This Amendment No.5 modifies the Request for Proposal only in the manner and to the extent as stated herein.

1. The Medical University of South Carolina is issuing this Amendment to respond to questions.
2. The Hour and Date specified for receipt of bids is extended to: October 16, 2017 by 3:00pm Eastern Standard Time (est)

BIDDER SHALL ACKNOWLEDGE RECEIPT OF AMENDMENT NO.5 IN THE SPACE PROVIDED BELOW AND RETURN IT WITH THEIR BID RESPONSE. FAILURE TO DO SO MAY SUBJECT BID TO REJECTION.
### HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)

NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) (See "Notice" clause)

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<tr>
<th>Area Code</th>
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E-mail Address

### PAYMENT ADDRESS (Address to which payments will be sent.)
(See "Payment" clause)

ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders and "Contract Documents" clauses)

- Payment Address same as Home Office Address
- Payment Address same as Notice Address

- Order Address same as Home Office Address
- Order Address same as Notice Address

### ACKNOWLEDGMENT OF AMENDMENTS
Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See "Amendments to Solicitation" Provision)

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<th>Amendment No.</th>
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### DISCOUNT FOR PROMPT PAYMENT
(See "Discount for Prompt Payment" clause)

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### PREFERENCES - A NOTICE TO VENDORS (SEP. 2009)
On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at [www.procurement.sc.gov/preferences](http://www.procurement.sc.gov/preferences). **ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES. [11-35-1524(E)(4)&(6)]**

### PREFERENCES - ADDRESS AND PHONE OF IN-STATE OFFICE
Please provide the address and phone number for your in-state office in the space provided below. An in-state office is necessary to claim either the Resident Vendor Preference (11-35-1524(C)(1)(i)&(ii)) or the Resident Contractor Preference (11-35-1524(C)(1)(iii)). Accordingly, you must provide this information to qualify for the preference. An in-state office is not required, but can be beneficial, if you are claiming the Resident Subcontractor Preference (11-35-1524(D)).

- In-State Office Address same as Home Office Address
- In-State Office Address same as Notice Address

**PREFERENCES DO NOT APPLY TO THIS RFP**
MUSC’s Responses to Questions

Solicitation No. P161028SEK

Question 1: Has MUSC viewed budget solutions before the release of the RFP document? If so, which solutions?

MUSC’s Response: MUSC has not viewed budget solutions in over two years.

Question 2: Has a budget been set aside for this project? If so, how much?

MUSC’s Response: No change. In Solicitation Section VIII. BIDDING SCHEDULE / PRICE-BUSINESS PROPOSAL the clause titled Price-Business Proposal provide the details required for cost that must be included by the offeror. Accordingly, offerors should submit its cost proposal in accordance with this section.

Question 3: What HR system/tool is used?

MUSC’s Response: No change. See Solicitation Appendix A, Page 2 of 3, MUSC HR/PAYROLL ENVIRONMENT.

Question 4: What Financials system used?

MUSC’S Response: No change. See Solicitation Appendix A, Page 3 of 3, FINANCE & ADMIN INTEGRATIONS DATA MARTS.

Question 5: Please provide an example of the GL account hierarchies. Example: FFFF-DDD-DDDD-OOOOO-PPPPP where F= Fund, D = Dept/Div, C = College/School, O = Object/Account, P = Project

MUSC’s Response: See Addendum A: UDAK Overview

Question 6: Should all modules and functionality offered be included in the response or is MUSC only interested in specific modules/functionality? If so, which ones?

MUSC’s Response: Respondents should include all modules necessary to achieve the requested functionality as required by the Solicitation.

Question 7: For pricing and scalability, can you provide how many licenses (users) are required for each module as below:

MUSC’s Response: MUSC is seeking an enterprise wide license and is looking for one fee and is not inclined to accept additional license fees in the future or accept limits on the number of users, but to assist in gauging MUSC’s anticipated uses, MUSC currently estimates the following:

- How many Capital budgeting user licenses are required? 20
- How many Operating budgeting user licenses are required? 100
- How many Salary/Position budgeting user licenses are required? 80
• How many Performance (KPI’s) Measures user licenses are required? 8 users who can develop KPI’/s/dashboards, with the ability to be viewed by 100

**Question 8:** Do department managers (or the equivalent) manage all budgeting data for each position’s costs (salary, wages, benefits, etc.) within their department? Or alternatively, is the salary & benefit budgeting done by a smaller group (maybe within Finance or HR) on behalf of the departmental users? Only those individuals (users) would need access to the salary and benefit data.

**MUSC’s Response:** Department managers have salary/ position budgeting control responsibility. We anticipate that some departments may have people involved in operations budgeting only; thus the lower number of estimated salary/ position budgeting user licenses.

**Question 9:** If applicable, what number of FTEs are unionized?

**MUSC’s Response:** MUSC has no unionized FTEs.

**Question 10:** For the majority of positions, are staffing costs calculated based on Steps and Grades (a matrix or grid)? If no, can you explain how position costs are calculated?

**MUSC’s Response:** Most positions are compensated within a specific salary band, with multiple factors determining where a particular employee’s salary will fall within the band, including market factors and equity considerations. When approved, performance increases are applied based on a percentage of their salary, dependent on the most recent review rating. Some occupational groups have employees on a “Career Ladder” that also may have steps and competency levels within their assigned pay band.

**Question 11:** During the implementation process, how many years of historical data does MUSC wish to convert from the existing solution into the new solution?

**MUSC’s Response:** MUSC wants to have Three (3) years of historical data converted from its existing system.

**Question 12:** Do you want training to be performed onsite or done remotely via internet conferencing?

**MUSC’s Response:** The training plan is flexible depending on the capabilities, resources and standard implementation of the vendor. However, implementation assistance and training should include on-site components as necessary to ensure ease of communication and clarity regarding needs.

**Question 13:** From the RFP, it appears your preference is to have an off-site hosted or SaaS service. If so, can the hosting site reside anywhere in North America, or do you have specific requirements for the location?

**MUSC’s Response:** SC limits off-site hosting to contiguous United States.

**Question 14:** Regarding the termination rights, are there vendor rights to terminate and if so, please list those with any applicable processes.

**MUSC’s Response:** Because this functionality is so critical to MUSC and it is envisioned to be hosted off-site fully in control of Vendor, MUSC did not provide Vendor termination rights.
**Question 15:** Please confirm that Use Cases included are only guidelines for the demonstration phase and should not be addressed in the response.

**MUSC’s Response:** No change. In Solicitation Section II. Instructions To Offerors – B. Special Instructions, the clause titled LIVE DEMONSTRATION REQUIREMENTS provides that “A timely demonstration of the service is required. The demonstration is limited to 1 ½ hours, consisting of a brief introduction; system overview; performance capabilities demonstration and question and answer period. Prospective vendors are expected to demonstrate at minimum the following items listed in section III. SCOPE OF WORK / SPECIFICATIONS “System Use Case (UC1) and System Use Case (UC2)” see “Description of Use Case Demonstration.””

**Question 16:** Can the RFP document be provided in a Word or Excel format?

**MUSC’s Response:** See Amendment 1 to Solicitation for document in Word format.

**Question 17:** Whether companies from Outside USA can apply for this? (like, from India or Canada)

**MUSC’s Response:** Yes, foreign companies may apply; however all hosting and data must reside at all times in the contiguous United States.

**Question 18:** Whether we need to come over there for meetings?

**MUSC’s Response:** Yes, you may need to come to MUSC which the location and the time of meeting remains at the discretion of MUSC.

**Question 19:** Can we perform the tasks (related to RFP) outside USA? (Like, from India or Canada)

**MUSC’s Response:** Yes, task may be performed outside the USA; however all hosting and Data must reside at all times in the contiguous United States.

**Question 20:** Can we submit the proposals via email?

**MUSC’s Response:** No change. Cover page to Solicitation instructs the offeror to:

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<th>SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:</th>
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<td><strong>MAILING ADDRESS:</strong></td>
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<td>Medical University of South Carolina</td>
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<tr>
<td>19 Hagood Avenue, MSC 824</td>
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<tr>
<td>Charleston, SC 29425</td>
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**Question 21:** Can you please confirm if MUSC has participated in any product demos prior to the release of the RFP? If so, with which vendors?

**MUSC’s Response:** MUSC has not viewed budget solutions in over two years.

**Question 22:** Can you provide the estimated number of users that will need access to the solution?

**MUSC’s Response:** MUSC is seeking an enterprise wide license and is looking for one fee and is not inclined to accept additional license fees in the future or accept limits on the number of users, but to assist in gauging MUSC’s anticipated uses, MUSC currently estimates the following

- Capital budgeting user licenses required: 20
- Operating budgeting user licenses: 100
- Salary/Position budgeting user licenses: 80
- Performance (KPI’s) Measures user licenses: 8 users who can develop KPI’s/ dashboards, with the ability to be viewed by 100.

**Question 23:** Have you determined what their role or user type will be on the new system? For example, how many people will need to have access to the database, how many will be responsible for data entry, and/or how many will need read only functionality, etc.?

**MUSC’s Response:** User types and roles on the new system will depend greatly on the functionality and capabilities of the system being proposed.

**Question 24:** Is there a preference for a cloud or on-premise solution?

**MUSC’s Response:** No change. In Solicitation Section III. Scope of Work / Specifications, Subsection A. FUNCTIONAL REQUIREMENTS: 3.8 System Administration, clause SA-11 provides that “The solution shall use a web-based model. The core web-based services must be owned or controlled, delivered, and managed by the vendor. Support for system software, databases, upgrades, and development are the responsibility of the vendor.”

**Question 25:** In Section 3.4, question MY-1 the RFP states that “The solution must support the ability to do multi-year planning for compensation, operating budgets and capital spending.” When projecting multi-year capital spending, does MUSC also intend to develop a multi-year projection of the university’s full balance sheet and statement of cash flows or is the focus only on CAPEX?

**MUSC’s Response:** MUSC intends to project cash flows, income statement and capital expenditures. Projections for tuition, FTEs and enrollment may also be inputs to the overall projections.

**Question 26:** Please clarify if the expectation is for us to provide answers and descriptions for the Demonstration Use Case Requirements listed on pages 19-21 of the RFP, or is this simply guidance for future demonstrations? We do not want to be lacking in our response.

**MUSC’S Response:** No change. In Solicitation Section II. Instructions To Offerors – B. Special Instructions, the clause titled LIVE DEMONSTRATION REQUIREMENTS provides that “A timely
demonstration of the service is required. The demonstration is limited to 1 ½ hours, consisting of a brief introduction; system overview; performance capabilities demonstration and question and answer period. Prospective vendors are expected to demonstrate at minimum the following items listed in section III. SCOPE OF WORK / SPECIFICATIONS “System Use Case (UC1) and System Use Case (UC2)” see “Description of Use Case Demonstration.”

Question 27: The RFP refers to being able to support multiple charts of accounts. How many charts of accounts are there and can you provide a general description of the differences between them?

**MUSC’s Response:** Please see Addendum A: UDAK Overview. Additionally, please note that MUHA and MUSC-P have their own charts of accounts with different structures. Complete personnel services expense planning would require inclusion of all sources of compensation, even if those sources do not roll into the MUSC budget.

Question 28: How should we address any comments or changes to the legal terms in the RFP?

**MUSC’s Response:** If a vendor takes issue with any of the terms and conditions in the Solicitation, those provisions should be identified, listing any requested alternatives in the vendor’s cover response letter. MUSC did develop the Solicitation to be an independent contract, incorporating a Vendor’s technical and business proposals and a final Record of Negotiation including any mutually agreed upon changes or additions to the Solicitation. Note that deviations from the Solicitation’s base provisions will be taken into consideration during scoring. Also, see following on page 15 of Solicitation: **ADDITIONAL TERMS AND CONDITIONS**

The Offeror shall not include, either directly or indirectly via uniform resource locator(s) (“URL(s)”), or otherwise, additional Terms and Conditions or ancillary contracts or open source agreements relative to their proposal. Any changes are to be requested during the question period.

Question 29: As it relates to the terms and conditions contained in the solicitation, Page 15, Additional Terms and Conditions states “Any changes are to be requested during the question period.” But we could find no reference to the end date for the question period in the solicitation, can you provide that to us?

**MUSC’s Response:** No Change. The Cover Page of Solicitation provides that “QUESTIONS MUST BE RECEIVED BY: July 17, 2017.”

Question 30: Do you have a preferred format for any changes that we would like considered to the terms and conditions (redline?) or for any additional terms that may be needed (amendment)?

**MUSC’s Response:** If a vendor takes issue with any of the terms and conditions in the Solicitation, those provisions should be identified, listing any requested alternatives in the vendor’s cover response letter. MUSC did develop the Solicitation to be an independent contract, incorporating a Vendor’s technical and business proposals and a final Record of Negotiation including any mutually agreed upon changes or additions to the Solicitation. Note that deviations from the Solicitation’s base provisions will be taken into consideration during scoring. Also, see following on page 15 of Solicitation: **ADDITIONAL TERMS AND CONDITIONS**

The Offeror shall not include, either directly or indirectly via uniform resource locator(s) (“URL(s)”), or otherwise, additional Terms and Conditions or ancillary contracts or open source
agreements relative to their proposal. Any changes are to be requested during the question period.

**Question 31:** Can you define “Record of Negotiations” for us? We could not find a definition of that term.

**MUSC’s Response:** Record of Negotiations (“RON”) is a final document that is drafted by the Procurement Officer noting final arrangements between MUSC and Vendor awarded the contract.

**Question 32:** How many Full Read/Write Named Users and Read-Only Named Users are needed for licensing? (I couldn’t seem to find that information listed in the RFP)

**MUSC’s Response:** MUSC is seeking an enterprise wide license and is looking for one fee and is not inclined to accept additional license fees in the future or accept limits on the number of users, but to assist in gauging MUSC’s anticipated uses, MUSC currently estimates the following:

- Database access: 5
- Capital budgeting user licenses required: 20
- Operating budgeting user licenses: 100
- Salary/Position budgeting user licenses: 80
- Performance (KPI’s) Measures user licenses: 8 users who can develop KPI’s/ dashboards, with the ability to be viewed by 100.

**Question 33:** Is the preferred pricing a ‘Subscription License’ format or a ‘Perpetual license’ format? We primarily quote a ‘Subscription License’ format, if that is acceptable to MUSC.

**MUSC’s Response:** No Change. In Solicitation Section I. SCOPE OF SOLICITATION, clause titled ACQUIRE SERVICES and SUPPLIES / EQUIPMENT provides that MUSC “seeks to purchase and implement a Budget and Forecasting computer software “System” (as defined below) that will be perpetually licensed to the State, and modified, fully supported and made accessible to the State by Contractor via web-based service(s) all designed to automate MUSC’s core budget functions and provide robust dashboard and reporting capability for budgets and actual expenses throughout MUSC’s operations. Further, MUSC’s desire is that the Budget and Forecasting System will meet today’s needs AND is scalable and sustainable to take MUSC into the future. Accordingly, under this Solicitation, MUSC seeks to purchase: (i) perpetual, non-exclusive licenses to a Budget and Forecasting System and any required Third Party Software, (ii) access to a Web-based service for hosting the System, and (iii) System integration, configuration, implementation, production hosting and processing, System Maintenance and transition, and Disengagement services for the System (collectively, the “Services”).”

No Change. In solicitation Section VII. BIDDING SCHEDULE/ PRICE-BUSINESS PROPOSAL, the clause titled PRICE PROPOSAL (Jan 2006), the second paragraph provides that “MUSC will consider license, lease or purchase options (as outlined in section III Scope of Work/Specifications). Regardless of whether the Contractor is proposing a purchase or subscription option, the itemized listing submitted on the attached Excel Bid Schedule in the Cost Proposal MUST include the costs of all proposed components.”
Question 34: Is there a preference between a cloud-based implementation, hosted by the vendor or an on-premises implementation, maintained by MUSC? (vendor name deleted by MUSC) offers both but strongly recommends a cloud-based implementation hosted by(vendor name deleted by MUSC).

MUSC’s Response: No change. In Solicitation Section I. SCOPE OF SOLICITATION, clause titled ACQUIRE SERVICES and SUPPLIES / EQUIPMENT provides that “MUSC seeks to purchase: (i) perpetual, non-exclusive licenses to a Budget and Forecasting System and any required Third Party Software, (ii) access to a Web-based service for hosting the System, and (iii) System integration, modification, configuration, implementation, production hosting and processing, System Maintenance and transition, and Disengagement services for the System (collectively, the “Services”).

Question 35: The RFP indicates a number of environments/versions that are needed for implementation (ie: production, test, training/demo versions – on page 23) and (ie: production, test, sandbox [which is defined as a copy of production] – on page 37, SA-15). Since the number of environments affect the total cost of the solution, please clarify the number of environments and types of environments that are needed.

MUSC’s Response: No change. In Solicitation Section III. Scope of Work / Specifications, Subsection A. FUNCTIONAL REQUIREMENTS: 3.8 System Administration, clause SA-15 provides that “The solution shall provide at a minimum a test and a production environment, with an additional full-scale development “sandbox” copying the production version.”

Question 36: Section I of the RFP indicates MUSC is seeking to purchase “perpetual, non-exclusive” licenses. The solution we are proposing is a subscription based, cloud Strategic Corporate Performance Management solution. Will MUSC entertain bids for a Software as a Service (SaaS) subscription license solution?

MUSC’s Response: No Change. In Solicitation Section I. SCOPE OF SOLICITATION, clause titled ACQUIRE SERVICES and SUPPLIES / EQUIPMENT provides that MUSC “seeks to purchase and implement a Budget and Forecasting computer software “System” (as defined below) that will be perpetually licensed to the State, and modified, fully supported and made accessible to the State by Contractor via web-based service(s) all designed to automate MUSC’s core budget functions and provide robust dashboard and reporting capability for budgets and actual expenses throughout MUSC’s operations. Further, MUSC’s desire is that the Budget and Forecasting System will meet today’s needs AND is scalable and sustainable to take MUSC into the future. Accordingly, under this Solicitation, MUSC seeks to purchase: (i) perpetual, non-exclusive licenses to a Budget and Forecasting System and any required Third Party Software, (ii) access to a Web-based service for hosting the System, and (iii) System integration, modification, configuration, implementation, production hosting and processing, System Maintenance and transition, and Disengagement services for the System (collectively, the “Services”).”

No Change. In solicitation Section VII. BIDDING SCHEDULE/ PRICE-BUSINESS PROPOSAL, the clause titled PRICE PROPOSAL (Jan 2006), the second paragraph provides that “MUSC will consider license, lease or purchase options (as outlined in section III Scope of Work/Specifications). Regardless of whether the Contractor is proposing a purchase or subscription option, the itemized listing submitted on the attached Excel Bid Schedule in the Cost Proposal MUST include the costs of all proposed components.”
Question 37: We are a Services Partner of the Software Vendor we would like to submit a joint response with. That being said:

- Will MUSC allow Services Partners of Software Vendors to be the submitting entity for those bids?

  MUSC’s Response: It is acceptable for the software vendor to subcontract with a consulting service provider, but MUSC will only enter contract with one legal entity. MUSC will not enter two contracts or agree to a multi-prime arrangement, and because the long-term relationship is with the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming agreement or cooperative prime-sub agreement between the two vendors can arrange for distribution of responsibilities as between the two vendors, but MUSC is insisting upon a relationship with one vendor being responsible for the entire arrangement.

- Is MUSC open to contracting directly with the Software Vendor for the software licensing and directly with the Services Partner for implementation services? If so, this would allow for multiple Service Partners of the same software company to submit competing bids for the services, which ultimately benefits MUSC in terms of seeing competitive bids for the same solution.

  MUSC’s Response: It is acceptable for the software vendor to subcontract with a consulting service provider, but MUSC will only enter contract with one legal entity. MUSC will not enter two contracts or agree to a multi-prime arrangement, and because the long-term relationship is with the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming agreement or cooperative prime-sub agreement between the two vendors can arrange for distribution of responsibilities as between the two vendors, but MUSC is insisting upon a relationship with one vendor being responsible for the entire arrangement.

- If MUSC doesn’t allow for Services Partners to be the submitting entity, will MUSC allow for the Software Vendor to submit a bid with single pricing for the software but multiple implementation proposals for the services?

  MUSC’s Response: It is acceptable for the software vendor to subcontract with a consulting service provider, but MUSC will only enter contract with one legal entity. MUSC will not enter two contracts or agree to a multi-prime arrangement, and because the long-term relationship is with the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming agreement or cooperative prime-sub agreement between the two vendors can arrange for distribution of responsibilities as between the two vendors, but MUSC is insisting upon a relationship with one vendor being responsible for the entire arrangement.

Question 38: Does MUSC have any other guidance for Services Partners and Software Vendors looking to submit a “joint” bid? We are specifically concerned about, Page 9 – ‘BID / PROPOSAL AS OFFER TO CONTRACT’, where it states, “An Offer may be submitted by only one legal entity; “joint bids” are not allowed”. Therefore, what is MUSC’s guidance to Software Vendors and their services partners who intended to jointly respond to the RFP?

  MUSC’s Response: It is acceptable for the software vendor to subcontract with a consulting service provider, but MUSC will only enter contract with one legal entity. MUSC will not enter two contracts or agree to a multi-prime arrangement, and because the long-term relationship is with the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming agreement or cooperative prime-sub agreement between the two vendors can arrange for distribution of responsibilities as between the two vendors, but MUSC is insisting upon a relationship with one vendor being responsible for the entire arrangement.
agreement or cooperative prime-sub agreement between the two vendors can arrange for 

distribution of responsibilities as between the two vendors, but MUSC is insisting upon a 

relationship with one vendor being responsible for the entire arrangement.

- How does this factor into things like filling out the ‘MUSC Information Security 

Addendum’ or other items that are best suited for a response by the Software Vendor rather 

than the Services Partner?

**MUSC’s Response:** It is acceptable for the software vendor subcontract with a consulting service 

provider, but MUSC will only enter contract with one legal entity. MUSC will not enter two 

contracts or agree to a mutli-prime arrangement, and because the long-term relationship is with 

the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming 

agreement or cooperative prime-sub agreement between the two vendors can arrange for 

distribution of responsibilities as between the two vendors, but MUSC is insisting upon a 

relationship with one vendor being responsible for the entire arrangement.

**Question 39:** The Contract Start date suggests September 13, 2017. Is this the intended 

“project start” date and what is the desired “Go-Live” date for the project? Is there a particular 

planning period MUSC is trying to have the system in place for?

**MUSC’s Response:** This is a desired project start date. “Go Live” will be dependent on the 

implementation requirements and timeframe suggested by the vendor. Potential respondents 

should note that MUSC currently begins budget activity July 1 for the following July 1 fiscal year 

start, but is eager to achieve reductions in the length of the total budgeting timeline based on 

system functionality.

**Question 40:** Subparagraph b. lists the System Use Cases that are required to be demonstrated by the 

3 shortlisted vendors. Does MUSC expect the Submitted Bids to contain responses/descriptions to the 

items listed in the sections titled, “Description of Use Case Demonstration” or is that only a requirement 

of the demonstration if selected?

**MUSC’s Response:** No change. In Solicitation Section II. Instructions To Offerors – B. Special 

Instructions, the clause titled LIVE DEMONSTRATION REQUIREMENTS provides that “A timely 

demonstration of the service is required. The demonstration is limited to 1 ½ hours, consisting of 

a brief introduction; system overview; performance capabilities demonstration and question and 

answer period. Prospective vendors are expected to demonstrate at minimum the following 

items listed in section III. SCOPE OF WORK / SPECIFICATIONS “System Use Case (UC1) and System 

Use Case (UC2)” see “Description of Use Case Demonstration.””

**Question 41:** Item ACC-5 in Section 3A.2.2 “Authentication/Access Control” makes reference to an 

“HR Application”. Is this item an oversight from a previous RFP?

**MUSC’s Response:** The reference in Solicitation Section III, Subsection A, 2.2 

Authorization/Access Control, Item ACC-5 to an HR Application is not an oversight.

**Question 42:** Item VR-6 – Are the different account structures by entity different groupings of the 

University’s chart of accounts or do the different entities have their own account system which is be 

different from University’s chart of accounts.
MUSC’s Response: MUSC entities have their own charts of accounts with different structures. Complete personnel services expense planning would require inclusion of all sources of compensation, even if those sources do not roll into the MUSC budget.

Question 43: Item VR 10 – What are the current systems in place (if any) for tuition modeling based on statistical data and drivers? Are you looking for the new system to generate the statistical forecast or is there a system in place generating the statistical data MUSC would like loaded into the new system and leveraged for tuition modeling?

MUSC’s Response: MUSC does not have a system in place for generating statistical forecasts for tuition modeling, nor is there a system for generating/ gathering the statistical data needed.

Question 44: P. 63 – OFFSHORE CONTRACTING PROHIBITED – Does this exclude US Based Companies who have highly qualified and experienced offshore full-time employees (not ‘contractors’) that can be leveraged in combination with their onshore resources to deliver significant overall cost savings to MUSC?

MUSC’s Response: All hosting and data must reside at all times in the contiguous United States.

Question 45: P. 72 states, “All travel expenses are the sole responsibility of the Contractor.” But the bidding schedule has a line item for “Travel (coach fare only)”. Can MUSC clarify whether bidders are to include all estimated travel costs (airfare, hotel, rental car, meals, etc.) in this one line item or not? Also, will MUSC reimburse the selected vendor for all T&E based on actual expenses submitted for reimbursement within the guidelines of an agreed to ‘Expense Policy’?

MUSC’s Response: No Change. In Solicitation Section VIII., Bidding Schedule/Price –Business Proposal provides that “All travel expenses are the sole responsibility of the Contractor.”

Question 46: Did MUSC use a third party / consulting firm to help create this RFP and if so, is that vendor also submitting a bid?

MUSC’s Response: Yes. Any vendor that MUSC contracted with for services related to the development of the Statement of Work is deemed to have a conflict of interest and may not participate in this solicitation in either a prime or subcontract capacity.

Question 47: How many users (# of Application Administrators and # of End Users) does MUSC anticipate having across the 6 colleges?

MUSC’s Response: MUSC is seeking an enterprise wide license and is looking for one fee and is not inclined to accept additional license fees in the future or accept limits on the number of users, but to assist in gauging MUSC’s anticipated uses, MUSC currently estimates the following:

- Database access: 5
- Capital budgeting user licenses required: 20
- Operating budgeting user licenses: 100
- Salary/Position budgeting user licenses: 80
Performance (KPI’s) Measures user licenses: 8 users who can develop KPI’s/ dashboards, with the ability to be viewed by 100.

Question 48: Is MUSC looking to have a centralized or decentralized system, meaning, a single administrator of the solution for all 6 colleges or will there be an administrator for each college?

MUSC’s Response: From a security standpoint, MUSC will have a centralized administrator.

Question 49: Does MUSC anticipate a single model with a single Chart of Accounts that can be used by all 6 colleges knowing that at least for our proposed solution, security could be set to allow for each user to only see the data associated with their college and that each college could have their own set of allocations for revenues and costs in a single model/application? The alternative would be a separate model/application for each college and potentially a consolidating model that is fed by the 6 individual models for consolidated results.

MUSC’s Response: All 6 Colleges use the same chart of accounts for MUSC activity. Final summary budget and financial information by College is available for all users to view. However, details and budget development versions should not be viewable to others. Personnel services budgets and actuals should have a more limited set of users. Each College and/or unit may require its own set of rules for allocations of revenues and costs for development of their overall budget.

Question 50: Can MUSC provide any information regarding the pool of resources they will commit to the project? (i.e. FTEs by type, skill set, position and duration). For example, Subject Matter Experts, Administrators, Budgeting and Forecasting Project Core Team Members, Data Integration Specialists, etc.)

MUSC’s Response: It is not possible to estimate the resources that will be needed on the MUSC side until the vendor is selected. However, we are NOT budgeting for any new resources for this effort.

Question 51: Will the project be run by IT or the Business?

MUSC’s Response: Implementation will be run by the selected vendor in cooperation with MUSC overall, including IT (Information Solutions).

Question 52: Does MUSC have a Change Management team and/or standard processes they leverage to manage change associated with implementing a new system like this? Any information that can be shared to help us determine the Change Management components our organization will be responsible for developing and delivering versus MUSC would be appreciated.

MUSC’s Response: MUSC does not have a Change Management team.

Question 53: What is MUSC’s preferred methods of enabling their users? Does MUSC employ a train the trainer methodology, do they want the vendor to provide all system and end user training, etc.?

MUSC’s Response: MUSC anticipates that initial training will be provided to a core group of MUSC personnel who will then provide all system training.
Question 54: How many end users will have to be trained to support MUSC’s RCM Budgeting/Forecasting process?

MUSC’s Response: MUSC is seeking an enterprise wide license and is looking for one fee and is not inclined to accept additional license fees in the future or accept limits on the number of users, but to assist in gauging MUSC’s anticipated uses, MUSC currently estimates the following:

- Database access: 5
- Capital budgeting user licenses required: 20
- Operating budgeting user licenses: 100
- Salary/Position budgeting user licenses: 80
- Performance (KPI’s) Measures user licenses: 8 users who can develop KPI’s/ dashboards, with the ability to be viewed by 100.

Question 55: Will MUSC have a Project Manager assigned to this project and if so, will that resource be full-time or part-time?

MUSC’s Response: Yes, a Project Manager will be assigned to this project; however, the staffing has not been determined.

Question 56: Is Business Process Improvement an element of this implementation or is MUSC mostly looking to move and automate (where possible) the existing Excel-based RMC Budget process to a centralized system?

MUSC’s Response: MUSC anticipates improvement in business processes based on best practices as expressed within the capabilities and standard functionality of the solution. A full business process improvement program is not anticipated to be part of the implementation.

Question 57: What is the level of end user satisfaction with the current system(s) and process(es)?

MUSC’s Response: Current systems are Excel-based with limited flexibility or planning potential.

Question 58: What reporting tools (outside of Excel) does MUSC currently use to compare budgets/forecasts to actuals?

MUSC’s Response: There is an Access database that imports actuals data in from our Darkwing database and combines it with budgets on Excel spreadsheets by department.

Question 59: Is there a data warehouse of any kind where the budgets/forecasts are being uploaded to combine that data with actuals?

MUSC’s Response: No. There is an Access database that imports actuals data in from our Darkwing database and combines it with budgets on Excel spreadsheets by department.

Question 60: Are there any requirements to export budget/forecast data from the new system to any other systems at MUSC? If so, what are those systems?
MUSC’s Response: With the exception of excel, there is not any requirement at this time to export budget/forecast data.

Question 61: Reporting

• What reporting tools does MUSC use for reporting of the Consolidated results today?

MUSC’s Response: There is an Access database that imports actuals data in from our Darkwing database and combines it with budgets on Excel spreadsheets by department. Financial Services develops the consolidated interim monthly financial reports using Excel and Access queries of the Darkwing database.

• How many reports are run? A minimum of 64 reports are run.
• Frequency? Monthly
• Man-days to produce? 2-4
• Number or report developers? 3
• Preferred access method? System should provide reports
• Do you rely on Excel for offline analysis & reporting? Yes
• Do you have automated production style reporting? No

Question 62: What are your ad-hoc reporting requirements outside of requirement RP-6? How is it managed today?

MUSC’s Response: Currently, there is an Access database that imports actuals data in from our Darkwing database and combines it with budgets on Excel spreadsheets by department. Financial Services develops the consolidated interim monthly financial reports using Excel and Access queries of the Darkwing database.

Access queries of the Darkwing database are used to isolate specific data. All other reporting and analysis is done in Excel.

Question 63: What (if any) dashboarding requirements does MUSC have?

MUSC’s Response: No change. In Solicitation Section I. SCOPE OF SOLICITATION, ACQUIRE SERVICES and SUPPLIES / EQUIPMENT provides that MUSC “seeks to purchase and implement a Budget and Forecasting computer software “System” (as defined below) that will be perpetually licensed to the State, and modified, fully supported and made accessible to the State by Contractor via web-based service(s) all designed to automate MUSC’s core budget functions and provide robust dashboard and reporting capability for budgets and actual expenses throughout MUSC’s operations.”

Question 64: How many records are present in smart stream for Actuals for one year (2016)?

MUSC’s Response: A minimum of 46,000 records are generated per year.
**Question 65:** Can we have more details on what is meant by Tuition revenue modeling based on statistical data? Does it mean calculating tuition revenue based on drivers such as enrollment, tuition fees etc.?

**MUSC’s Response:** Yes, tuition revenue modeling may be based on calculating tuition revenue based on drivers such as enrollment, tuition fees demographics, economic factors, etc.

**Question 66:** What are some of the source systems containing the driver information for allocation? Similarly are there any other source systems for master data outside of the systems listed in Appendix A?

**MUSC’s Response:** As outlined in Appendix A, AiM Asset Management is used for space, SmartStream for HR/payroll and finance, and Grants Master for grants and contracts information. Additionally, enrollment information would be needed from Ellucian.

**Question 67:** What are the current conversions (if any) being performed on the Employee data from the legacy systems? If any.

**MUSC’s Response:** There are no current conversions being performed.

**Question 68:** What 'capabilities' is MUSC looking for which aren't currently available? What are current shortcomings in efficiencies and user experience?

**MUSC’s Response:** No change. In Solicitation Section III. Scope of Work / Specifications provides in detail the capabilities that MUSC is seeking.

**Question 69:** How much historical data does MUSC want in the system at any given time for both Budgets/Forecasts and Actuals?

**MUSC’s Response:** MUSC wants to have Three (3) years of historical data converted from it existing system. After implementation, all years of information generated in the solution should be available.

**Question 70:** Does MUSC want the import of driver data to be automated?

**MUSC’s Response:** MUSC wants the import driver data to be automated.

**Question 71:** How many hierarchies are utilized for the allocation processes?

**MUSC’s Response:** There is one hierarchy utilized for the allocation process.

**Question 72:** Is all statistical analysis finalized and simply model input, or desired for model to automate statistical optimization of data?

**MUSC’s Response:** Analysis such as variances between actual and budget is to be done by the model. Optimization of forecasts should be part of the forecasting capabilities.

**Question 73:** Are timestamps to be manually input, or desired to be automated timestamps?

**MUSC’s Response:** Timestamps are to be Automated.
**Question 74:** Section GF-1 System Editing States: The ability for all codes and general data to be verified against either edit tables/files or properly undergo programmatic edits (syntax or conditional).

- What does MUSC mean by codes? Are you referring to changing actual code of the software or configuration of the software?

**MUSC's Response:** “Codes” would include MUSC systems of record data elements such as the accounting string (object codes, cost center codes, status codes, etc.). The new system must support implementation of rules/validation of data against MUSC specified standards, lookup sources, etc.

**Question 75:** Section SA-11 states: The solution shall use a web-based model model. The core web-based services must be owned or controlled, delivered, and managed by the vendor. Support for system software, databases, upgrades, and development are the responsibility of the vendor.

Page 7 States: The Medical University of South Carolina (MUSC), a Health Sciences University comprised of six (6) Colleges: Medicine, Dental Medicine, Nursing, Pharmacy, Health Professions and Graduate Studies, seeks to purchase and implement a Budget and Forecasting computer software “System” (as defined below) that will be perpetually licensed to the State, and modified, fully supported and made accessible to the State by Contractor via web-based service(s) all designed to automate MUSC’s core budget functions and provide robust dashboard and reporting capability for budgets and actual expenses throughout MUSC’s operations. Further, MUSC’s desire is that the Budget and Forecasting System will meet today’s needs AND is scalable and sustainable to take MUSC into the future. Accordingly, under this Solicitation, MUSC seeks to purchase: (i) perpetual, non-exclusive licenses to a Budget and Forecasting System and any required Third Party Software, (ii) access to a Web-based service for hosting the System, and (iii) System integration, modification, configuration, implementation, production hosting and processing, System Maintenance and transition, and Disengagement services for the System (collectively, the “Services”).

These two statements seem to contradict each other. Can you clarify if MUSC seeks “On Premise/Perpetual” or “Software as a Service” licensing?

**MUSC’s Response:** MUSC does not find the two sections incongruent. The license to the Software is perpetual, and continues following termination of the web based term.

The license to web hosting and maintenance is on page 67 of Solicitation. “The effective date of this contract is the first day of the Maximum Contract Period as specified on the final statement of award. The initial term of this agreement is 2 year(s), with five (5) one (1) year renewal option from the effective date. Regardless, this contract expires no later than the last date stated on the final statement of award. [07-7B240-1]” See also:

Web-based Service License.

Contractor hereby grants MUSC a personal, non-exclusive, license to access the web-based service, during the term, solely for use by MUSC’s end users’ internal operations. For purposes of clarification, during the web-based service term of the contract, Contractor is responsible for providing all Equipment and licenses to third party software operating systems, database software, tools, utilities and other components of the web-based services as well as all Updates to Third Party Software, including encryption in transit and at rest of all Government
Information processed on said web-based services environment, at no additional Fees or costs to MUSC. (emphasis provided)

Question 76: Section 5a. The product as delivered (as of the date of the response) meets the requirement with no modifications or user effort required.

5b. The product as delivered (as of the date of the response) may be trivially configured to support the functionality such as by changing options from a menu. If this rating is used, the solution must contain sufficient documentation to make this configuration obvious to the administrators or support personnel and such a change would be at no additional cost.

***If selecting this response, Offeror must specifically identify response as 5a or 5b.

Please clarify if MUSC is including consulting & implementation costs in the above restriction of “no additional cost”.

MUSC’s Response: MUSC is including consulting and implementation costs in the above restriction of “no additional cost.”

Question 77: Please clarify if you require printed hard copy or electronic submission or both?

MUSC’s Response: No Change. In Solicitation Section II. Instructions To Offerors – B. Special Instructions, clause entitled ELECTRONIC COPIES – REQUIRED MEDIA AND FORMAT (MAR 2015) provides, “In addition to your original offer, you must submit an electronic copy or copies on compact disk (CD), DVD, or USB drive. Submit the number of copies indicated on the cover page. Each copy should be on separate media. Your business and technical proposals must be on separate media. Every disk or USB drive must be labeled with the solicitation number and the offeror’s name, and specify whether its contents address technical proposal or business proposal. If multiple-disk sets are provided, each disk in the set must be appropriately identified as to its relationship to the set, e.g., 1 of 2. The electronic copy must be identical to the original offer. File format shall be compatible with Microsoft Office (version 2003 or later), or Adobe Acrobat or equivalent Portable Document Format (.pdf) viewer. The Procurement Officer must be able to view, search, copy and print electronic documents without a password.”

The original offer must be printed hardcopy.

Question 78: Can we submit the proposal with a partner for implementation?

MUSC’s Response: It is acceptable for the software vendor to subcontract with a consulting service provider, but MUSC will only enter contract with one legal entity. MUSC will not enter two contracts or agree to a mutli-prime arrangement, and because the long-term relationship is with the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming agreement or cooperative prime-sub agreement between the two vendors can arrange for distribution of responsibilities as between the two vendors, but MUSC is insisting upon a relationship with one vendor being responsible for the entire arrangement.

Question 79: MUSC indicated that it is looking for a Budget and Forecasting system with a “perpetual license” to the State. We offer a SaaS solution that is licensed for the duration of the subscription period only. Therefore, the license is not perpetual by definition. Does that mean that the State intends to exclude vendors who offer their system as Software-as-a-Service (SaaS) with an annual and renewable subscription fee? Thank you for the clarification.
**MUSC’s Response:** No Change. In solicitation Section I. SCOPE OF SOLICITATION, THE CLAUSE TITLED ACQUIRE SERVICES AND SUPPLIES/EQUIPMENT provides that MUSC “seeks to purchase and implement a Budget and Forecasting computer software “System” (as defined below) that will be perpetually licensed to the State, and modified, fully supported and made accessible to the State by Contractor via web-based service(s) all designed to automate MUSC’s core budget functions and provide robust dashboard and reporting capability for budgets and actual expenses throughout MUSC’s operations. Further, MUSC’s desire is that the Budget and Forecasting System will meet today’s needs AND is scalable and sustainable to take MUSC into the future. Accordingly, under this Solicitation, MUSC seeks to purchase: (i) perpetual, non-exclusive licenses to a Budget and Forecasting System and any required Third Party Software, (ii) access to a Web-based service for hosting the System, and (iii) System integration, modification, configuration, implementation, production hosting and processing, System Maintenance and transition, and Disengagement services for the System (collectively, the “Services”).

No Change. In solicitation Section VII. BIDDING SCHEDULE/ PRICE-BUSINESS PROPOSAL, THE CLAUSE TITLED PRICE PROPOSAL (JAN 2006), the second paragraph provides that “MUSC will consider license, lease or purchase options (as outlined in section III Scope of Work/Specifications). Regardless of whether the Contractor is proposing a purchase or subscription option, the itemized listing submitted on the attached Excel Bid Schedule in the Cost Proposal MUST include the costs of all proposed components.”

**Question 80:** Is an implementation/integration services provider allowed to submit more than one bid with separate software vendors?

**MUSC’s Response:** It is acceptable for the consulting service provider to subcontract with a software vendor, but MUSC will only enter contract with one legal entity. MUSC will not enter two contracts or agree to a mutli-prime arrangement, and because the long-term relationship is with the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming agreement or cooperative prime-sub agreement between the two vendors can arrange for distribution of responsibilities as between the two vendors, but MUSC is insisting upon a relationship with one vendor being responsible for the entire arrangement.

**Question 81:** Is a SaaS/software vendor allowed to submit more than one bid with separate services/integrator partner?

**MUSC’s Response:** It is acceptable for the software vendor to subcontract with a consulting service provider, but MUSC will only enter contract with one legal entity. MUSC will not enter two contracts or agree to a mutli-prime arrangement, and because the long-term relationship is with the Software Vendor, MUSC will enter the contract with the Software Vendor. The teaming agreement or cooperative prime-sub agreement between the two vendors can arrange for distribution of responsibilities as between the two vendors, but MUSC is insisting upon a relationship with one vendor being responsible for the entire arrangement.

**Question 82:** Approximately when will onsite demonstrations be scheduled? For planning purposes, it would be very useful to have a date range (if possible).
**MUSC’s Response:** For planning purposes only, once the Solicitation has closed MUSC will post an amendment with date range for possible onsite demonstrations.

**Question 83:** Section 2 states that the selected vendor will be expected to sign a standard HIPAA Business Associate Agreement and an MUSC Information Security Addendum. We were able to locate the Information Security Addendum in Appendix B but not the HIPAA Business Associate Agreement. Can you please provide a copy?

**MUSC’s Response:** The HIPAA Business Associate Agreement is added as Appendix D.

**Question 84:** While we understand that MUSC will be expected to comply with HIPAA requirements as an organization, as a software provider we do not necessarily understand why this particular Budget Forecasting system itself would in any circumstances store HIPAA data. All technical and functional requirements contained in this solicitation do not necessitate any type of HIPAA data being stored in the selected system. We believe that this requirement to not be relevant for the system being sought by MUSC. Can you please comment on the above and clarify?

**MUSC’s Response:** If personal health information is involved, a BAA is required.

**Question 85:** How many system administrators will be required by MUSC? Such users can fully configure the system unless restricted by system security.

**MUSC’s Response:** MUSC anticipates having a minimum of 4 system administrators.

**Question 86:** How many budget managers and regular budget contributors will be required by MUSC?

**MUSC’s Response:** MUSC is seeking an enterprise wide license and is looking for one fee and is not inclined to accept additional license fees in the future or accept limits on the number of users, but to assist in gauging MUSC’s anticipated uses, MUSC currently estimates the following:

- Database access: 5
- Capital budgeting user licenses required: 20
- Operating budgeting user licenses: 100
- Salary/Position budgeting user licenses: 80
- Performance (KPI’s) Measures user licenses: 8 users who can develop KPI’s/ dashboards, with the ability to be viewed by 100.

**Question 87:** How many end users will enter data occasionally into the system (enter data approximately once per month)?

**MUSC’s Response:** MUSC is seeking an enterprise wide license and is looking for one fee and is not inclined to accept additional license fees in the future or accept limits on the number of users, but to assist in gauging MUSC’s anticipated uses, MUSC currently estimates the following:

- Database access: 5
- Capital budgeting user licenses required: 20
- Operating budgeting user licenses: 100
Salary/Position budgeting user licenses: 80

Performance (KPI’s) Measures user licenses: 8 users who can develop KPI’s/ dashboards, with the ability to be viewed by 100.

**Question 88:** How many end users will require ‘ready-only’ access to the system?

**MUSC’s Response:** Assuming the question is about “read-only” access, none.

**Question 89:** Please clarify how MUSC will review or consider the standard terms and conditions that a vendor has specifically crafted for the delivery of its SaaS offering if it is not willing to accept attachment of a vendor’s standard subscription agreement at the time of submission? Would that review and negotiation happen after potential award?

**MUSC’s Response:** If a vendor takes issue with any of the terms and conditions in the Solicitation, those provisions should be identified, listing any requested alternatives in the vendor’s cover response letter. MUSC did develop the Solicitation to be an independent contract, incorporating a Vendor’s technical and business proposals and a final Record of Negotiation including any mutually agreed upon changes or additions to the Solicitation. Note that deviations from the Solicitation’s base provisions will be taken into consideration during scoring. Also, see following on page 15 of Solicitation: *ADDITIONAL TERMS AND CONDITIONS*

The Offeror shall not include, either directly or indirectly via uniform resource locator(s) ("URL(s)"), or otherwise, additional Terms and Conditions or ancillary contracts or open source agreements relative to their proposal. Any changes are to be requested during the question period.

**Question 90:** Will contract negotiations between MUSC and the selected offeror exclude any terms and conditions laid out in this solicitation? if so which terms and conditions are non-negotiable from the MUSC’s perspective?

**MUSC’s Response:** If a vendor takes issue with any of the terms and conditions in the Solicitation, those provisions should be identified, listing any requested alternatives in the vendor’s cover response letter. MUSC did develop the Solicitation to be an independent contract, incorporating a Vendor’s technical and business proposals and a final Record of Negotiation including any mutually agreed upon changes or additions to the Solicitation. Note that deviations from the Solicitation’s base provisions will be taken into consideration during scoring. Also, see following on page 15 of Solicitation: *ADDITIONAL TERMS AND CONDITIONS*

The Offeror shall not include, either directly or indirectly via uniform resource locator(s) ("URL(s)"), or otherwise, additional Terms and Conditions or ancillary contracts or open source agreements relative to their proposal. Any changes are to be requested during the question period.

**Question 91:** Are the terms and conditions laid out in VII A and B negotiable with selected vendor?

**MUSC’s Response:** If a vendor takes issue with any of the terms and conditions in the Solicitation, those provisions should be identified, listing any requested alternatives in the vendor’s cover response letter. MUSC did develop the Solicitation to be an independent contract, incorporating a Vendor’s technical and business proposals and a final Record of Negotiation including any mutually agreed upon changes or additions to the Solicitation. Note
that deviations from the Solicitation’s base provisions will be taken into consideration during scoring. Also, see following on page 15 of Solicitation: *ADDITIONAL TERMS AND CONDITIONS*

The Offeror shall not include, either directly or indirectly via uniform resource locator(s) ("URL(s)"), or otherwise, additional Terms and Conditions or ancillary contracts or open source agreements relative to their proposal. Any changes are to be requested during the question period.

**Question 92:** Regarding item "Term of Contract - Non-Termination or Suspension by Contractor": If the contractor were to accept these terms wouldn’t the contractor be obligated to provide its service free of charge to MUSC for as long as MUSC decided to do so? Thank you for clarifying.

**MUSC’s Response:** No. If MUSC breaches payment provisions, Vendor will seek damages or other equitable relief from judicial proceedings. This section is intended to protect MUSC from vendor preventing MUSC from using functionality in the event of a *bona fide* dispute because total control is in the hands of the Vendor.

**Question 93:** Termination for convenience (Jan 2006): Standard industry terms and conditions usually allow either party to terminate a SaaS subscription agreement and related services upon the other party’s material breach that remains uncured for thirty (30) days following notice of such breach. Is this clause negotiable?

**MUSC’s Response:** No. If MUSC breaches payment provisions, Vendor will seek damages from judicial proceedings. This section is intended to protect MUSC from vendor preventing MUSC from using functionality in the event of a dispute because total control is in the hands of the Vendor.
Definition of the UDAK

- User Defined Accounting Key
  - Used in Smartstream general ledger
- Needed to record financial transactions
- Reflects type of expense or revenue and location charged/credited.
- 6 elements
Elements of the UDAK

- **Entity**
  - **AAAA-11111-1111111-11111-1111-11**
  - 4 character code
  - Group of departments with a common characteristic or a legal entity
    - University or hospital-related
    - Does not include foundations or UMA
  - Must stay in balance
  - Most common University entities
    - MUCU & MUCR
Elements of the UDAK

- Account
  - AAAA-11111-1111111-11111-1111-11
  - Natural classification of transaction
  - 5 digit number
    - Asset = 1xxxx
    - Liability = 2xxxx
    - Revenue = 4xxxx
    - Expense = 5xxxx
    - Transfer = 6xxxx
      - Transfer of funds between departments
Elements of the UDAK

- Unit -
  - AAAA-1111111111111-11111111-11
  - 7 digit number
  - College component or department
    - Administrative = 1xxxxxx
    - Colleges, Research admin, Lab animal = 2xxxxxx
    - Library = 3xxxxxx
    - Eng +Facilities, Utilities, Leases = 4xxxxxx
    - AHEC = 5xxxxx
    - Residents = 6xxxxxx
    - Student services, Wellness Center = 7xxxxxx
    - EBP, COM, other = 8xxxxxx
Elements of the UDAK

- Project
  - AAAA-11111-11111111-1111111-1111-11
  - 5 digit number
  - One project = one source of funds
  - Establishing new projects
    - Not grant-related (MUCU)
      - Electronically submit a Chart of Accounts Maintenance Request (CAMR) - Forms Library - Accounting
        - [Link](http://www.musc.edu/vpfa/forms/formlib.htm)
      - Processed within 24 hours of receipt
    - Grant-related (MUCR)
      - Contact Grants and Contracts department
Elements of the UDAK

- **Reporting**
  - 4 digit number
  - 1st two positions = source of funding
  - Last two positions = function/purpose

- **Year**
  - 2 digit number
  - Used in MUCR to identify chronological year of grant
Elements of the UDAK

Example

- MUCU-50307-2201200-20059-1050
  - Entity = MUCU = University unrestricted
  - Account = 50307 = Educational supplies
  - Unit = 2201200 = College of Medicine (COM) Student Affairs
  - Project = 20059 = COM Deans Operations Students
  - Reporting = 1050
    - Source of funds = 10 = State appropriations
    - Function/purpose = 50 = Student services
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<thead>
<tr>
<th>Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>MUCR</td>
<td>Medical University - Current Restricted</td>
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<tr>
<td>MUCU</td>
<td>Medical University - Current Unrestricted</td>
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<td>MULN</td>
<td>Medical University - Loan Fund</td>
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<tr>
<td>MUED</td>
<td>Medical University - Endowment Fund</td>
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<tr>
<td>MUUP</td>
<td>Medical University - Unexpended Plant</td>
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<td>MUDS</td>
<td>Medical University - Debt Service</td>
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<td>MUIP</td>
<td>Medical University - Investment in Plant</td>
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<td>MUAG</td>
<td>Medical University - Agency Fund</td>
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<td>MCCU</td>
<td>Medical Center - Current Unrestricted</td>
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<td>Medical Center - Agency Fund</td>
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<td>State - General Fund Appropriations</td>
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<td>State - Special Appropriations</td>
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<td>State - Short-term Appropriations (COM only)</td>
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<td>State - Released Salary Funds</td>
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<td>South Carolina Governor's Office</td>
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<td>State - Other</td>
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<td>National Institutes of Health</td>
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<td>National Science Foundation</td>
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<td>SCUREF</td>
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<td>Department of Health &amp; Human Services Non NIH Award</td>
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<td>36</td>
<td>Non NIH Federal Grants passed through the State of SC</td>
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<td>Non NIH Federal Grants passed through Foundations/Industry</td>
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<td>41</td>
<td>F&amp;A - University Research Committee Awards</td>
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<td>42</td>
<td>F&amp;A - Research Administration Support</td>
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<td>F&amp;A - % of F&amp;A Generated</td>
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<td>44</td>
<td>F&amp;A - Dean's Allocation - Permanent</td>
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<td>F&amp;A - Dean's Allocation - Short-term</td>
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<td>51</td>
<td>MUSC Foundation</td>
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<td>Foundation for Research Development</td>
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<td>Health Sciences South Carolina</td>
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<td>Other Foundations</td>
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<td>MUSC Medical Center</td>
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<td>Charleston Memorial Hospital</td>
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<td>Veterans Administration Hospital</td>
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<td>68</td>
<td>Medical Center Funds Traded</td>
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<td>Other Hospitals</td>
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<td>UMA - Dean's Allocation - Permanent</td>
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<td>UMA - Dean's Allocation - Short-term</td>
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<td>74</td>
<td>Dental Practice Plan and Clinic</td>
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<td>75</td>
<td>College of Nursing Practice Plan</td>
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<td>78</td>
<td>Practice Plan funds Traded</td>
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<td>Other Discretionary</td>
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<td>Budgeted Industry</td>
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<td>88</td>
<td>ARRA Stimulus (MUCU udaks only)</td>
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<td>90</td>
<td>Life Science Infrastructure Capital Projects only</td>
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<td>91</td>
<td>Individual Contributors</td>
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<td>Local Government</td>
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<td>93</td>
<td>Internal Service</td>
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<td>94</td>
<td>Bond Proceeds</td>
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<td>95</td>
<td>Students</td>
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<td>96</td>
<td>Capital Improvement Bond Proceeds</td>
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<td>97</td>
<td>Excess Debt Services</td>
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<td>Capital Institution Projects</td>
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<td>Other Sources</td>
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</table>
**Medical University of South Carolina**

**UDAK - Reporting Code - Functions**

<table>
<thead>
<tr>
<th>1: Instruction</th>
<th>All activities that are part of an institution's instruction program including departmental research and public service activities that are not separately budgeted.</th>
</tr>
</thead>
<tbody>
<tr>
<td>09</td>
<td>Instruction - Clinical Education (Ambulatory Care)</td>
</tr>
<tr>
<td>10</td>
<td>Instruction - College of Medicine</td>
</tr>
<tr>
<td>11</td>
<td>Instruction - College of Dental Medicine</td>
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<td>12</td>
<td>Instruction - College of Nursing</td>
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<tr>
<td>13</td>
<td>Instruction - College of Pharmacy</td>
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<td>14</td>
<td>Instruction - College of Health Professions</td>
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<td>15</td>
<td>Instruction - College of Graduate Studies</td>
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<td>16</td>
<td>Residents</td>
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<td>17</td>
<td>South Carolina Area Health Education Consortium</td>
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<td>18</td>
<td>Statewide Family Practice</td>
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<td>19</td>
<td>Graduate Doctor Education</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2: Research</th>
<th>Activities specifically organized to produce research outcomes, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution.</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>Sponsored Research - Non-clinical</td>
</tr>
<tr>
<td>22</td>
<td>Sponsored Research - Clinical</td>
</tr>
<tr>
<td>23</td>
<td>Institutional/University Research</td>
</tr>
<tr>
<td>24</td>
<td>Research Training</td>
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<td>25</td>
<td>Non-Sponsored Departmental Research</td>
</tr>
<tr>
<td>26</td>
<td>NIH Salary Cap</td>
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<tr>
<td>27</td>
<td>Restricted Internal Research</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3: Public Service</th>
<th>Activities that are established primarily to provide non-instructional services beneficial to individuals and groups external to the institution.</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>Health Communications Network</td>
</tr>
<tr>
<td>32</td>
<td>Other Public Service</td>
</tr>
<tr>
<td>33</td>
<td>Other Sponsored Activities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4: Academic Support</th>
<th>Support services for the institution's primary missions of instruction, research, and public service.</th>
</tr>
</thead>
<tbody>
<tr>
<td>41</td>
<td>Library Services</td>
</tr>
<tr>
<td>42</td>
<td>General Academic Support</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5: Student Services</th>
<th>Offices of admissions and registrar and activities whose primary purpose is to contribute to the students' emotional and physical well-being.</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>Student Services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6: Institutional Support</th>
<th>Central executive level activities concerned with management of the entire institution: fiscal operations, administrative data processing, space management, employee personnel and records, logistical activities, activities concerned with community and alumni relations, and support services to faculty and staff that are not operated as auxiliary enterprises.</th>
</tr>
</thead>
<tbody>
<tr>
<td>61</td>
<td>University Administration</td>
</tr>
<tr>
<td>62</td>
<td>Service Centers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7: Operation and Maintenance of Plant</th>
<th>Operation established to provide service and maintenance related to grounds and facilities. Also included are utilities, property insurance and similar items.</th>
</tr>
</thead>
<tbody>
<tr>
<td>71</td>
<td>Physical Plant</td>
</tr>
<tr>
<td>72</td>
<td>Capital Improvements</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8: Scholarships and Fellowships</th>
<th>Grants to students selected by the institution and financed from current funds, trainee stipends, and tuition and fee remissions.</th>
</tr>
</thead>
<tbody>
<tr>
<td>81</td>
<td>Scholarships</td>
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<tr>
<td>82</td>
<td>Fellowships</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>9: Auxiliary Enterprises</th>
<th>Operations that exist to furnish goods or services to students, faculty, or staff and that charge a fee directly related to the cost of the goods and services.</th>
</tr>
</thead>
<tbody>
<tr>
<td>91</td>
<td>Parking Management</td>
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<td>92</td>
<td>Vending</td>
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<tr>
<td>93</td>
<td>Childcare Services</td>
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</table>
BUSINESS ASSOCIATE AGREEMENT

THIS AGREEMENT is made effective the _______________, (“EFFECTIVE DATE”) by and between THE MEDICAL UNIVERSITY OF SOUTH CAROLINA (“MUSC”), an agency of the State of South Carolina, and ____________. (“BUSINESS ASSOCIATE”).

WHEREAS, the parties have executed an agreement whereby Business Associate provides certain services to MUSC, and Business Associate receives, has access to, or creates Protected Health Information in order to provide those services;

WHEREAS, MUSC is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, 45 C.F.R. Parts 160 and 164, (“HIPAA”);

WHEREAS, MUSC is affiliated with various entities which are organized and existing under the laws of the State of South Carolina, each employing its own agents and employees; and

WHEREAS, MUSC and its affiliates, are each a member of the MUSC OHCA, an organized health care arrangement as defined by HIPAA;

WHEREAS, HIPAA and the Health Information Technology for Economic and Clinical Health Act and its implementing regulations (collectively “HITECH”), adopted as part of the American Recovery and Reinvestment Act of 2009, 42 USC §§ 17921-17954, imposes certain requirements on Business Associates;

WHEREAS, HIPAA requires MUSC to enter into a contract with Business Associate in order to require certain protections for the privacy and security of Health Information, and HIPAA prohibits the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Definitions. Terms used but not otherwise defined in this Agreement shall have the meanings given them in the Standards for Privacy and Security. For convenience of reference, the definitions of certain terms as of the Effective Date are as follows:

1.1 “Breach” shall have the meaning as set forth in 45 C.F.R. § 164.402.

1.2 “Individually Identifiable Health Information” means information that is a subset of health information, including demographic information collected from an individual, and (i) is created or received by a healthcare provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of healthcare to an individual; or the past, present, or future payment for the provision of healthcare to an individual; and (a) that identifies the individual, or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

1.3 “MUSC OHCA” includes MUSC, The Medical University of South Carolina, University Medical Associates of the Medical University of South Carolina, and Carolina Family Care, Inc. Members of the MUSC OHCA utilize a single medical record to document a patient’s evaluation, treatment and change in condition as may be more fully defined in the MUSC Medical Staff Bylaws, or other applicable policies or procedures.

1.4 “Security Incident” means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

1.5 “Standards for Privacy and Security” shall mean the provisions of the Standards for Privacy and Security of Individually Identifiable Information at 45 CFR part 160 and Part 164, Subparts A and E.
2. **Applicability of Terms; Conflicts.**
This Agreement applies to all contracts and relationships between Business Associate and MUSC, in effect on the Effective Date of this Agreement and remaining in effect until termination of this Agreement written or unwritten, formal or informal, in which MUSC provides any Protected Health Information to Business Associate in any form whatsoever. As of the Effective Date, this Agreement automatically amends all existing agreements between Business Associate and MUSC involving the use or disclosure of Protected Health Information. This Agreement shall automatically be incorporated in all subsequent agreements between Business Associate and MUSC involving the use or disclosure of Protected Health Information whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this Agreement and a provision of any other agreement between Business Associate and MUSC, the provision of this Agreement shall control unless: (i) MUSC specifically agrees to the contrary in writing, or (ii) the provision in such other agreement establishes additional rights for MUSC or additional duties for or restrictions on Business Associate with respect to Protected Health Information, in which case the provision of such other agreement will control.

3. **Obligations and Activities of Business Associate.**

3.1 **Disclosure:** Business Associate may only Use or Disclose Protected Health Information consistent with the Business Associate Provisions of 45 CFR § 164.504(e). Business Associate will not use or disclose Protected Health Information other than as permitted or required by this Agreement or as Required by Law or as otherwise authorized by MUSC. In disclosing Protected Health Information, Business Associate may only release the minimum necessary information to accomplish the intended purpose of the disclosure in accordance with 42 USC § 17935(b) and 45 CFR § 164.502(b).

3.2 **Safeguards:** In accordance with 45 CFR §§ 164.308, 164.310, 164.312 and 164.316, Business Associate will use appropriate safeguards to prevent the Use or Disclosure of the Protected Health Information other than as provided for by this Agreement. Business Associate will develop, implement, maintain, and use appropriate administrative, technical and physical safeguards to preserve the confidentiality, integrity, and availability of Protected Health Information, whether electronic or otherwise that is created, received, maintained, or transmitted on behalf of MUSC, and to prevent non-permitted use or disclosure of Protected Health Information. These safeguards are required regardless of the mechanism used to transmit the information. Business Associate will document and keep these safeguards current. Business Associate shall also comply with any and all additional security requirements contained in the HITECH Act that are applicable to Business Associates. Business Associate shall encrypt all PHI and/or Personal Information other than as provided by this Agreement or as Required by Law or as otherwise authorized by MUSC. In encrypting PHI and/or Individually Identifiable Health Information that will travel across public networks, and encrypt all PHI and/or Individually Identifiable Health Information to be transmitted wirelessly. Business Associate agrees that this Agreement constitutes its representation that it has a written, comprehensive information security program that is in compliance with the provisions of S.C. Code Ann. 16-13-510, the scope of which applies to all persons that own, license, store or maintain Personal Information about a resident of the South Carolina. During the term of this Agreement, Business Associate may be asked to complete a security survey and/or attestation document designed to assist MUSC in understanding and documenting Business Associate’s security procedures and compliance with the requirements contained herein. Business Associate’s failure to complete either of these documents within the reasonable timeframe specified by MUSC shall constitute a Material Breach of the Agreement.

3.3 **Mitigation:** Business Associate will mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

3.4 **Reporting Obligations:**

3.4.1 **Reporting to MUSC.** Business Associate will report to the Privacy Officer or Legal Counsel of MUSC, in writing, any Security Incident and/or any use and/or disclosure of Protected Health Information that is not permitted or required by this Agreement of which Business Associate becomes aware. Business Associate shall be deemed to have become aware of a Security Incident upon discovery of a potential Security Incident, even if such Security Incident has not been fully investigated, even if it has not yet been determined whether such Security Incident resulted in a Breach.
An employee’s, officer’s or agent’s knowledge of a Security Incident shall be imputed to the Business Associate.

3.4.2 Such report shall be made as soon as reasonably possible but in no event more than two (2) business days after discovery by Business Associate of such unauthorized use or disclosure or potential Security Incident. This reporting obligation shall include, but is not limited to, Breaches by Business Associate, its employees, subcontractors, and/or agents as defined by to 45 C.F.R. § 164.402. Each such report of a Breach will: (i) identify the nature of the non-permitted use or disclosure; (ii) identify the Protected Health Information used or disclosed; (iii) identify who made the non-permitted use or disclosure; (iv) identify who received the non-permitted use or disclosure; (v) identify what corrective action Business Associate took or will take to prevent further non-permitted uses or disclosures; (vi) identify what Business Associate did or will do to mitigate any deleterious effect of the non-permitted use or disclosure; and (vii) provide such other information as MUSC may reasonably request.

3.4.3 Notification of Breach. At MUSC’s request, Business Associate shall provide the notice to affected individuals and others, as may be required pursuant to in 45 CFR §§ 164.404 - .408. Such notification shall be approved by MUSC prior to distribution or notification.

3.5 Agents and Subcontractors: Business Associate will ensure that any agent, including a subcontractor, that creates, receives, maintains or transmits Protected Health Information received from, or created or received by Business Associate on behalf of MUSC executes a written agreement obligating the agent or subcontractor to comply with all terms of the Agreement, including but not limited to, implementation of reasonable and appropriate safeguards to protect Protected Health Information.

3.6 Access: Within five (5) business days of receiving a written request from MUSC, Business Associate will provide MUSC, or to an Individual as directed by MUSC, with access to Protected Health Information from a Designated Record Set of MUSC, in order to meet the requirements set forth in 45 C.F.R. §164.524. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information from a Designated Record Set of MUSC.

3.7 Amendments: Business Associate will make any amendment(s) to Protected Health Information in a Designated Record Set of MUSC that MUSC directs or agrees to pursuant to 45 C.F.R. §164.526. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information from a Designated Record Set of MUSC.

3.8 Records: Business Associate will make its internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, MUSC available to the Secretary of Health and Human Services (the “Secretary”) during regular business hours within five (5) business days of receiving a written request from MUSC, or sooner if requested by the Secretary, for purposes of the Secretary determining MUSC’s compliance with HIPAA. Notwithstanding the above, no legal privilege, including the attorney/client privilege, shall be deemed waived by virtue of this provision. To the extent permitted by law, Business Associate will promptly notify MUSC of all requests served upon Business Associate by or on behalf of the Secretary for information which may be related to this Agreement. Business Associate shall provide MUSC with copies of all Protected Health Information, policies, procedures, or other records or documents provided to the Secretary pursuant to such request.

3.9 Accounting of Disclosures: Business Associate will document such disclosures by Business Associate and its employees, subcontractors and agents of Protected Health Information and information related to such disclosures as would be required for MUSC to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. §164.528. Within five (5) days of receiving a written request from MUSC, Business Associate will provide to MUSC or an Individual, at MUSC’s request, information collected in accordance with the preceding sentence, to permit MUSC to respond to a request by an Individual for such an accounting of disclosures. In the event an individual delivers the initial request for an accounting directly to Business Associate, Business Associate shall immediately forward such request to MUSC.

3.10 Alternative Communications: At MUSC’s request, Business Associate will implement
reasonable alternative means or locations of communication with an Individual, as necessary to honor a request granted by MUSC pursuant to 45 C.F.R. §§164.522 or 164.526, respectively. Except as the Agreement or any other agreement between MUSC and Business Associate may provide otherwise, in the event Business Associate receives a request for access, amendment, disclosure, accounting, or confidential communications or other similar request directly from an Individual, Business Associate will redirect the Individual to appropriate MUSC personnel. Business Associate will maintain records related to disclosures of Protected Health Information for at least six (6) years after the date of the disclosure.

3.11 **Marketing.** Business Associate shall use and disclose Protected Health Information for marketing purposes only as expressly directed by MUSC, and in accordance with 45 C.F.R. § 164.508.

3.12 **Prohibition on the Sale of Electronic Health Records and Protected Health Information.** Business Associate shall comply with the prohibition on the sale of Electronic Health Records and Protected Health Information as set forth in 45 C.F.R. § 164.508.

3.13 **Performance of Covered Entity Obligations.** To the extent Business Associate has agreed to carry out one or more of MUSC's obligations under 45 C.F.R. Part 164, Subpart E, Business Associate shall comply with the requirements of Subpart E that apply to MUSC in the performance of such obligations.

3.14 **Restrictions.** Business Associate agrees to comply with any requests for restrictions on certain disclosures of PHI to which MUSC has agreed in accordance with 45 C.F.R. § 164.522 and of which Business Associate has been notified by MUSC, including but not limited disclosures to a health plan if the PHI pertains solely to a health care item or service for which the individual or person other than the health plan on behalf of the individual, has paid MUSC in full.

4. **Permitted Uses and Disclosures by Business Associate.**

4.1 **Functions and Activities on MUSC’s Behalf:** Except as otherwise limited in this Agreement or any other agreement between Business Associate and MUSC, Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, MUSC only for purposes authorized by MUSC in a separate written agreement or through specific oral instruction, if such use or disclosure of Protected Health Information would not violate HIPAA if done by MUSC itself.

4.2 **Business Associate’s Operations:** Except as otherwise limited in this Agreement or any other agreement between Business Associate and MUSC: (a) Business Associate may use Protected Health Information for Business Associate’s proper management and administration or to carry out Business Associate’s legal responsibilities; (b) Business Associate may disclose Protected Health Information for Business Associate’s proper management and administration, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed that (i) it will remain confidential and will be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and (ii) the person will notify Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

5. **“Trading Partner” Provisions: Use and Disclosure in Connection with Standard Transactions.** If Business Associate conducts Standard Transactions (as defined in 45 C.F.R. Part 162) for or on behalf of MUSC, Business Associate will comply, and will require each subcontractor or agent involved with the conduct of such Standard Transactions to comply, with each applicable requirement of 45 C.F.R. Part 162. Business Associate will not enter into, or permit its subcontractors to enter into, any trading partner agreement in connection with the conduct of Standard Transactions for or on behalf of MUSC that: (i) changes the definition, data condition, or use of a data element or segment in a Standard Transaction; (ii) adds any data elements or segments to the maximum defined data set; (iii) uses any code or data element that is marked “not used” in the Standard Transaction’s implementation specification; or (iv) changes the meaning or intent of the Standard Transaction’s implementation specification.

6. **Term and Termination.**

6.1 **Term:** This Agreement shall commence as of the Effective Date and shall be coterminous with the Agreement(s) referenced herein or attached hereto. All Protected Health Information provided by MUSC to Business Associate, or created or received by Business Associate on behalf of
MUSC, must be destroyed or returned to MUSC, or, if it is infeasible to return or destroy Protected Health Information, protection shall be extended to such Protected Health Information in accordance with the provisions of this Section 6.

6.2 **Termination for Cause:** As provided in HIPAA, including 45 C.F.R. §164.504(e)(2)(iii), upon MUSC’s reasonable determination that Business Associate has breached a material term of this Agreement, MUSC shall be entitled to do any one or more of the following:

(a) Give Business Associate written notice of the existence of such breach and give Business Associate an opportunity to cure upon mutually agreeable terms. If Business Associate does not cure the breach or end the violation according to such terms, or if MUSC and Business Associate are unable to agree upon such terms, MUSC may immediately terminate any agreement between MUSC and Business Associate which is the subject of such breach.

(b) Immediately terminate any agreement between MUSC and Business Associate which is the subject of such breach. If termination of the agreement is not feasible, MUSC will report the breach to the Secretary.

(c) Immediately stop all further disclosures of Protected Health Information to Business Associate pursuant to each agreement between MUSC and Business Associate which is the subject of such breach.

6.3 **Effect of Termination:** Upon termination of the contract or upon written demand from MUSC, Business Associate agrees to immediately return or destroy, except to the extent infeasible, all Protected Health Information received from, created by, or received by the Business Associate on behalf of MUSC, including all such Protected Health Information which Business Associate has disclosed to its employees, subcontractors and/or agents. Destruction shall include destruction of all copies including backup tapes and other electronic backup medium. In the event the return or destruction of some or all such Protected Health Information is infeasible, Protected Health Information not returned or destroyed pursuant to this paragraph shall be used or disclosed only for those purposes that make return or destruction infeasible.

6.4 **Continuing Privacy Obligation:** Business Associate’s obligation to protect the privacy of Protected Health Information is continuous and survives any termination, cancellation, expiration, or other conclusion of this Agreement or any other agreement between Business Associate and MUSC.

7. **Notices.** All notices pursuant to this Agreement must be given in writing and shall be effective when received if hand-delivered or upon dispatch if sent by reputable overnight delivery service, facsimile or U.S. Mail to the appropriate address or facsimile number as set forth at the end of this Agreement.

8. **Indemnification.** Business Associate agrees to indemnify, defend and hold harmless MUSC and MUSC’s respective employees, directors, officers, subcontractors, agents or other members of its workforce, against all actual and direct losses suffered by MUSC or its workforce and all liability to third parties arising from or in connection with any breach of this Agreement or of any warranty hereunder or from any negligence or wrongful acts or omissions, including failure to perform its obligations under HIPAA, by Business Associate, its employees, directors, officers, subcontractors, agents or other members of its workforce. Accordingly, on demand, the Business Associate shall reimburse MUSC for any and all actual and direct losses, liabilities, fines, penalties, costs or expenses (including reasonable attorneys’ fees) which may for any reason be imposed upon MUSC or members of its workforce by reason of any suit, claim, action, proceeding or demand by any third party which results from the Business Associate’s breach hereunder. The Business Associate’s obligation to indemnify MUSC shall survive the expiration or termination of this Agreement for any reason.

9. **Miscellaneous.**

(a) To the extent Business Associate provides services to a member of the MUSC OHCA, Business Associate shall comply with the requirements of HIPAA and HITECH and the applicable regulations appurtenant thereto. Each member of the MUSC OHCA shall be entitled to enforce this Agreement against Business Associate.

(b) Individuals who are the subject of Protected Health Information are not third-party beneficiaries of this Agreement.
(c) The parties acknowledge that state and federal laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide for procedures to ensure compliance with such developments. The parties agree that privacy and security requirements applicable to Covered Entities pursuant to the Standards for Privacy and Security are also applicable to Business Associates and are hereby incorporated by reference. The parties further agree to take such action as may be necessary from time to time to implement the standards and requirements of HIPAA and other applicable laws relating to the security or confidentiality of Health Information. The parties understand and agree that MUSC must receive satisfactory written assurance from Business Associate that Business Associate will adequately safeguard all Protected Health Information that it receives or creates pursuant to this Agreement. Upon MUSC’s request, Business Associate agrees to promptly enter into negotiations with MUSC concerning the terms of any amendment to the Agreement embodying written assurances consistent with the standards and requirements of HIPAA or other applicable laws. MUSC may terminate this Agreement and Services Agreement upon thirty (30) days written notice in the event (i) Business Associate does not promptly enter into negotiations to amend this Agreement when requested by MUSC pursuant to this Section, or (ii) Business Associate does not enter into an amendment to this Agreement providing assurances regarding the safeguarding of Protected Health Information that MUSC, in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA.

(d) In the event that any provision of this Agreement violates any applicable statute, ordinance or rule of law in any jurisdiction that governs this Agreement, such provision shall be ineffective to the extent of such violation without invalidating any other provision of this Agreement.

(e) This Agreement may not be amended, altered or modified except by written agreement signed by Business Associate and MUSC.

(f) No provision of this Agreement may be waived except by an agreement in writing signed by the waiving party. A waiver of any term or provision shall not be construed as a waiver of any other term or provision. Nothing in this Agreement shall be deemed a waiver of any legally-recognized claim of privilege available to Business Associate.

(g) The persons signing below have the right and authority to execute this Agreement for their respective entities and no further approvals are necessary to create a binding Agreement.

(h) Neither MUSC nor Business Associate shall use the names or trademarks of the other party or of any of the respective party’s affiliated entities in any advertising, publicity, endorsement, or promotion unless prior written consent has been obtained for the particular use contemplated.

(i) All references herein to specific statutes, codes or regulations shall be deemed to be references to those statutes, codes or regulations as may be amended from time to time.

(j) This Agreement shall be governed by and interpreted in accordance with the laws of the State of South Carolina.

(k) Business Associate understands and acknowledges that any disclosure or misappropriation of any PHI in violation of this Agreement will cause MUSC irreparable harm, the amount of which may be difficult to ascertain, and therefore agrees that MUSC shall have the right to apply to a court of competent jurisdiction for specific performance and/or an order restraining and enjoining any such further disclosure or breach and for such other relief as may be just and proper. Such right of MUSC is to be in addition to the remedies otherwise available to MUSC at law or in equity. Business Associate expressly waives the defense that a remedy in damages will be adequate and further waives any requirement in an action for specific performance or injunction for the posting of a bond by MUSC.

(l) The Parties acknowledge that Business Associate shall be and have the status of independent contractor in the performance of its obligations under the terms of this Agreement. Nothing in this Agreement shall be construed to create (1) a partnership, joint venture or other joint business relationship between the parties or any of their affiliates, or (2) a relationship of employer and employee between the parties.

(m) Business Associate's obligations under this Agreement and any breach by Business Associate of the obligations in this Agreement shall not be subject to any limitations on damages that may be specified in any agreement, invoice, statement of
work or similar document setting forth the services Business Associate is providing to MUSC.

(n) Business Associate shall make itself and any subcontractors, agents and/or employees assisting Business Associate in the performance of its obligations under this Agreement, available to MUSC to testify as witnesses, or otherwise, in the event of litigation, administrative proceedings or investigations being commenced against MUSC, its directors, officers, or employees based upon a claimed violation of this Agreement, HIPAA, or other laws relating to security and privacy.

BUSINESS ASSOCIATE:

_____________________________________________________

By:  ________________________________

Its:  ________________________________

MEDICAL UNIVERSITY OF SOUTH CAROLINA:

_____________________________________________________

By:  ________________________________

Its:  ________________________________

Office of the General Counsel
MUSC/MUHA
Approved as to Form

By:  ________________________________

Date:  ________________________________

Address for Notices:

Attn:  ________________________________

Phone:  ________________________________

Fax:  ________________________________

Address for Notices:

Medical University of South Carolina
Attn:  Privacy Officer
169 Ashley Avenue
Charleston, SC 29425
Phone:  (843) 792-4037
Fax:  (843) 792-5114

With a Copy to:

Medical University of South Carolina
Attn:  General Counsel’s Office
274 Calhoun Street
Charleston, SC 29425
Phone:  (843) 792-4063
Fax:  (843) 792-0570