

CONTRACT #4

RFS # NA

FA # NA

Edison # NA

**University of Tennessee
Health Science Center**

**VENDOR:
SimHealth Consultants, Inc.**

February 11, 2014

Finance and Operations
62 South Dunlap Street
Memphis, TN 38163

Mr. Lucian Geise
Executive Director
Fiscal Review Committee
320 Sixth Avenue, North – 8th Floor
Nashville, TN 37243-0057

Dear Mr. Geise:

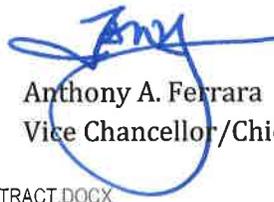
The University of Tennessee Health Science Center is in the process of developing a campus-wide simulation center including the construction of a new facility – funded by the State of Tennessee. As part of the academic program development, we propose to enter into a contract with SimHealth Consultants, LLC. SimHealth is currently under contract with the facility planners (BRG3S Architects – approved through the State Building Commission) on the physical program design. Under the proposed agreement, SimHealth will provide consulting services and workshops for planning, curriculum and faculty development support, business and operations planning, consultation in preparation for accreditation, and assistance in building collaborative relationships to support the sustainability of the simulation program.

UTHSC is currently proceeding with the design and construction of the 45,000 square foot, interprofessional simulation center to be completed by the winter/spring 2016. In order to maximize the development of the center, it is critical that during the intervening two years significant effort is given to the development of the staffing, governance, curriculum and faculty to ensure a successful and smooth transition into the facility. In addition, there is increasing demand for such integrated, interprofessional simulation programs located in academic health centers to be recognized and accredited by the International Society for Simulation in Healthcare. In order to achieve this important accreditation, the institution will need the expert guidance and support of consultants intimately familiar with the requirements and expectations of the agency to achieve such status.

The term of this agreement would be from April 15, 2014 through April 14, 2017 and the University's maximum financial obligation would be \$486,500. Attached are the appropriate forms necessary to support presentation of this contract to the Fiscal Review Contracts Subcommittee for approval.

We would appreciate your support in moving forward with our proposed contract. I would be glad to address any questions you may have or provide additional information as you may need.

Sincerely,



Anthony A. Ferrara
Vice Chancellor/Chief Financial Officer

L:\GENERAL LETTERS -- DOCUMENTS\FY 2014\GEISE SIMHEALTH CONTRACT.DOCX

Enclosures

cc: Leni Chick
Scott Grammar
Mark Paganelli

Sandra Pulliam
Blake Reagan



Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Anthony A. Ferrara	*Contact Phone:	901-448-5523		
*Original Contract Number:	85000	*Original RFS Number:	N/A		
Edison Contract Number: <i>(if applicable)</i>		Edison RFS Number: <i>(if applicable)</i>			
*Original Contract Begin Date:	04/15/14	*Current End Date:	04/15/17		
Current Request Amendment Number: <i>(if applicable)</i>					
Proposed Amendment Effective Date: <i>(if applicable)</i>					
*Department Submitting:	University of Tennessee				
*Division:	Health Science Center				
*Date Submitted:					
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>					
*Contract Vendor Name:	SimHealth Consultants, LLC				
*Current Maximum Liability:	\$486,500.00				
*Current Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY: 2014	FY: 2015	FY: 2016	FY: 2017	FY:	FY:
\$33,784.72	\$162,166.67	\$162,166.67	\$128,381.94	\$	\$
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from STARS or FDAS report)					
FY:	FY:		FY:	FY	FY
\$	\$		\$	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:					
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:					
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:					
*Contract	State:		Federal:		

Supplemental Documentation Required for
Fiscal Review Committee

Funding Source/Amount:				
Interdepartmental:	State Funds		<i>Other:</i>	
If “ <i>other</i> ” please define:				
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>		
Method of Original Award: <i>(if applicable)</i>				
*What were the projected costs of the service for the entire term of the contract prior to contract award?		\$		

Supplemental Documentation Required for Fiscal Review Committee

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

****See attached justification****

Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.

Deliverable description:	FY:	FY:	FY:	FY:	FY:

Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.

Deliverable description:	FY:	FY:	FY:	FY:	FY:

Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.

Proposed Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:

THE UNIVERSITY OF TENNESSEE
REQUEST: NON-COMPETITIVE JUSTIFICATION FORMS
CONTRACT

1) NCJ Number:	9000015133	Fund Number:	E070155
2) Campus/Institute Name:	Memphis	Academic Affairs	
3) Short Description:	SimHealth Consultants, LLC		
4) Proposed Vendor:	Name:	SIMHEALTH CONSULTANTS, LLC	
	Vendor Number:	1123422	
	Vendor ID:		
5) Contract Start Date:			04/15/2014
6) Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised:			04/15/2017
7) Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised:			\$ 486,500.00
8) Approval Criteria:	Non-Competitive Negotiation is in Universitys Best Interest		
9) Detailed Description of Service to be Acquired:	<p>Provide consulting services and workshops for project planning, curriculum and faculty development support, business and operations planning, vendor selection for simulation technology and ancillary components for simulation center under development, consultation in preparation for accreditation, and assistance in building collaborative relationships to support the sustainability of the simulation program and center.</p>		
10) Explanation of the Need for or Requirement Placed on the Procuring Agency to Acquire the Service:	<p>At the present time UTHSC is proceeding with the design and construction of a 45,000 sq ft, interprofessional simulation center to be completed by the winter/spring 2016. In order for such a center to be used to its maximum capacity, it is critical that during the intervening two years significant effort is given to the development of the structure, staffing, governance, curriculum and faculty to ensure a successful and smooth transition into the facility. In addition, increasing demand for such integrated, interprofessional simulation programs located in academic health centers to be recognized and accredited by the international Society for Simulation in Healthcare. In order to achieve this important accreditation, the institution will need the expert guidance and support of consultants intimately familiar with the requirements and expectations of the agency to achieve such status.</p>		
11) Explanation of Whether the Procuring Agency Bought the Service in the Past, and if so, What Procurement Method It Used:	<p>In 2012 representatives from campus administration sought input from industry professionals and other academic institutions to identify the most qualified and credible consultant or consulting firm to assist in identifying the need for, and potential use of, an interprofessional simulation center to meet the needs of the health professional programs on the Memphis campus. Dr. Michael Seropian, President of SimHealth Group, was identified as the leader in the field of both simulation center design as well as simulation program development worldwide.</p>		
12) Name & Address of the Proposed Vendor/Contractor(s): (not required if proposed contractor is a state education institution)	<p>SIMHEALTH CONSULTANTS, LLC</p> <p>14043 EDENBERRY COURT</p> <p>LAKE OSWEGO OR 97035</p> <p>US USA</p>		
13) Evidence of the Proposed Vendor/Contractor's Experience and Length of Experience Providing the Service:			

SimHealth Group has been in existence for 8 years and has over 14 consultants that span the health professions. Each of the consultants has published extensively and has held regional, national and international leadership positions in Simulation and Healthcare Societies. The firm is made up of individuals that are active educators, practitioners, operations leaders, and administrators who have more than 150 years experience between them. All of the consultants have greater than 8 years experience with simulation based education, training, and implementation. Additionally, the senior consultants have more than 20 years of experience in implementation and administrative.

14) Documentation of Office for Information Resources Endorsement: N/A
(required only if the subject service involves information technology)

15) Documentation of Department of Personnel Endorsement: N/A
(required only if the subject service involves training for state employees)

16) Documentation of State Architect Endorsement: N/A
(required only if the subject service involves construction or real property related services)

17) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

Since 2012, Dr. Seropian has played a critical role in identifying the simulation needs across the health professional programs offered at UTHSC and in launching curriculum and faculty development efforts identified as fundamental to the success of a interprofessional simulation program. Then as now, there is no other comparable consulting group focused solely on the development and integration of simulation into health professional education as evidence by their international reputation and clientele of the firm.

18) Justification of Why the University Should Use Non-Competitive Negotiation Rather Than a Competitive Process:
(Being the "only known" or "best" service provider to perform the service as desired will not be deemed adequate justification.)

SimHealth Group is "vendor agnostic" and has no contractual agreements with any specific simulation technology vendor. The services available through the requested contract will provide an independent, highly integrated approach from facility design to curricular integration, to program development and business planning that will be necessary for the new interprofessional simulation program at UTHSC on the Memphis campus to succeed. No other company offers the same breadth of product lines, experience and relevant qualifications that is required for a complex interprofessional project such as this. The intersection of understanding the institutional program, stakeholders, and facility plans is a unique quality of the SimHealth Group which is further enhanced by their interprofessional, representative, and deeply experienced team. A successful implementation of a simulation program requires intimate knowledge of the facility plans but also the logic and basis for many of the decisions embedded in the design. Failure to accommodate for this leads to substantive risk and likely failure of the initiative as a whole.

CONTRACT SUMMARY SHEET

021406

RFS #	Contract #
	N/A

State Agency	State Agency Division
University of Tennessee	Health Science Center

Contractor Name	Contractor ID # (FEIN or SSN)
SimHealth Consultants, Inc.	<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 20-3826235

Service Description

Consultation services and workshops for project planning, curriculum and faculty development support, business and operation planning, vendor selection for simulation technology and ancillary components for simulation center under development, consultation in preparation for accreditation, and assistance in building collaborative relationships to support the sustainability of the simulation program and center.

Contract BEGIN Date	Contract END Date	Subrecipient or Vendor?	CFDA #
4/15/2014	2/15/2017	Vendor	N/A

Mark Each TRUE Statement

N/A Contractor is on STARS Contractor's Form W-9 is on file in Accounts

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
332.3	N/A	N/A	N/A	N/A	N/A

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2014-2017				\$486,500.00	\$ 486,500.00
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
TOTAL:	\$ -	\$ -	\$ -	\$ 486,500.00	\$ 486,500.00

— COMPLETE FOR AMENDMENTS ONLY —			State Agency Fiscal Contact & Telephone #
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	CAMPUS/UNIT CBO
			State Agency Budget Officer Approval
			VP Administration and Finance
			Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)
TOTAL:	\$ -	\$ -	
End Date			

Contractor Ownership (complete only for base contracts with contract # prefix: FA or GR) N/A

<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business	<input type="checkbox"/> NOT disadvantaged
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> OTHER minority/disadvantaged—	

Contractor Selection Method (complete for ALL base contracts— N/A to amendments or delegated authorities)

<input type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input type="checkbox"/> Alternative Competitive Method
<input checked="" type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Negotiation w/ Government(eg,ID,GG,GU)	<input type="checkbox"/> Other

Procurement Process Summary (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)

THE UNIVERSITY OF TENNESSEE CONTRACT

This Contract, made and entered into on April 15, 2014, documents the agreement between the University of Tennessee (hereafter UNIVERSITY) and SimHealth Consultants, LLC (hereafter CONTRACTOR).

This Contract consists of this cover page, the University's Standard Terms and Conditions, and 14 additional pages. Terms contained on this cover page and the University's Standard Terms and Conditions shall prevail over those of any attachment unless otherwise stated below.

By mutual agreement, the UNIVERSITY and CONTRACTOR agree to the following:

1. The CONTRACTOR shall provide services as specified in Attachment A.
2. The CONTRACTOR shall be reimbursed for actual travel and living expenses with the submission of appropriate documentation as outlined in the CONTRACTOR'S travel policy (Attachment B). This shall prevail over item 4 in the University's Standard Terms and Conditions.
3. The terms and conditions outlined in Attachment C. Should the terms and conditions of Attachment C be in conflict with the University Standard Terms and Conditions, the terms and conditions in Attachment C shall prevail.
4. SimHealth shall provide a list of contracted consultants to the UNIVERSITY. Additional Contractors may be added with mutual agreement between the UNIVERSITY and the CONTRACTOR.

The Period of Performance under this Contract is from April 15, 2014 through April 15, 2017. However, the University may terminate this Contract for cause as defined in Attachment C by giving the CONTRACTOR at least thirty (30) days written notice before the effective termination date, in which event the Contractor shall be entitled to receive equitable compensation for satisfactory authorized work completed as of the termination date.

The UNIVERSITY will compensate CONTRACTOR as specified in Attachment D.

Other payment terms (Put N/A if none): Payment is due within 30 calendar days of invoice date and shall be made payable to: SimHealth Consultants, LLC. Payments that are overdue by greater than 30 calendar days, are subject to a 1.5% fee on the overdue balance.

The UNIVERSITY's maximum liability under this Contract is \$486,500 unless otherwise mutually agreed to by both the UNIVERSITY and CONTRACTOR.

In witness of their acceptance of the terms of this agreement, the parties have had this Contract executed by their duly authorized representatives.

FOR CONTRACTOR:

ADDRESS:

14043 Edenberry Court
Lake Oswego, OR 97035

PHONE:

404-781-9196
503-936-9337

FEDERAL ID #: 20-3826235

Name: Michael Seropian MD
Title: Senior Partner
Authorized Official

Date

FOR UNIVERSITY:

DEPARTMENT NAME:

Academic, Faculty & Student Affairs

RESPONSIBLE ACCOUNT:

E070155

Anthony A. Ferrara
Vice Chancellor / Chief Financial Officer
Authorized Official

Date

UNIVERSITY'S STANDARD TERMS AND CONDITIONS

1. The University is not bound by this Contract until it is approved and signed by appropriate University authorized official(s). A list of the University's authorized officials is located here: <http://treasurer.tennessee.edu/contracts/contractsignature.html>
2. This Contract may be modified only by a written amendment which has been executed and approved by the authorized officials of both parties. A list of the University's authorized officials is located here: <http://treasurer.tennessee.edu/contracts/contractsignature.html>
3. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the University.
4. Unless otherwise indicated on the reverse, if this Contract provides for reimbursement for travel, meals or lodging, such reimbursement must be made in accordance with University travel policies.
5. The Contractor warrants that no part of the total Contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to Contractor in connection with any work contemplated or performed relative to this Contract, and that no employee or official of the State of Tennessee holds a controlling interest in the Contractor. If the Contractor is an individual, the Contractor certifies that he/she is not presently employed by the University or any other agency or institution of the State of Tennessee; that he/she has not retired from or terminated such employment within the past six months; and that he/she will not be so employed during the term of this Contract.
6. The Contractor shall maintain documentation for all charges against the University under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the University or the Comptroller of the Treasury, or their duly appointed representatives. These records shall be maintained in accordance with generally accepted accounting principles.
7. No person on the grounds of disability, age, race, color, religion, sex, national origin, veteran status or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory law shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract. The Contractor shall, upon request, show proof of such nondiscrimination, and shall post in conspicuous places, available to all employees and applicants, notice of nondiscrimination.
8. The Contractor shall comply with all applicable Federal and State laws and regulations in the performance of this Contract.
9. This Contract shall be governed by the laws of the State of Tennessee, which provide that the University has liability coverage solely under the terms and limits of the Tennessee Claims Commission Act.
10. The Contractor shall avoid at all times any conflict of interests between his/her duties and responsibilities as a Contractor and his/her interests outside the scope of any current or future Contracts. The following principles define the general parameters of a conflict of interests prohibited by the University:
 - a. Contractor's outside interests shall not interfere with or compromise his/her judgment and objectivity with respect to his/her duties and responsibilities to the University.
 - b. A Contractor shall not make or influence University decisions or use University resources in a manner that results in: Financial gain outside any current or future Contracts for either the Contractor or his/her relatives or Unfair advantage to or favored treatment for a third party outside the University.
 - c. A Contractor's outside financial interests shall not affect the design, conduct, or reporting of research. The Contractor certifies that he/she has no conflicts of interests and has disclosed in writing the following:
 - a. Any partners or employees of the Contractor who are also employees of the University.
 - b. Any relatives of the Contractor's partners or employees who work for the University.
 - c. Any outside interest that may interfere with or compromise his/her judgment and objectivity with respect to his/her responsibilities to the University.
11. If the Contractor fails to perform properly its obligations under this Contract or violates any term of this Contract, the University shall have the right to terminate this Contract immediately and withhold payments in excess of fair compensation for completed services. The Contractor shall not be relieved of liability to the University for damages sustained by breach of this Contract by the Contractor.
12. It is understood by the Contractor that the University will possess all rights to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract. The Contractor and the University acknowledge and agree that the Contractor's work under this Contract shall belong to the University as "work-made-for-hire" (as such term is defined in U.S. Copyright Law). To the extent Contractor's work is not deemed to constitute "work-made-for-hire," Contractor hereby assigns and transfers to the University all of Contractor's right, title and interest in and to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract.
13. For personal, professional, and consultant services, the Contractor shall submit brief, periodic progress reports to the University as requested.
14. In compliance with the requirements of Tenn. Code Ann. § 12-4-124, for any contract for goods or services purchased by the University, the Contractor hereby attests that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performances of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of the Contract.
15. Any activities performed within the University of Tennessee facilities in support of this contract shall be executed in accordance with all applicable safety and environmental standards. Covered activities include but are not limited to the installation, servicing and maintenance of devices or equipment. Requisite safety standards include those promulgated by the Tennessee Occupational Safety and Health Administration (TOSHA), the Tennessee Department of Environment and Conservation (TDEC), Tennessee Division of Radiological Health, and any other regulation or related consensus standards which may apply to the device, equipment, or services covered under this contract. All hazardous substances and materials, including waste, under the control of the contractor shall be managed in accordance with applicable EPA and TDEC regulations. *Failure to abide by regulatory requirements may result in termination of the contract by the university. Any fines imposed against the University as the result of a contractor's failure to abide by regulations shall be the contractor's responsibility.*
16. This Contract is the entire agreement between the University (including University employees and other end users) and Contractor. In the event Contractor enters into terms of use, end user agreements, or other agreements or understandings, whether electronic, click-through, or shrink-wrap, and whether verbal or written, with University employees or other end users, such agreements shall be null, void, and without effect, and the terms of this Contract shall apply.
17. In compliance with the requirements of Tenn. Code Ann. § 12-4-120, the Contractor hereby attests that the Contractor has registered with the State of Tennessee's Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Contract.

ATTACHMENT A

Notes

- Scope of work spans 30 to 36 months
- Items with an * include travel and lodging of CONTRACTOR personnel.
- Items without an * may require travel. If travel is involved then the UNIVERSITY assumes responsibility for travel expenses as stipulated in the agreement.
- The UNIVERSITY assumes all responsibility and cost associated with booking, securing, and paying for training facilities when required.
- The UNIVERSITY agrees to follow the CONTRACTOR'S minimum guidelines for spaces, equipment, and resources for courses
- Timelines for all items included in the project must be mutually agreeable between the UNIVERSITY and CONTRACTOR
- Payment for variable versus fixed fee is described in Attachment D



Integrating Simulation into Healthcare

SUBJECT: Travel Policy

Article I. PURPOSE

SimHealth Consultants, LLC (SimHealth) appreciates the efforts of employees and consultants to further the mission of the company. It recognizes that employees and consultants may be required to travel or incur other expenses from time to time to conduct SimHealth business. The purpose of this policy is to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for timely reimbursement of authorized expenses incurred.

Article II. POLICY

Reimbursement for approved SimHealth travel will be limited to employees, consultants, and *other specifically approved individuals involved in SimHealth business or activities* in accordance with the procedures below. In all cases, reimbursement will apply only for portions of travel expenses that are not otherwise compensated through other sources. Receipts (original or scanned) for all travel-related expenses must be provided. This Policy applies to travel between and within the United States and Canada.

Article III. General

- (a) **Definitions:** Traveler will include any person employed or contracted by SimHealth while performing work for SimHealth.
- (b) **Expense reimbursement from clients:** Actual expenses shall be reimbursed to SimHealth by clients upon submission of scanned receipts and an invoice. Under no circumstance shall a client impose government and/or other limits that SimHealth does not qualify for.
- (c) **Expense payment to Travelers:** Expenses submitted for reimbursement by traveler(s) shall be paid to travellers upon receipt of funds from the client.

Article IV. Air Travel

- (a) **General:** Travelers are responsible for making their own flight arrangements at the lowest available logical coach fare (see below).
- (b) **Lowest Logical Fare:** There are many factors and circumstances that need to be taken into consideration when booking air travel. Travelers are expected to obtain the lowest logical airfare in coach class based on the location, dates and times of the job/work. The basic criteria are as follows:
 - Non-stop flights (if available) in coach class on the airline offering the lowest logical fare.

Integrating Simulation into Healthcare

Or, if available:

- Connecting flights, without increasing flight duration by more than 2 hours each way. Only a significant cost savings over non-stop flights would make this option logical.
- (c) **Upgrades:** Additional costs associated with upgrades will not be reimbursed.
- (d) **Business Class travel**
Shall only apply to international travel (excluding Mexico and Canada) and be dealt with on a case by case basis
- (e) **Frequent Flyer Miles:** Travelers may retain all airline benefits including frequent flyer miles earned while traveling on SimHealth related business. SimHealth will not purchase or reimburse airline miles used for SimHealth travel.
- (f) **Preferred Airlines:** Airline preference is important to travelers, particularly on longer flights. Consideration for airline preference will be given to travelers.
- (g) **Ticket Changes:** Fare rules imposed by the airlines have made ticket changes difficult and expensive. Occasionally, circumstances arise that necessitate a ticket change. Travelers should make every effort to keep these changes to a minimum. Prior authorization from SimHealth Managing partners must be obtained prior to changing a ticket. Consultants shall bear the cost of such changes without such approval.
- (h) **Standby/Missed Flights:** Travelers should be aware that if a flight is missed, the airlines reserve the right to cancel the entire reservation. Travelers may experience difficulties flying standby or may not be protected on later flights without incurring substantial penalties. An appropriate reason must accompany reimbursement claims for penalties associated with a missed flight or unused flight segments. Authorization from SimHealth Managing partners must be obtained to receive reimbursement.
- (i) **Companion Travel:** SimHealth will reimburse only for the individual traveling on SimHealth business.
- (j) **Add-on Travel:** Add-on travel is defined as travel that is scheduled at the sole discretion of the traveler either before or after the SimHealth related work. In this situation, SimHealth will reimburse the cost of a round-trip ticket from the traveler's home city to the meeting destination. All other expenses associated with add-on travel are the responsibility of the traveler.

Article V. HOTEL ACCOMMODATIONS

- (a) **Traveler Arranged Accommodations:** In the case where hotel arrangements are not made through SimHealth directly, then the traveler shall book the lowest available standard room at a rate not to exceed \$250 per night (excluding tax and fees). The hotel rate and applicable taxes/fees will be reimbursed. Amounts in excess of \$250 (excluding taxes/fees) will not be reimbursed unless previously approved by SimHealth. Upgrades will not be reimbursed in any circumstance.

Integrating Simulation into Healthcare

- (b) **Hotel Cancellations:** In the event of bad weather, emergencies or personal delays, it is the responsibility of the traveler to contact SimHealth to cancel his/her room reservation if made through SimHealth. During non-business hours, travelers should contact the hotel directly, obtain a cancellation number, and communicate to the information to SimHealth. If a room reservation is not cancelled, the hotel will charge a penalty, which will be the responsibility of the traveler.

Article VI. GROUND TRANSPORTATION

- (a) **General:** Travelers are expected to use the most economical ground transportation appropriate under the circumstances.
- (b) **Courtesy Cars:** Many hotels have courtesy cars/shuttles, which will take you to/from the airport at no charge. The hotel will generally have a well-marked courtesy phone at the airport if this service is available.
- (c) **Taxis:** Taxi service to/from the traveler's home, the airport, and work related events such as off-site dinners are reimbursable.
- (d) **Car Rental:** Car rental for travel in conjunction with SimHealth business may be used when it is the most cost effective means of transportation and has been approved by SimHealth. Car rental type is limited to mid-size unless otherwise approved by SimHealth. Gas, tolls and parking expenses incurred during meeting dates are reimbursable.
- (e) **Personal Auto:** Travelers driving to a meeting will be reimbursed for actual mileage according to the most current guidelines from the IRS, plus tolls and parking charges. Gasoline may not be claimed in addition to mileage. Reimbursement for the use of a personal car must not exceed the cost of an airline ticket. Expenses incurred due to mechanical failure or accidents are not reimbursable, nor are fines for parking or traffic violations. Travel to and from an airport is not reimbursable.
- (f) **Parking:** Expenses associated with parking during and around work dates are reimbursable. Airport parking should be utilized in either the long-term or off-airport parking areas whenever possible.

Article VII. MEALS

- (a) **General:** Travelers should take advantage of meals that are planned and prepaid in conjunction with a job. Additional meals, such as those incurred while traveling to and from the job site, are reimbursable. Alcoholic beverages that are included with a meal are reimbursable up to 2 drinks per person to a maximum of \$20.00 (not including gratuity), unless previously approved by SimHealth.
- (b) **Guest/Companion Meals:** Guest/Companion meals are not reimbursable, except as provided in this paragraph. Travelers may request to bring a companion to a non-working lunch or dinner that is scheduled as part of a SimHealth event, but they should first submit a request directly to

Integrating Simulation into Healthcare

SimHealth who must 1) confirm that the hotel or restaurant can accommodate additional guests and 2) obtain approval to invite additional guest.

Article VIII. OTHER

- (a) **Telephone/Cell Phone and Internet Usage:** ONLY business related telephone calls are reimbursable. SimHealth will not reimburse travelers for minutes used on their personal cellular phones even if used for SimHealth business. When the traveler does not already have internet connectivity, the traveler may submit for internet connection expense reimbursement. Hardware expenses will not be reimbursed. In order to be reimbursed for Internet connectivity, travelers must utilize the location's local Internet service provider to access the Internet at the hotel's stated per diem rate. Phone charges may not exceed \$10 per day unless otherwise authorized by SimHealth
- (b) **Non-reimbursable Items:** Non-business related items such as, but not limited to, laundry (except for extended business stays), movies, and spa/salon services are not reimbursable.

Article IX. REIMBURSEMENT CLAIM

- (a) **General:** Travelers must submit scanned or actual receipts to receive reimbursement. In case of dispute SimHealth shall have final say. Please note that scanned images that are of poor quality will not be accepted.
- (b) **Expense Reimbursement For Items Below \$20:** Claims for items over \$20 will not be reimbursed without a valid receipt.

ATTACHMENT C
ADDITIONAL TERMS AND CODITIONS

1. Protected Information

1.1. **Definition.** For purposes of this Agreement, "Protected Information" means: all information disclosed by the Contractor to University, whether by disclosure, observation or otherwise, or whether provided to Contractor by third parties that Contractor is obligated to keep confidential, including, but not limited to, any information relating to or involving assets, sales, business, marketing, forecasts, audits, financial, intellectual property, trade secrets, know-how, inventions, discoveries, technical, scientific data, patent applications, processes, formulas, techniques, customers and suppliers, products and product roadmaps, concepts, ideas, models, data, programs, plans, drawings, research, specifications, methods and procedures of operations, test results and methodologies, or other information, whether in electronic, visual, audio, oral or written form, and however communicated, and all memoranda, summaries, notes, analyses, reports, compilations, interpretations, studies or other documents prepared by Contractor or University that contain, are based on, or reflect any such information.

1.1. Notwithstanding the previous paragraph, Protected Information does not include any information that University can prove: (i) is or becomes generally available to and known by the public without breach of a duty of confidentiality; (ii) was known to University before its first disclosure by Contractor as evidenced by University's written records; (iii) was received from a third party lawfully in possession of that information without restrictions, where such third party obtained such information and the right to disclose it to University without violation of any rights that Contractor may have in such information; or (iv) was independently developed by University, as evidenced by University's written records, without violating the terms of this Agreement or any rights that Contractor may have in such information. In any dispute between the parties with respect to the exclusions in this paragraph, the burden of proof will be on University and such proof will be by clear and convincing evidence.

1.2. **University's Obligations.** University will (a) not disclose Protected Information, directly or indirectly, to any third party; (b) not use any Protected Information for any purpose other than for the purposes of performing Services under this Agreement; and (c) hold and maintain Protected Information in trust and confidence for the benefit of Contractor. All confidential and nonuse obligations contained in this Section 1 with respect to any particular Protected Information will expire at such time as the relevant Protected Information ceases to be Protected Information.

1.3. **Compelled Disclosure.** If University becomes subject to an order that requires University to disclose Protected Information, University will, to the extent permitted by law: (a) promptly notify Contractor of the order's terms and the circumstances surrounding its issuance; (b) consult in good faith with Contractor regarding possible responses to the order and, if requested by Contractor, make best efforts to narrow the order's scope, obtain a protective order from the court, or produce documents to the court or government body under seal with appropriate instructions regarding preservation of the information's confidentiality; and (c) if disclosure is required to prevent University from being subjected to contempt sanctions or other penalties, disclose only the Protected Information that, in the opinion of counsel reasonably satisfactory to Contractor, is legally required to be disclosed, consistent with a reasonable interpretation of the order.

1.4. **Contractor Property.** All Protected Information will remain the sole property of Contractor. Upon the termination of this Agreement or at any other time requested by Contractor, University will promptly return and deliver to Contractor (i) all Protected Information, and (ii) all other information (whether or not Protected Information) made available by Contractor to University. Any copies of such items or materials will also be returned.

1.5. **No Rights.** Nothing contained in this Agreement will be construed as granting to or conferring upon University any right, title, interest or license, in any Protected Information, patent, trademark, copyright or any other intellectual property that is now or subsequently owned by Contractor.

ATTACHMENT C
ADDITIONAL TERMS AND CODITIONS

2. Contractor's Work Product

2.1. **Definition.** "Developments" means each invention, modification, discovery, design, development, improvement, process, software program, work of authorship, documentation, formula, data, technique, know-how, secret or intellectual property right whatsoever or any interest in any of those items (whether or not patentable or registrable under copyright or similar statutes or subject to analogous protection) that is made, conceived, discovered, or reduced to practice by Contractor (either alone or with others) and that (i) relates to other business of Contractor or any customer of or supplier to Contractor or any of the products or services being developed, manufactured or sold by Contractor or which may be used in relation with any of them, (ii) results or is derived from the Services performed by others for Contractor or (iii) results or is derived from the use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by Contractor.

2.2. **No Rights.** Nothing in this Agreement will be construed as granting to or conferring upon University any rights, title, interest or license, in any Developments or intellectual property now owned or subsequently owned by Contractor.

3. Non-solicitation. During the term of this Agreement and for a period of two (2) years after its termination, University shall not, directly or indirectly, solicit, divert or appropriate (or attempt to solicit, divert or appropriate) to or for University or any other company or business organization engaged in activities competitive with the business of Contractor, any person that was a vendor, distributor, partner, supplier, customer, or end user, of Contractor during such non-solicitation period. During the term of this Agreement and for a period of two (2) years after its termination, University shall not directly or indirectly, solicit, divert or hire away (or attempt to solicit, divert or hire away) to or for University or any other company or business organization, any employee of Contractor, whether or not that employee is a full time, part time or a temporary employee, whether or not that employment is pursuant to a written agreement and whether or not that employment is for a determined period or is at will.

4. Miscellaneous

4.1. **Notices.** All notices required or permitted under this Agreement shall be in writing and shall be deemed given and made (i) if by personal delivery, on the date of such delivery, (ii) if by delivery by facsimile or electronic mail, on the date sent (as evidenced by confirmation of transmission by the transmitting equipment), (iii) if by nationally recognized overnight courier, on the date scheduled for delivery, and (iv) if by certified mail, return receipt requested, postage prepaid, on the third business day following such mailing, in each case addressed at the address or contact information shown below the signature line. Either party may by written notice to the other party designate a different address or contact information.

4.2. **Dispute Resolution.** Any controversy, claim, or dispute arising out of or relating to this Agreement or the breach of any of its terms will be settled, if possible, through good faith negotiations between the parties. If the matter is not resolved within 60 days after initiation by either party of good faith negotiations, such controversy, claim, or dispute will be resolved by arbitration administered through Arbitration in accordance with its commercial arbitration rules. The arbitration award will be final and binding regardless of whether one of the parties fails or refuses to participate in the arbitration. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction of such award. The prevailing party will be entitled to an award of reasonable attorney fees. Notwithstanding the preceding, Contractor may, without violating this Agreement, seek any interim or provisional relief from a court that may be necessary to protect Contractor's rights or property pending the negotiation or arbitration process.

4.3. **Assignment.** University may not assign or transfer this Agreement or any rights or obligations under this Agreement without the prior written consent of Contractor.

ATTACHMENT C
ADDITIONAL TERMS AND CODITIONS

4.4. **Entire Agreement; Amendments.** This Agreement contains the entire agreement of the parties with respect to the matters covered, and no other previous agreement, statement or promise made by either party to this Agreement that is not contained in the terms of this Agreement will be binding or valid. This Agreement may be amended only in writing by both parties to the Agreement.

4.5. **Attorney Fees.** If any action is brought with respect to this Agreement or in any appeal from such action, the prevailing party will be entitled to its reasonable attorney's fees as determined by the court or courts in which the action or appeal is tried or heard.

5. Indemnification

5.1. Contractor hereby agrees to indemnify and hold University and its Officers harmless from and against all claims, losses, liability, damages, and expenses as they are incurred, including legal fees and disbursements and the cost of University personnel time at normal professional rates relating to or arising out of third party claims resulting from the Contractor's negligence, willful misconduct anywhere, or intellectual property infringement (including, claims of infringement of any patent, registered design, copyright, trademark, or trade name, or any other intellectual property rights and third party rights) arising out of the performance of the Services by the Contractor.

5.2. Contractor's indemnification obligations shall survive the termination, for any reason, of this AGREEMENT.

5.3. Contractor shall not, however, be liable under the above indemnity to the extent that any such claims, losses, liability, damages, and expenses result from the negligence, willful misconduct, or intellectual property infringement by University.

5.4. University hereby agrees to indemnify and hold Contractor and its Officers harmless from and against all claims, losses, liability, damages, and expenses as they are incurred, including legal fees and disbursements and the cost of Contractor personnel time at normal professional rates relating to or arising out of third party claims resulting from University's negligence, willful misconduct anywhere, or intellectual property infringement (including, claims of infringement of any patent, registered design, copyright, trademark, or trade name, or any other intellectual property rights) arising out of University's performance under this AGREEMENT.

5.5. University's indemnification obligations shall survive the termination, for any reason, of this AGREEMENT.

5.6. University shall not, however, be liable under the above indemnity to the extent that any such claims, losses, liability, damages, and expenses result from the negligence, willful misconduct, or intellectual property infringement by Contractor.

6. Confidential Information

6.1. Each Party ("Recipient") shall hold in trust for the other Party ("Discloser"), any confidential information of the Discloser, and shall not disclose such information to any third party. "Confidential Information" includes data, materials, plans, financial information, products, technology, computer programs, specifications, manuals, software, and/or other information which relates to the Discloser's research, development, trade secrets or business affairs, whether disclosed or submitted orally, in writing or by any other media, but does not include information which is generally known in the public domain.

6.2. Recipient hereby acknowledges that during the performance of this contract, the Recipient may learn or receive Discloser's Confidential Information and Recipient hereby confirms that all such Confidential Information relating to the Discloser's business will be kept confidential by the Recipient, except to the extent that

ATTACHMENT C
ADDITIONAL TERMS AND CODITIONS

such Confidential Information is required to be divulged to the Recipient's personnel or associates in order to enable Recipient to perform Recipient's obligation under this Agreement.

6.3. Recipient agrees not to disclose or use, except as required in Recipient's duties, at any time, any Confidential Information disclosed to or acquired by Recipient during the term of this contract. Recipient agrees that he shall not, without the written consent of Discloser, disclose to third parties (other than as necessary for performance of the Services), or use for his own financial benefit, or for the financial or other benefit of any competitor of Discloser, any of Discloser's Confidential Information.

6.4. Except as necessary for the performances of Services, Recipient shall take all reasonable precautions to prevent any other person with whom Recipient is, or may become associated with, from acquiring Confidential Information at any time.

6.5. Recipient agrees that all Confidential Information of Discloser shall be deemed to be, and shall be treated as the sole and exclusive property of Discloser.

6.6. The confidentiality obligation of the Recipient derived from this AGREEMENT shall be effective for two years starting from the Effective Date by the Recipient.

7. Termination for Cause

7.1. If either Party fails to carry out his responsibilities as required under this Agreement, the other Party shall have the right to terminate this Agreement. The non-breaching Party shall give notice to the breaching Party that it intends to terminate the Agreement unless the breaching Party fulfils his responsibilities within 30 business days.

7.2. Contractor may terminate this Agreement immediately for "cause" by written notice to University. For the purposes of this Agreement, "cause" includes the following conditions: University (i) fails or neglects to perform any of its responsibilities, (ii) breaches any of the terms or conditions of, or defaults under, this Agreement, or (iii) acts in a grossly negligent, reckless, wanton, or criminal manner.

7.3. University may terminate this Agreement immediately for "cause" by written notice to Contractor. For the purposes of this Agreement, "cause" includes the following conditions: Contractor (i) fails or neglects to perform any of its responsibilities, (ii) breaches any of the terms or conditions of, or defaults under, this Agreement, or (iii) acts in a grossly negligent, reckless, wanton, or criminal manner.

7.4. Upon receiving notice from the non-breaching Party of such breach and intent to terminate the Agreement, the breaching Party shall have thirty (30) business days to remedy the breach. If the breach is remedied, the non-breaching Party will then withdraw the Notice to Terminate. In the event of Termination of the Agreement for Cause, University shall only be liable to pay the Contractor for the Services that have been performed in accordance with this Agreement.

ATTACHMENT D

FEE SCHEDULE

Payment shall be made payable to: SimHealth Consultants, LLC

Payments shall be mailed to:

SimHealth Consultants, LLC
14043 Edenberry Court
Lake Oswego, OR 97035

Payments are due 30 calendar days from the invoice date

Overdue Payments: Payment is due within 30 calendar days of invoice date and shall be made payable to: SimHealth Consultants, LLC. Payments that are overdue by greater than 30 calendar days, are subject to a 1.5% fee on the overdue balance.

Fixed fee items

Includes items (see Attachment A): 1.1(a), 1.1(b), 1.2(a), 1.2(b), 1.2(d), 1.3(b), 1.4 (a), 1.4(b), 1.5(a), 1.5(b), 1.5(c)

- 30% of the Total cost of the item due at signing for each item
- For items that are a quantity of 1: The remaining 70% total cost is due upon completion of the task/item
- For items that are a quantity greater than 1: 70% of the unit cost (Total cost divided by quantity) is due upon completion of the task/item

Variable Cost items

Includes items (See Attachment A): 1.2(c), 1.2(d), 1.2(d), 1.2(e), 1.3 (a), 1.3(c)

- Items will be billed on an hourly basis at \$250/hour per consultant or \$2,500 per diem when Consultant is away from their individual home base.
- Hourly billing is billed in increments of 15 minutes with a minimum charge of 30 minutes.
- If the estimated hours in Attachment A are reached then the UNIVERSITY must authorize additional hours in writing. CONTRACTOR shall not continue work on item until such authorization is provided.
- Invoices will be submitted monthly to quarterly depending on workload

ATTACHMENT D

Travel Expense reimbursement

The CONTRACTOR shall be reimbursed for actual travel and living expenses with the submission of appropriate documentation as outlined in the CONTRACTOR'S travel policy (Attachment B). This shall prevail over item 4 in the University's Standard Terms and Conditions.