# Teacher Retirement System of Texas

**TRS DIR Terms and Conditions FEB 2024**

These General Terms and Conditions for DIR Contracts ("Terms and Conditions") are incorporated for all purposes into the contract (“Contract”) between the Teacher Retirement System of Texas ("TRS") and Contractor. To the extent that any provision contained in these Terms and Conditions conflicts with any provision contained elsewhere in the Contract, it is expressly understood and agreed that the provision contained in these Terms and Conditions shall control to the extent necessary to resolve the conflict.

1. **Subcontractors**. For purposes of this clause, “subcontractor” does not include an affiliate of Contractor. Contractor may not subcontract the work or obligations due under this Contract without the prior written approval of TRS. Contractor expressly understands and acknowledges that in entering such subcontract(s), TRS is in no manner liable to any subcontractor(s) of Contractor and all acts and omissions of any subcontractor(s) are imputed to Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with this Contract.
2. **Criminal Background Checks**. Contractor shall comply with, and cause any subcontractor provided by Contractor to comply with, TRS’ Background Check Policy ("BCP"). Contractor agrees pursuant to the BCP that when TRS determines that a criminal background check ("CBC") is required, TRS will conduct the CBC and Contractor shall reimburse TRS for the costs incurred by TRS in conducting the CBC. All information pertaining to a CBC shall only be provided to an authorized representative of TRS’ Organizational Excellence division.
3. **No Conflicts of Interest**. Contractor represents and warrants that the provision of goods and services or other performance under the Contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety. Contractor will not have any relationship with a third party that could be construed as a violation of the TRS Code of Ethics for Contractors (“TRS Code”). Contractor shall give notice to TRS of any actual, apparent, or potential conflict of interest as defined in, and in the manner required by, the TRS Code or applicable law.
4. **Invoices and Payment.** Contractor shall submit invoices through the TRS Procurement and Vendor E-System (PAVES). Vendors will be required to activate an account in PAVES to submit invoices. Payment to Contractor will be made within thirty (30) days of TRS’ receipt of Contractor’s undisputed invoice. No increase in any amount due by TRS under this Contract shall be binding on TRS without TRS’ prior written consent. Interest for late payments shall be governed by the Texas Prompt Payment Act, chapter 2251 of the Texas Government Code. Contractor shall not bill TRS for required training pursuant to the Non-TRS Workers (Contract Workers, Unpaid Interns and Volunteers) Policy, unless such costs are specifically authorized in this Contract. In the event such costs are specifically authorized, they shall be itemized in Contractor’s invoice.
5. **Contracting Information Responsibilities.** In accordance with Section 552.372 of the Texas Government Code, Contractor agrees to (1) preserve all contracting information related to this Contract as provided by the records retention requirements applicable to TRS for the duration of the Contract, (2) promptly provide to TRS any contracting information related to the Contract that is in the custody or possession of Contractor on request of TRS, and (3) on termination or expiration of the Contract, either provide at no cost to TRS all contracting information related to the Contract that is in the custody or possession of Contractor or preserve the contracting information related to the Contract as provided by the records retention requirements applicable to TRS. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J, Chapter 552, Government Code, may apply to this Contract and Contractor agrees that the Contract can be terminated if Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.
6. **TRS Data and Confidentiality.**

**6.1** The term “TRS Data” refers to all TRS information, as well as other entity information in the possession of TRS, that is processed, stored, or transmitted by a computer, including data that is generated by Contractor in the performance of services under the Contract. For purposes of this Contract, TRS Data maintained by or for TRS constitutes confidential information and includes information confidential by law or otherwise excepted from disclosure under the Texas Public Information Act (“TPIA”). Contractor shall maintain the confidentiality of TRS Data and prevent unauthorized disclosure. Contractor will not collect, access, use, disclose, or retain TRS Data other than as necessary to perform the services under this Contract or as otherwise authorized in writing by TRS. Contractor will restrict access to TRS Data to only those personnel who must have the information on a “need to know” basis. Contractor will not use TRS Data, or any information derived from TRS Data, for its own benefit or the benefit of any other person or entity. Contractor will not share TRS Data with its parent company or other affiliate without TRS’ express written consent.

Contractor shall not disclose TRS Data to any third party, except as specifically provided in this Contract or as required by applicable law or court order. Contractor shall notify third parties to whom TRS Data is disclosed of the confidentiality terms of this Contract. Where disclosure of TRS Data to any third party is required by applicable law or court order, Contractor, as permitted by law, shall notify TRS prior to the disclosure.

**6.2** Contractor shall disclose to TRS all AI technology it uses to provide services to TRS and shall use its best efforts to mitigate risks associated with the use of AI. Contractor shall comply with all applicable federal and state laws, regulations, and guidelines, including those that regulate privacy, security, employment discrimination, intellectual property rights, and consumer protection regarding the use of AI in the provision of services to TRS. Contractor shall not access or use TRS Data for any purpose other than to the extent necessary to perform the Contract services, including the use of TRS Data to train, retrain or improve the foundational AI technology model or share the generated output with any party other than TRS.

**6.3** Contractor shall comply with TRS’ Confidentiality Policy and TRS’ information security requirements associated with the services provided under this Contract. Contractor shall implement and document a comprehensive information security program and use reasonable security practices to make its services secure. If the security of any TRS Data is compromised or breached, Contractor shall immediately notify TRS both orally by telephone and in writing, but no later than 12 hours after Contractor is aware of the compromise or breach and reimburse TRS for reasonable out-of-pocket expenses directly resulting from such compromise or breach. In the event a compromise or breach involves a person’s sensitive personal information, Contractor shall comply with the notice requirements under Section 521.053 of the Texas Business and Commerce Code and provide identity theft protection services for one (1) year for each affected person.

**6.4** Contractor's obligations under this provision shall survive termination of this Contract.

**7.** **Cybersecurity Training.** Contractor represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.

**8. Data Management and Security Controls.** In accordance with Section 2054.138 of the Texas Government Code, Contractor certifies that it will comply with the security controls required under this Contract and will maintain records and make them available to TRS as evidence of Contractor’s compliance with the required controls.

**9. Cloud Computing State Risk and Authorization Management Program (TX-RAMP).** Pursuant to Section 2054.0593(d)-(f) of the Texas Government Code, relating to cloud computing state risk and authorization management program, Contractor represents and warrants that it complies with the requirements of the state risk and authorization management program and Contractor agrees that throughout the term of the Contract it shall maintain its certifications and comply with the program requirements in the performance of the Contract.

**10. BUSINESS ASSOCIATE AGREEMENT (“BAA”).  IN ADDITION TO THE PROVISIONS OF CONTRACTOR’S DIR CONTRACT, TO THE EXTENT A BAA IS EXECUTED BY THE PARTIES, ANY LIMITATION OF LIABILITY SHALL NOT APPLY TO LOSSES ARISING UNDER THE BAA EXECUTED BY CONTRACTOR AND TRS.**

**11. Non-Exclusive Remedies.** If default occurs, then TRS shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to suspend, terminate, or to seek specific performance of all or any part of this Contract. In addition, TRS may (itself or through another contractor) complete the Work, and Contractor shall pay to TRS all costs and expenses reasonably incurred in completing the Work, any cost resulting from delay in completing the Work, and all other costs incurred in connection with the termination. These remedies are not exclusive, and TRS reserves all other rights and remedies available under this Contract.

**12. Debarment.** Contractor certifies that it and its principals are not suspended or debarred from doing business with the State of Texas or the federal government as listed on the State of Texas Debarred Vendor List maintained by the Texas Comptroller of Public Accounts and the System for Award Management maintained by the General Services Administration.

**13.** **Foreign Terrorist Organizations**. Contractor represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization as defined under federal and state law.

**14. Boycotts and Discrimination.** Contractor certifies and verifies that it: 1) does not boycott Israel and will not boycott Israel during the term of this Contract; 2) does not boycott energy companies and will not boycott energy companies during the term of this Contract; and 3) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Contract against a firearm entity or firearm trade association.

**15.** **Critical Infrastructure Affirmation.** Pursuant to Government Code Section 2274.0102, Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code Section 2274.0103, or (2) headquartered in any of those countries.

**16. Disclosure of Prior TRS Employment.** Contractor represents and warrants that none of its employees who are authorized to provide services under this Contract has been employed by TRS at any time during the two years immediately prior to the date of execution of this Contract.

**17. Disaster Recovery Plan.** Upon request of TRS, Contractor shall provide the descriptions of its business continuity and disaster recovery plans.

**18. Publicity and Endorsement.** Contractor shall not use TRS' name, logo, or other likeness in any press release, marketing material, or other announcement without TRS' prior written approval. TRS does not endorse any vendor, commodity, or service. Contractor is not authorized to make or participate in any media releases or public announcements pertaining to this Contract or the services to which they relate without the prior written consent of TRS’ Executive Director or Deputy Director.