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ID 83843
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Emsi Representative: Doug Heckman

Contract: Economic Impact Study (EIS)

This EIS work agreement between Economic Modeling, LLC of Moscow, Idaho ("Emsi") and Texas A&M University of College Station, Texas ("Client") sets forth the terms and conditions for the provision by Emsi of a pair of economic impact studies (EIS).

I. Fee

The fee for the first-year EIS is \$45,000.00, payable as follows:

- \$22,500.00 due within 30 days of delivery of draft report for first-year EIS
- \$22,500.00 due within 30 days of delivery of final report for first-year EIS

The fee for the second-year EIS is \$45,000.00, payable as follows:

- \$22,500.00 due within 30 days of delivery of draft report for second-year EIS
- \$22,500.00 due within 30 days of delivery of final report for second-year EIS

II. Timeline and Scope of Work

The study period for the first-year EIS is 12-24 weeks from receipt of contract signature. The second-year EIS will be conducted approximately 12 months after the start of the first-year EIS unless otherwise requested by Client.

Each of the Economic Impact Studies will be conducted as follows:

An Emsi EIS team member will contact Client's authorized representative to determine a schedule. Emsi will work with Client's authorized representative to adhere to the following overall timeline:

- Data collection and review phase: Six to ten weeks
- Draft phase: Four to six weeks
- Final phase: Two to six weeks

Emsi will deliver the following reports to Client:

- Main Report
- Executive Summary
- Fact Sheets
- PowerPoint Presentation

Additional details concerning the studies are available in the attached Appendix A.

In the event that the Client fails to submit data or feedback to Emsi within the agreed upon schedule, Emsi will no longer be bound to deliver the final reports by the original deadline. Emsi may then deliver the draft reports as finals, and no further revisions will be made if Client does not respond within 60 days. Emsi will not make revisions that in the opinion of the economist preparing the study are not reasonably supported by the data.

For an additional fee Client may have an Emsi consultant travel to the Client's offices to make a presentation of the EIS results. Please inquire for details.

Client will make available point persons to act as authorized representatives to work with Emsi on data collection, feedback on reports, submission of information to Emsi, and invoicing within the time frame above.

Client's authorized contacts are: (please complete the following before contract signature)

	Invoice Contact	Product Contact
Name:		
Title:		
Mailing Address:		
Phone:		
Fax:		
Email:		

III. Work Samples

Unless instructed otherwise by Client, Emsi may share the deliverables with a third party as samples of work previously completed.

IV. Responsibility for Use

The data, reports, forecasts, and/or services provided by Emsi are generated using government data and proprietary processes. Emsi uses estimates when there are missing data points, and such estimates are subject to varying degrees of error. Emsi's data, reports, forecasts, and services may differ significantly from actual outcomes and are provided "as is," without warranty for a particular purpose or project. By purchasing this data, report, product, or service, Client agrees that Emsi shall not be liable for any indirect, incidental, special, or consequential damages, or other economic loss arising from their use. Emsi's maximum liability, whether based in contract, tort, warranty, or otherwise, shall not exceed the amount that Emsi received for the data, report, forecast, or service in question.

V. Applicable Law

Any litigation regarding interpretation or enforcement of this agreement shall be brought in the state of Texas, and this agreement shall be interpreted according to the laws of the state of Texas without regard to any conflict of law provisions.

For Emsi:

08/23/2018

 Authorized Signature Date
 Timothy van den Broek

 Printed Name
 Economic Modeling, LLC
 409 South Jackson Street
 Moscow, ID 83843

For Client: *✓*

24 Aug 2018

 Authorized Signature Date
ROBERT C. BOUNDS

 Printed Name
 DIRECTOR, PROCUREMENT SERVICES
 Texas A&M University
 JKW Administration Building, Suite 100
 College Station, Texas 77843-1248

Appendix A

Texas A&M University

Economic Impact Study

Proposal

June 27, 2018



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Introduction

We've enjoyed working with Texas A&M for the past three years, providing leadership and strategic teams independent and objective Economic Impact Studies (EIS.) These studies have examined the impact of various components of the university across multiple regions. We're pleased to hear that these studies have been valuable, and that you wish to continue receiving these annual studies.

Emsi first worked with the university in 2014, when we completed an aggregate EIS for the Council of Public Universities Presidents and Chancellors. While this study produced quite impressive statewide impact numbers, Texas A&M wanted to better understand its particular impact across select geographies and campuses.

We're continually looking for ways to improve our EIS. Over the last few years, we've updated our input/output model, which we utilize to model impacts. Additionally, we've enhanced the deliverables by creating a more engaging final report with sharper infographics and a more engaging layout. Most recently, Emsi introduced an Alumni Insight database, which allows a university to better understand alumni outcomes. Using publicly-available workforce profiles, we're able to identify Texas A&M's former students across the United States. Key data points are location, job title, employer, and skills. With this information, we're able to better estimate alumni impact.

Emsi appreciates having the opportunity to present this proposal. If you have any questions regarding the proposal below, don't hesitate to call or email.

Doug Heckman
208.892.9015
Doug.heckman@economicmodeling.com

Solution Overview

Presidents and other institutional executives often need to demonstrate their institution's role in their states or communities, as well as the return that stakeholders receive for their investments. Anecdotes have their place, but when it comes to proving your economic impact, you need proof. Our EIS puts data behind the economic and social benefits of your institution.

The EIS estimates your institution's value-add to the region and gives you a clear view of the return on investment for students, taxpayers, and society as a whole. The clean, informative data is easy to integrate into videos, infographics, or other media—ready to ignite any outreach campaign.

OVERVIEW

There are two components to Emsi's EIS: an economic impact analysis and an investment analysis.

The economic impact analysis examines the direct and indirect multiplier effects that occur as Texas A&M and its employees, students, and visitors spend money in the region, as well as the economic benefits generated by alumni who are living and working within the local economy.

Meanwhile, Emsi's investment analysis indicates the strength of Texas A&M as an investment from the perspectives of students, taxpayers, and society as a whole. This analysis projects various benefits into the future, discounts them to current dollars, and compares the present values with the costs of generating the benefits.

Impact Analysis

- **Operations Spending Impact** — The added net income generated in the region as a result of your institution's payroll and its purchases for supplies and services (excluding research).
- **Research Spending Impact** — The added net income generated in the region as a result of your institution's research activities.
- **Start-up and Spin-off Company Impact** — The added income generated in the region as a result of your institution's start-up and spin-off companies.
- **Student Spending Impact** — The impact of new sales generated by out-of-region and retained students who spend money on food, transportation, and other personal expenses while attending your institution.
- **Visitor Spending Impact** — The impact of new sales generated by out-of-region visitors who spend money on food, transportation, and other personal expenses while visiting your institution.
- **Former Student Impact** — The impact of Texas A&M's former students' higher earnings and the increased productivity of local businesses from human capital accumulation in the regional workforce. There is also an option to complete an Alumni Match to provide a more accurate accounting the former student impact. See below for more information.

Investment Analysis

- **Student Investment Analysis** — Students enjoy a lifetime of higher earnings. Using various investment measures, we compare the present value of these higher earnings with the costs of their education.
- **Taxpayer Investment Analysis** — State and local taxpayers benefit from an increased tax base and public sector benefits such as improved health, lower crime, and reduced welfare and unemployment.
- **Social Investment Analysis** — The benefits to society as a whole are measured in terms of total added income, added tax revenues, and avoided social costs due to improved health, lower crime, and reduced welfare and unemployment.

TEXAS A&M STUDY

Each year, Emsi will produce an EIS that includes all of the above impacts and analyses. We will produce distinct reports for:

- Texas A&M across the state of Texas
- Texas A&M for Brazos County and the surrounding counties
- Texas A&M Health Science Center across the state of Texas
- Texas A&M at Galveston for Galveston County

ALUMNI MATCH OPTION

We currently make conservative assumptions on the occupation outcomes of Texas A&M's former students. In 2016, we introduced our Alumni Insights database, which captures publicly available CVs and resumes. The database currently holds about 110 million US profiles. We're now able to match a university's database of student records with our Alumni Insights database to capture updated information on your alumni's occupation, location, skills, and contact info. With this detailed, up-to-date information, we're able to better inform the former students impact and investment analysis portions of the EIS.

A valuable byproduct of this option is the granular alumni data the university would receive alongside the impact study. The matching process would provide detailed outcomes data for your marketing, advancement, alumni relations, employer engagement, and curriculum review teams. The matching service would deliver two software applications, as well as the raw data in Excel spreadsheets.

DELIVERABLES

The EIS, taken as a whole, generates a wealth of information. This information is broken into a number of reports varying in target audience and scope. Each report will be customized with Texas A&M's branding guidelines and photographs. The following deliverables will be received by Texas A&M:

- **Main report** — Presents all of the findings of the analysis in the context of clearly spelled-out assumptions, theory, and data sources, along with a glossary of terms. The report will be intended mostly for economists and researchers interested in confirming that the approach and documented data sources used are fully credible and transparent.
- **Executive summary** — Contains the major findings written in layperson's terms. This document is suitable for popular and media circulation.
- **Fact sheet** — Summarizes the main results in bullet form. Also designed for a broad audience. In our experience, this is one of the most utilized documents.
- **PowerPoint** — Presents key findings in a manner accessible to a broad audience.
- **Alumni Match (optional)**
 - Raw data delivered in two Excel spreadsheets
 - Access to two software applications for university and program-specific reports (multiple filters; export reports via PDF)

Emsi's Expertise

Relevant Experience

Inter-University Council of Ohio

In 2018, Emsi delivered an aggregate economic impact studies, measuring the impact from the 14 public universities in the state of Ohio. The results show that Ohio's public universities added \$42 billion to the state of Ohio in FY 2016-17.

This is approximately equal to 6.7% of the GSP in the state. In addition, 1 in every 12 jobs in the state was in some way supported by the activities of the universities and their students.

Contact:

Bruce Johnson, President and CEO

Office: 614-464-1266

Email: Johnson.3287@osu.edu

Hawaii Pacific University

In August 2017, Emsi completed an economic impact study and capital analysis for Hawaii Pacific University (HPU), a private university. The economic impact study outlined the positive impact the university has on Oahu, Honolulu County, along with the positive return on investment for students, state and local taxpayers, and society. The capital analysis measured the impact on the small downtown area of Oahu of HPU's acquisition of the Aloha Tower Marketplace.

Contact

Sara Liao-Troth, Director of Institutional Research

Office: 808-543-8021

Email: sliaotroth@hpu.edu

University of Tennessee at Martin

In 2016, Emsi delivered an economic impact study and capital analysis to the University of Tennessee at Martin to demonstrate the economic benefit that would come from building a new STEM facility. Among other things, the study found that building the new facility would generate 900-plus jobs. The capital analysis helped justify a state budget amendment increasing state funding of the \$65 million project. Emsi recently completed a second capital analysis for the university in January 2018.

Contact:

Robert Smith, Office of the President, Advisor for Talent and Leadership Development

Office 865-974-2241

Email: robert.smith@tennessee.edu

Project Team

Anna Brown is an Economist and the Director of Higher Education Consulting. She oversaw the consulting team that has delivered all previous Texas A&M impact studies. She will provide project oversight of data collection, methodology and modeling, and report writing. Anna has seven years of experience with Emsi conducting economic impact studies and helped manage some of Emsi's highest profile work. Anna served as the Project Manager for the Council of Texas Public University Presidents and Chancellors project. Anna has her Master's degree in Applied Economics from the University of Idaho. She also holds Bachelor's degrees in Economics, International Studies, and German from the University of Idaho.

Hannah Ruffridge, Assistant Director of Higher Education Consulting, is an Economist and will be the Project Manager. She led the previous Texas A&M impact study projects, and so is quite familiar with the university team, its data, and processes. Hannah was responsible for managing the data collection, modeling,

communications, and deliverables for the University of Northern Colorado and Hawaii Pacific University economic impact studies. Hannah's responsibilities include conducting and analyzing primary research, designing survey instruments, and modeling. Hannah has her Master's degree in Applied Economics from the University of Idaho. She also holds a Bachelor's degree in Mathematics from the University of Idaho.

Fraser Martens is the Content Manager and creates the narrative and qualitative aspects of Emsi's economic impact studies. Fraser created the narrative and qualitative content for the University of Northern Colorado and Hawaii Pacific University economic impact studies. Fraser's responsibilities include working with representatives from the university to gather non-economic information about the university, so the report accurately describes the university and its relation to the state and region. He also ensures that the report's text balances readability and professionalism, so the client can easily communicate the results to a variety of audiences. Fraser received a Master's Degree in Theology and Letters and a Bachelor's Degree in Liberal Arts from New St. Andrew's College.

EIS Timeline

PHASE	TIME FRAME
Project Kickoff	
Emsi prepares and sends data survey to Texas A&M	-
Data Collection Phase	
Texas A&M completes data survey	4-6 Weeks
Emsi reviews data, works with Texas A&M to address data issues	2-4 Weeks
Draft Phase	
Emsi customizes model to reflect Texas A&M	2-4 Weeks
Emsi prepares draft reports, sends to Texas A&M for review	2-4 Weeks
Final Phase	
Texas A&M reviews draft, provides final feedback	2-3 Weeks
Emsi incorporates final edits, formats reports, and sends finals to Texas A&M	2-3 Weeks
Total	12-24 Weeks

Pricing

SERVICE	ANNUAL PRICE
Economic Impact Studies as Identified in the Scope of Work (2-year contract)	\$45,000/year
Alumni Insight option (discount available for multiple projects; recommended once/year)	\$20,000/project

Payment Terms

Payment will be made in annual installments based upon delivery of Draft and Final Reports:

- 50% of payment is due within 30 days of delivery of Draft Report
- 50% of payment is due within 30 days of delivery of Final Report

ADDENDUM
By and Between
Economic Modeling LLC
&
Texas A&M University

This addendum ("Addendum") amends and supplements the Economic Impact Study Agreement ("Agreement") between Economic Modeling LLC ("EMSI"), and Texas A&M University, a member of The Texas A&M University System, an agency of the State of Texas ("TAMU"). All terms used herein and not otherwise defined shall have the meaning as in the Agreement. In the event of any conflict in the terms of the Agreement and the terms of this Addendum, the terms of this Addendum shall in all aspects govern and control. Both parties agree that the Agreement is hereby amended and supplemented as follows:

1. For clarification, Texas A&M University is entering into this Agreement as a member of The Texas A&M University System, an agency of the State of Texas.
2. The following is added to section IV. **Responsibility for Use**: "TAMU agrees to the extent permitted by the Constitution and laws of the State of Texas."
3. The following language is incorporated into the Agreement:

State Contracting Requirements:

Deliverables. The deliverables will be works made for hire and the copyright and all other rights in the deliverables (subject to EMSI's rights under Section III) will be the sole and exclusive property of Client. If for any reason the deliverables would not be works made for hire, EMSI hereby assigns to Client the entire interest in the copyright in the deliverables (subject to EMSI's rights under Section III). EMSI warrants that the deliverables are EMSI's original work, do not infringe upon the rights of any other party, and does not contain any defamatory or otherwise illegal material. EMSI shall indemnify Client from any claims that the deliverables infringe any copyright or contains defamatory or otherwise illegal material.

Vendor Access. Pursuant to Title 1, Chapter 202, §202.1 of the Texas Administrative Code, EMSI hereby acknowledges responsibility to comply with all applicable Institution policies, rules, standards, practices, and agreements, including but not limited to: safety policies, privacy policies, security policies, auditing policies, software licensing policies, acceptable use policies, and nondisclosure as required by Institution.

For purposes of this section concerning Vendor Access, Confidential Information is defined as information that must be protected from unauthorized disclosure or public release based on state or federal law or other legally binding agreement and may include but is not limited to the following: personally identifiable information (social security number and/or financial account numbers, student education records); intellectual property (as set forth in Section 51.914 of the Texas Education Code); and medical records. Mission Critical Information is information that is defined by Institution to be essential to the continued performance of the mission of Institution, the unavailability of which would result in consequences to Institution.

In the event EMSI should obtain or be granted access to Confidential and/or Mission Critical Information of Institution ("Institution Information"), EMSI will keep and protect Institution Information confidential to no less than the same degree of care as required by Institution policies, rules and procedures. At the expiration or early termination of this Agreement, EMSI agrees to return all Institution Information or agrees to provide adequate certification that the Institution Information has been destroyed. EMSI, its employees, agents, contractors, and subcontractors shall use the Institution Information solely in connection with performance by EMSI of the services provided to Institution pursuant to this Agreement, and for no other purpose. Should EMSI, its employees, agents, contractors, or subcontractors acquire other Institution Information during the course of this Agreement, it shall not be used for EMSI's own purposes or divulged to third parties. EMSI shall comply with all terms and conditions of any Institution non-disclosure agreement applicable to this Agreement.

Both parties shall each provide contact information for specific individuals. The contact for Institution shall be Juan Garza, Provost IT Office, 4481 TAMU, College Station, TX 77843-4481, Telephone: (979) 458-5212, jegarza@tamu.edu. The designated contact for EMSI shall be John Marone john.marone@economicmodeling.com 208-883-3500. Should the assigned contact for either party need to be changed, the new contact

information shall be updated and provided to the respective parties within 24 hours of any staff changes. Should EMSI have a need to access Institution information, that request shall be directed to the Institution's designated contact. Further, EMSI is responsible for reporting all security breaches directly to Institution. The Institution designated contact for breaches shall be Help Desk Central (helpdesk@tamu.edu, 979-845-8300). Help Desk Central can be contacted 24/7. Security breach investigation reports shall be provided to the designated Institution contact and the Institution CISO (ciso@tamu.edu).

Delinquent Child Support Obligations. Under Section 231.006, *Texas Family Code*, the vendor or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

Payment of Debt or Delinquency to the State. Pursuant to Section 2252.903, *Texas Government Code*, EMSI agrees that any payments owing to EMSI under this Agreement may be applied directly toward certain debts or delinquencies that EMSI owes the State of Texas or any agency of the State of Texas regardless of when they arise, until such debts or delinquencies are paid in full.

Franchise Tax Certification. If EMSI is a taxable entity subject to the Texas Franchise Tax (Chapter 171, *Texas Tax Code*), then EMSI certifies that it is not currently delinquent in the payment of any franchise (margin) taxes or that EMSI is exempt from the payment of franchise (margin) taxes.

Prohibited Bids and Agreements. Under Section 2155.004, *Texas Government Code*, EMSI certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this Agreement may be terminated and payment withheld if this certification is inaccurate.

Public Information. EMSI acknowledges that TAMU is obligated to strictly comply with the Public Information Act, Chapter 552, *Texas Government Code*, in responding to any request for public information pertaining to this Agreement.

Loss of Funding. Performance by TAMU under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature"). If the Legislature fails to appropriate or allot the necessary funds, TAMU will issue written notice to EMSI and TAMU may terminate this Agreement without further duty or obligation hereunder. EMSI acknowledges that appropriation of funds is beyond the control of TAMU.

State Auditor's Office. EMSI understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Section 51.9335(c), *Texas Education Code*. EMSI agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation, providing all records requested. EMSI will include this provision in all contracts with permitted subcontractors.

Force Majeure. Neither party is required to perform any term, condition, or covenant of this Agreement, if performance is prevented or delayed by a natural occurrence, a fire, an act of God, an act of terrorism, or other similar occurrence, the cause of which is not reasonably within the control of such party and which by due diligence it is unable to prevent or overcome.

Venue. Pursuant to Section 85.18, *Texas Education Code*, venue for any suit filed against TAMU shall be in Brazos County, Texas.

Dispute Resolution. EMSI must use the dispute resolution process provided in Chapter 2260 of the *Texas Government Code* to attempt to resolve a dispute arising under this Agreement and is a required prerequisite to suit in accordance with Chapter 107, *Texas Civil Practices and Remedies Code*. EMSI must submit written notice of a claim of breach of contract to the University Contracts Officer, TAMU.

Non-Waiver. EMSI expressly acknowledges that TAMU is an agency of the State of Texas and nothing in this Agreement will be construed as a waiver or relinquishment by TAMU of its right to claim such exemptions, privileges, and immunities as may be provided by law.

ESRI Certification regarding Boycotting Israel. Pursuant to Chapter 2270, Texas Government Code, ESRI certifies ESRI (1) does not currently boycott Israel; and (b) will not boycott Israel during the Term of this Agreement. ESRI acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

ESRI Certification regarding Business with Certain Countries and Organizations. Pursuant to Subchapter F, Chapter 2252, Texas Government Code, ESRI certifies ESRI (1) is not engaged in business with Iran, Sudan, or a foreign terrorist organization. ESRI acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

Conflict of Interest. By executing and/or accepting this Agreement, ESRI and each person signing on behalf of ESRI certifies, and in the case of a sole proprietorship, partnership or corporation, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief, no member of The Texas A&M University System ("TAMUS") or TAMUS Board of Regents, nor any employee, or person, whose salary is payable in whole or in part by TAMU or TAMUS, has direct or indirect financial interest in the award of this Agreement, or in the services to which this Agreement relates, or in any of the profits, real or potential, thereof.

ACCEPTED & AGREED:

Economic Modeling LLC

Texas A&M University

Signature

Signature

Timothy van den Broek

Robert C. Bound, Director, Procurement Services

Name & Title

Name & Title

08/23/2018

24 Aug 2018

Date

Date