall secure in its name and at its expense all federal, state, and local licenses and permits required for operation under this Contract. Contractor shall provide proof of such licensure or permit to the University prior to commencing work under this Contract.
- 18. Record Keeping, Audit and Inspection of Records:** The Contractor shall maintain books, records and other compilations of data pertaining to the requirements of the Contract to the extent and in such detail as shall properly substantiate claims for payment under the Contract. All such records shall be kept for a period of seven years or for such longer period as specified herein. All retention periods start on the first day after the final payment of the Contract. If any litigation, claim, negotiation, audit or other action involving the records is commenced prior to the expiration of the applicable retention period, all records shall be retained until completion of the action and resolution of all issues resulting therefrom, or until the end of the applicable retention period, whichever is later. The University, the grantor agency (if any), or any of their authorized representatives shall have the right at reasonable times and upon reasonable notice, to examine and copy the books, records and other compilations of data of the Contractor pertaining to this Contract. Such access shall include on-site audits.
- 19. Publicity, Publication, Reproduction and use of Contract's Products or Materials:** Unless otherwise provided by law or the University, title and possession of all data, reports, programs, software, equipment, furnishings and any other documentation or product paid for with University funds shall vest with the University. The Contractor

shall at all times obtain the prior written approval of the University before it, any of its officers, agents, employees or subcontractors, either during or after termination of the Contract, makes any statement bearing on the work performed or data collected under this Contract to the press or issues any material for publication through any medium of communication. If the Contractor or any of its subcontractors publishes a work dealing with any aspect of performance under the Contract, or of the results and accomplishments attained in such performance, the University shall have a royalty free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use the publication.

20. **Confidentiality:** The contractor shall comply with all laws and regulations relating to confidentiality and privacy including but not limited to any rules or regulations of the University.
21. **Force Majeure:** Neither party shall be liable to the other or be deemed to be in breach of this Contract for any failure or delay in rendering performance arising out of causes beyond its reasonable control and without its fault or negligence. Such causes may include, but are not limited to, acts of God or of a public enemy, fires, flood, epidemics, strikes, embargoes or unusually severe weather. Dates or time of performance shall be extended to the extent of delays excused by this section provided that the party whose performance is affected notifies the other promptly of the existence and nature of such delay.
22. **Notices:** Unless otherwise specified in an attachment hereto, any notice hereunder shall be in writing and addressed to the persons and addresses below.
23. **Insurance Requirements: Attachment B,** hereby incorporated by reference.
24. **Standards for Safeguarding Information or Safeguarding Customer Information: Attachment C,** hereby incorporated by reference.

25. Signatures:

FOR THE UNIVERSITY OF MAINE
SYSTEM:

BY: _____
(signature)

Name: _____
(print or type)

Title: _____

Address: _____

Telephone: _____

Fax: _____

Date: _____

FOR THE CONTRACTOR:

LEGAL NAME: _____

BY: _____
(signature)

Name: _____
(print or type)

Title: _____

Address: _____

Telephone: _____

Fax: _____

Date: _____

Tax ID #: _____

Substitute Form W-9 - Taxpayer Identification Number Request & Certification

Please complete the following information. We are required by law to obtain this information from you when making a reportable payment to you. If you do not provide us with this information, your payments may be subject to federal income tax backup withholding. Use this form only if you are a **U.S. person** (including U.S. resident alien.). If you are a foreign person, use the appropriate Form W-8.

Part 1 Tax Status:

Print Name: _____
Address (number, street, and apt. or suite no.): _____
City: _____ State: _____ Zip: _____
Phone: (____) _____

Complete One:

Individual/Sole Proprietor Business Name, if different from above _____
Social Security Number _____ - _____ - _____
- or - Business EIN _____ - _____ - _____

Partnership EIN _____ - _____ - _____

Corporation EIN _____ - _____ - _____

Please answer questions below if you are a corporation:

1. Corporation providing legal services? **Y** **N**
2. Corporation providing medical services? **Y** **N**

Limited Liability Company EIN _____ - _____ - _____

Tax-Exempt or Not-for-Profit under § 501(C)(3) EIN _____ - _____ - _____

Government Entity EIN _____ - _____ - _____

Estate or Trust EIN _____ - _____ - _____

All other Entities EIN _____ - _____ - _____

Part 2 Exemption:

If exempt from Form 1099 reporting, check here:
and circle your qualifying exemption reason below

1. An organization exempt from tax under IRC section 501(a)
2. The United States or any of its agencies or instrumentalities
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities
5. An international organization or any of its agencies or instrumentalities
6. Other: _____

Part 3 Certification:

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

Signature of U.S. person: _____ Date: _____

Please return this form with the attached contract. Thank you for your cooperation.

Attachment B

INSURANCE REQUIREMENTS

During the term of this Contract, the Consultant shall maintain the following insurances:

| <u>Insurance Type</u> | <u>Coverage Limit</u> |
|--|---|
| 1. Commercial General Liability (Written on an Occurrence-based form) | \$1,000,000 per occurrence or more (Bodily Injury and Property Damage) |
| 2. Vehicle Liability* (Including Hired & Non-Owned) | \$1,000,000 per occurrence or more (Bodily Injury and Property Damage) |
| 3. Workers Compensation | In compliance with applicable state law ** |
| 4. Professional liability (Errors and Omissions) | \$1,000,000 limit or more |

*Hired and Non-Owned Vehicle Liability covers vehicles used by the Consultant that are not owned by the firm. This type of coverage by itself is acceptable if Consulting firm does not own any vehicles. If the Consultant is a sole proprietor with no employees, then personal auto insurance is acceptable with a limit of \$500,000; however, it must be verified that coverage extends to vehicles rented for use regarding this contract or verified that vehicles will not be rented for use in fulfilling this contract.

** Workers Compensation for Sole Proprietors: The requirement for Workers' Compensation Insurance is waived if the Contractor is self-employed and not required to have Workers' Compensation Insurance under the State of Maine or other applicable state workers' compensation laws. However, the consultant is, and agrees to be, solely responsible for their own injuries and for the injuries of any employees hired during the course of the contract. The Consultant agrees to be in compliance with the State of Maine Workers' Compensation or applicable state workers' compensation laws at all times while working under the terms of this agreement.

The University of Maine System shall be named as an Additional Insured on the Commercial General Liability Insurance.

Certificates of Insurance for all of the above insurance shall be filed with the University of Maine System Office, 16 Central Street., Bangor, ME 04401 prior to the date of performance under this Agreement. Said certificates, in addition to proof of coverage, shall contain the standard Acord statement pertaining to written notification in the event of cancellation, with a thirty (30) day notification period.

As additional insured and certificate holder, the University should be included as follows:
The University of Maine System, 16 Central Street, Bangor, ME 04401

It is the responsibility of the Consultant to assure that similar coverages are in place for all persons or companies working for the Consultant, including other consultants.

The University reserves the right to change the insurance requirement or to approve alternative insurances or limits, at the University's discretion.

**UNIVERSITY OF MAINE SYSTEM
STANDARDS FOR SAFEGUARDING INFORMATION
ATTACHMENT C**

This Attachment addresses the Contractor's responsibility for safeguarding Compliant Data and Business Sensitive Information consistent with the University of Maine System's Information Security Policy and Standards. (infosecurity.maine.edu)

Compliant Data is defined as data that the University needs to protect in accordance with statute, contract, law or agreement. Examples include Family Educational Rights and Privacy Act (FERPA), Health Insurance Portability and Accountability Act (HIPAA), Gramm-Leach-Bliley Act (GLBA), Maine Notice of Risk to Personal Data Act, and the Payment Card Industry Data Security Standards (PCI-DSS).

Business Sensitive Information is defined as data which is not subject to statutory or contractual obligations but where the compromise or exposure of the information could result in damage or loss to the University.

1. Standards for Safeguarding Information: The Contractor agrees to implement reasonable and appropriate security measures to protect all systems that transmit, store or process Compliant Data and Business Sensitive Information or personally identifiable information from Compliant Data and Business Sensitive Information furnished by the University, or collected by the Contractor on behalf of the University, against loss of data, unauthorized use or disclosure, and take measures to adequately protect against unauthorized access and malware in the course of this engagement.
 - A. Compliant Data and Business Sensitive Information may include, but is not limited to names, addresses, phone numbers, financial information, bank account and credit card numbers, other employee and student personal information (including their academic record, etc.), Drivers License and Social Security numbers, in both paper and electronic format.
 - B. If information pertaining to student educational records is accessed, transferred, stored or processed by Contractor; Contractor shall protect such data in accordance with FERPA.
 - C. If information pertaining to protected health information is accessed, used, collected, transferred, stored or processed by Contractor; Contractor shall protect such data in accordance with HIPAA and Contractor shall sign and adhere to a Business Associate Agreement.
 - D. If Contractor engages in electronic commerce on behalf of the University or cardholder data relating to University activities is accessed, transferred, stored or processed by Contractor; Contractor shall protect such data in accordance with current PCI-DSS guidelines.

- E. If information pertaining to protected “Customer Financial Information” is accessed, transferred, stored or processed by Contractor; Contractor shall protect such data in accordance with GLBA.
2. Prohibition of Unauthorized Use or Disclosure of Information: Contractor agrees to hold all information in strict confidence. Contractor shall not use or disclose information received from, or created or received by, Contractor on behalf of the University except as permitted or required by this Agreement, as required by law, or as otherwise authorized in writing by the University.
3. Return or Destruction of Compliant or Business Sensitive Information:
- A. Except as provided in Section 3(B), upon termination, cancellation, or expiration of the Agreement, for any reason, Contractor shall cease and desist all uses and disclosures of Compliant Data or Business Sensitive Information and shall immediately return or destroy (if the University gives written permission to destroy) in a reasonable manner all such information received from the University, or created or received by Contractor on behalf of the University, provided, however, that Contractor shall reasonably cooperate with the University to ensure that no original information records are destroyed. This provision shall apply to information that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of University information, including any compilations derived from and allowing identification of any individual’s confidential information. Except as provided in Section 3(B), Contractor shall return (or destroy) information within 30 days after termination, cancellation, or expiration of this Agreement.
- B. In the event that Contractor determines that returning or destroying any such information is infeasible, Contractor shall provide to University notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of such information is infeasible; Contractor shall extend the protections of this Agreement to such information and limit further uses and disclosures of such information to those purposes that make the return or destruction infeasible, for so long as Contractor maintains such information.
- C. Contractor shall wipe or securely delete Compliant Data or Business Sensitive Information and personally identifiable information furnished by the University from storage media when no longer needed. Measures taken shall be commensurate with the standard for “clearing” as specified in the National Institute of Standards and Technology (NIST) Special Publication SP800-88: Guidelines for Media Sanitization, prior to disposal or reuse.
4. Term and Termination: This Attachment shall take effect upon execution and shall be in effect commensurate with the term of the Agreement.
5. Subcontractors and Agents: If Contractor provides any Compliant Data or Business Sensitive Information received from the University, or created or received by Contractor on behalf of the University, to a subcontractor or agent, the Contractor shall require such subcontractor or

agent to agree to the same restrictions and conditions as are imposed on Contractor by this Agreement.

6. Contractor shall control access to University data: All Contractor employees shall be adequately screened, commensurate with the sensitivity of their jobs. Contractor agrees to limit employee access to data on a need-to-know basis. Contractor shall impose a disciplinary process for employees not following privacy procedures. Contractor shall have a process to remove access to University data immediately upon termination or re-assignment of an employee by the Contractor.
7. Unless otherwise stated in the agreement, all Compliant Data or Business Sensitive Information is the property of the University and shall be turned over to the University upon request.
8. Contractor shall not amend or replace hardware, software or data without prior authorization of the University.
9. If mobile devices are used in the performance of this Agreement to access University Compliant Data or Business Sensitive Information, Contractor shall install and activate authentication and encryption capabilities on each mobile device in use.
10. Reporting of Unauthorized Disclosures or Misuse of Information: Contractor shall report to the University any use or disclosure of Compliant Data or Business Sensitive Information not authorized by this Agreement or in writing by the University. Contractor shall make the report to the University not more than one (1) business day after Contractor learns of such use or disclosure. Contractor's report shall identify; (i) the nature of the unauthorized use or disclosure, (ii) the information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Contractor has done or shall do to mitigate the effects of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. Contractor shall provide such other information, including a written report, as reasonably requested by the University. Contractor shall keep University informed on the progress of each step of the incident response. Contractor shall indemnify and hold University harmless from all liabilities, costs and damages arising out of or in any manner connected with the security breach or unauthorized use or disclosure by Contractor of any University Compliant Data or Business Sensitive Information. Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor of a security breach or use or disclosure of Compliant Data or Business Sensitive Information by Contractor in violation of the requirements of this Agreement. In addition to the rights of the Parties established by this Agreement, if the University reasonably determines in good faith that Contractor has materially breached any of its obligations, the University, in its sole discretion, shall have the right to:
 - Inspect the data that has not been safeguarded and thus has resulted in the material breach, and/or

- Require Contractor to submit a plan of monitoring and reporting, as the University may determine necessary to maintain compliance with this Agreement;
- and/or Terminate the Agreement immediately.

11. Survival: The respective rights and obligations of Contractor under Section 12 of the Agreement or Section 3 of this Attachment shall survive the termination of this Agreement.
12. Contractor Hosted Data: If Contractor hosts University Compliant Data or Business Sensitive Information in or on Contractor facilities, the following additional clauses should be used.
- Contractor computers that host University Compliant Data or Business Sensitive Information shall be housed in secure areas that have adequate walls and entry control such as a card controlled entry or staffed reception desk. Only authorized personnel shall be allowed to enter and visitor entry will be strictly controlled.
 - Contractor shall design and apply physical protection against damage from fire, flood, earthquake, explosion, civil unrest, and other forms of natural or man-made disasters. Contractor shall protect hosted systems with Uninterruptible Power Supply (UPS) devices sufficient to meet business continuity requirements.
 - Contractor shall backup systems or media stored at a separate location with incremental back-ups at least daily and full back-ups at least weekly. Incremental and full back-ups shall be retained for 15 days and 45 days respectively. Contractor shall test restore procedures not less than once per year.
 - Contractor shall provide for reasonable and adequate protection on its network and system to include firewall and intrusion detection/prevention.
 - Contractor shall use strong encryption and certificate-based authentication on any server hosting on-line and e-commerce transactions with the University to ensure the confidentiality and non-repudiation of the transaction while crossing networks.
 - The installation or modification of software on systems containing University Compliant Data or Business Sensitive Information shall be subject to formal change management procedures and segregation of duties requirements.
 - Contractor who hosts University Compliant Data or Business Sensitive Information shall engage an independent third-party auditor to evaluate the information security controls not less than every two (2) years. Such evaluations shall be made available to the University upon request.
13. If Contractor employees work under University Management direction, Contractor employees will receive security awareness training and be subject to the same information security standards as University employees. If the Contractor accesses University systems, Contractor shall agree to the University's Acceptable Use Policy.

14. If the Contractor provides system development, Compliant Data or Business Sensitive Information shall not be used in the development or test environments. Records that contain these types of data elements may be used if that data is first de-identified, masked or altered so that the original value is not recoverable. For programs that process University data, initial implementation as well as applied updates and modifications must be produced from specifically authorized and trusted program source libraries and personnel. Contractor shall provide documentation of a risk assessment of new system development or changes to a system.

UNIVERSITY OF MAINE SYSTEM

By: _____
Signature

Date

Printed

Title

Address

CONTRACTOR

By: _____
Signature

Date

Printed

Title

Address