

October 23, 2018

Kathy Mills
Strategic Communications, LLC dba Strategic Cloud Communications, LLC
310 Evergreen Road
Louisville, Kentucky 40243
kmills@yourstrategic.com

Sent Via Electronic Transmission

Re: DIR Contract Number DIR-TSO-4232

Dear Mr. Nordquist:

The contract for Cloud Services was signed on October 22, 2018 and is now fully executed. The Contract number is DIR-TSO-4232. You can begin selling under this contract immediately. Contract information will be visible on DIR's website in the next few days. An executed copy of the contract has been sent to you. Information is provided below and in the attachments regarding administration of the contract.

1. **Insurance Certificate:** If you have not submitted already, please send it to kerry.stennett@dir.texas.gov as soon as possible.

2. **Monthly Sales Reports** are submitted via the Vendor Sales Reporting Portal (VSRAPP Portal) by the 15th of each month. You should already have a log-in for the system. Instructions are attached. Your first report will be due **December 15, 2018. You are required to report by the deadline even if there are no sales for the period.** Instruction videos and other information can be found at the following link:
<http://dir.texas.gov/View-Information-For-Vendors/Pages/Content.aspx?id=26>
If you have any questions, please contact ict.sales@dir.texas.gov.

Fees will be sent to:

FEE: Texas Dept. of Information Resources
P.O. Box 13564 (Accounts Receivable)
Austin, TX 78711-3564

3. Your **vendor webpage** for this contract will be due by **November 22, 2018.** See Appendix A Section 6B of the contract for requirements. Please review the requirement for the website contained in the attached **Website Compliance Checklist** when creating your vendor webpage.

4. To obtain copies of our DIR logos to use on newsletters and your company web site, you may contact Hannah Schaeffer via email at Hannah.Schaeffer@dir.texas.gov.

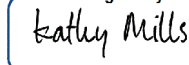
- 5. A copy of the DIR customer database is available.
- 6. A Vendor Orientation will be held in **November if you would like to call in**. Vendor orientation will be conducted via conference call. You will receive an email with additional information.
- 7. I will be your DIR Performance Contract Manager. You may reach me at 512-936-1870 or via email kerry.stennett@dir.texas.gov.

It has been a pleasure working with you. **Congratulations!**

Thank you,
DocuSigned by:

560A44ED940640A...
Kerry Stennett
Contracts Manager

Acknowledgement of Receipt:

Kathy Mills DocuSigned by:

96184ADF95A143A...

Date 10/23/2018 | 2:10 PM CDT

Kerry Stennett DocuSigned by:

560A44ED940640A...

Date 10/23/2018 | 9:56 AM CDT

STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES

CONTRACT FOR SERVICES

Strategic Communications, LLC dba Strategic Cloud Communications, LLC

1. Introduction

A. Parties

This Contract for Services (“Contract”) is entered into between the State of Texas (“State”), acting by and through the Department of Information Resources (“DIR”) with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and Strategic Communications, LLC dba Strategic Cloud Communications, LLC (“Vendor”), with its principal place of business at 310 Evergreen Road, Louisville, Kentucky 40243.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State. DIR issued a solicitation on the Comptroller of Public Accounts’ Electronic State Business Daily, Request for Offer (RFO) DIR-TSO-TMP-266, on February 10, 2017 for Cloud Services. Upon execution of this Contract, a notice of award for RFO DIR-TSO-TMP-266 shall be posted by DIR on the Electronic State Business Daily.

C. Order of Precedence

This Contract; Appendix A, Standard Terms and Conditions for Services Contracts; Appendix B, Vendor’s Historically Underutilized Businesses Subcontracting Plan; Appendix C, Pricing Index; Appendix D, Statement of Work; Exhibit 1, Vendor’s Response to DIR-TSO-TMP-266, including all addenda; Exhibit 2, DIR-TSO-TMP-266 including all addenda; are incorporated by reference and constitute the entire agreement between DIR and Vendor. In the event of a conflict between the documents listed in this paragraph, the controlling document shall be this Contract, then Appendix A, then Appendix B, then Appendix C, then Appendix D, then Exhibit 1, and finally Exhibit 2. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.

2. Term of Contract

The term of this Contract shall be two (2) years commencing on the last date of approval by DIR and Vendor. Prior to expiration of the original term, the contract will renew automatically in one-year increments for two additional years under the same terms and conditions unless either party provides notice to the other party 60 days in advance of the renewal date stating that the party wishes to discuss modification of terms or not renew. Additionally, the parties by mutual agreement may extend the term for up to ninety (90) additional calendar days.

3. Service Offerings

A. Services

Services available under this Contract are limited to Cloud Services and Related Services as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their services offering; however, any changes must be within the scope of the RFO and services awarded based on the posting described in Section 1.B above. Vendor may not add services which were not included in the Vendor's response to the solicitation described in Section 1.B above.

B. Emerging Technologies and Future Acquisitions

DIR recognizes that technology is ever-evolving and advancing. DIR reserves the right to consider the addition of emerging technology such as next generation, enhancements and upgrades for services that are within the scope of Cloud Services. Vendor may propose such services throughout the term of the contract. Pricing and terms will be negotiated upon DIR acceptance. Any determination will be at DIR's sole discretion and any decision will be final. In addition, Texas DIR and Vendor may mutually agree to add future acquisitions of Vendor to the contract. Subsequent terms of the acquisition(s) and pricing will be mutually agreed upon in writing and amended under the contract.

4. Pricing

Pricing to the DIR Customer shall be as set forth in Appendix A, Section 7, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index and shall include the DIR Administrative Fee.

5. DIR Administrative Fee

A) The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is three-fourths of one percent (.75%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$750.00.

B) All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor without further requirement for a formal contract amendment. Any change in the administrative fee shall be incorporated by Vendor in the price to the Customer.

6. Notification

All notices under this Contract shall be sent to a party at the respective address indicated below.

If sent to the State:

Kelly A Parker, CTPM, CTCM
Director, Cooperative Contracts
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701 b 47
Facsimile: (512) 475-4759
Email: kelly.parker@dir.texas.gov

If sent to the Vendor:

Paige Reh
Strategic Communications, LLC dba Strategic Cloud Communications, LLC
310 Evergreen Road
Louisville, Kentucky 40243
Phone: (502) 813-4048
Facsimile: (502) 657-6512
Email: prreh@yourstrategic.com

7. Statement of Work

A) Services provided under this Contract shall be based on the Sample Statement of Work (SOW) as set forth in Appendix D of this Contract. Customers may negotiate the terms and conditions of a SOW to suit their business needs, so long as the negotiated terms and conditions do not diminish Vendor’s commitments set forth in the Appendix D, Sample Statement of Work or this Contract.

B) Conflicting or Additional Terms

In the event that conflicting or additional terms in Service Agreements or linked or supplemental documents amend or diminish the rights of DIR Customers or the State, such conflicting or additional terms shall not take precedence over the terms of this Contract.

In the event of a conflict, any linked documents may not take precedence over the printed or referenced documents comprising this contract; provided further that any update to such linked documents shall only apply to purchases or leases of the associated Vendor product or service offering after the effective date of the update; and, provided further, that, if Vendor has responded to a solicitation or request for pricing, no update of such linked documents on or after the initial date of Vendor’s initial response shall apply to that purchase unless Vendor directly informs Customer of the update before the purchase is consummated.

In the event that different or additional terms or conditions would otherwise result from accessing a linked document, agreement to said linked document shall not be effective until reviewed and approved in writing by Customer’s authorized signatory.

Vendor shall not [without prior written agreement from Customer’s authorized signatory,] require any document that: 1) diminishes the rights, benefits, or protections of the Customer, or that alters the definitions, measurements, or method for determining any authorized rights, benefits, or protections of the Customer; or 2) imposes additional costs, burdens, or obligations upon Customer, or that alters the definitions, measurements, or method for determining any authorized costs, burdens, or obligations upon Customer.

If Vendor attempts to do any of the foregoing, the prohibited documents will be void and inapplicable to the contract between DIR and Vendor or Vendor and Customer, and Vendor will nonetheless be obligated to perform the contract without regard to the prohibited documents, unless Customer elects instead to terminate the contract, which in such case may be identified as a termination for cause against Vendor.

DIR Contract No. DIR-TSO-4232
Vendor Contract No. _____

The foregoing requirements apply to all contracts, including, but not limited to, contracts between Customer and a reseller who attempts to pass through documents and obligations from its Manufacturer or Publisher.

8. Authorized Exceptions to Contract and any Appendices.

No exceptions have been agreed to by DIR and Vendor.

This Contract is executed to be effective as of the date of last signature.

Strategic Communications, LLC dba Strategic Cloud Communications, LLC

Authorized By: Signature on File

Name: Kathy Mills

Title: CEO

Date: 10/16/18

The State of Texas, acting by and through the Department of Information Resources

Authorized By: Signature on File

Name: Hershel Becker

Title: Chief Procurement Officer

Date: 10/22/18

Office of General Counsel: mh 10/22/18

**Appendix A:
Standard Terms and Conditions for Services Contracts**

Table of Contents

- 1. No Quantity Guarantees:..... 1
- 2. Definitions..... 1
- 3. General Provisions 2
 - A. Entire Agreement 2
 - B. Modification of Contract Terms and/or Amendments..... 2
 - C. Invalid Term or Condition 2
 - D. Assignment 3
 - E. Survival 3
 - F. Choice of Law 3
 - G. Limitation of Authority..... 3
 - H. Proof of Financial Stability..... 4
- 4. Intellectual Property Matters..... 4
 - A. Definitions..... 4
 - B. Ownership. 5
 - C. Further Actions. 5
 - D. Waiver of Moral Rights. 6
 - E. Confidentiality. 6
 - F. Injunctive Relief..... 6
 - G. Return of Materials Pertaining to Work Product. 7
 - H. Vendor License to Use..... 7
 - I. Third-Party Underlying and Derivative Works. 7
 - J. Agreement with Subcontracts. 7
 - K. License to Customer. 8
 - L. Vendor Development Rights..... 8
- 5. Terms and Conditions Applicable to State Agency Purchases Only:..... 8
 - A. Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapters 206 and 213 (Applicable to State Agency and Institution of Higher Education Purchases Only) 8
 - B. Purchase of Commodity Items (Applicable to State Agency Purchases Only) 8
- 6. Contract Fulfillment and Promotion 9
 - A. Service, Sales and Support of the Contract..... 9
 - B. Internet Access to Contract and Pricing Information 9
 - 1) Vendor Webpage 9
 - 2) Accurate and Timely Contract Information 10
 - 3) Webpage Compliance Checks 10
 - 4) Webpage Changes..... 10

**Appendix A:
Standard Terms and Conditions for Services Contracts**

5) Use of Access Data Prohibited	10
6) Responsibility for Content	10
C. Services Warranty and Return Policies.....	11
D. DIR Logo	11
E. Vendor Logo	11
F. Trade Show Participation.....	11
G. Orientation Meeting	11
H. Performance Review Meetings	12
I. DIR Cost Avoidance	12
7. Pricing, Purchase Orders, Invoices, and Payments.....	12
A. Manufacturer’s Suggested Retail Price (MSRP) or List Price.....	12
B. Customer Discount.....	12
C. Customer Price.....	12
D. Shipping and Handling Fees	13
E. Tax-Exempt.....	13
F. Travel Expense Reimbursement	13
G. Changes to Prices	13
H. Purchase Orders	14
I. Invoices	14
J. Payments	14
8. Contract Administration.....	14
A. Contract Managers	14
1) State Contract Manager.....	15
2) Vendor Contract Manager.....	15
B. Reporting and Administrative Fees	15
1) Reporting Responsibility	15
2) Detailed Monthly Report	15
3) Historically Underutilized Businesses Subcontract Reports.....	15
4) DIR Administrative Fee.....	16
5) Accurate and Timely Submission of Reports	16
C. Records and Audit.....	17
D. Contract Administration Notification	18
9. Vendor Responsibilities.....	18
A. Indemnification	18
1) INDEPENDENT CONTRACTOR.....	18
2) Acts or Omissions	18
3) Infringements	18
4) PROPERTY DAMAGE.....	19
B. Taxes/Worker’s Compensation/UNEMPLOYMENT INSURANCE	19
C. Vendor Certifications.....	20
D. Ability to Conduct Business in Texas.....	22
E. Equal Opportunity Compliance	22

**Appendix A:
Standard Terms and Conditions for Services Contracts**

F.	Use of Subcontractors and Designation of Order Fulfillers.....	23
G.	Responsibility for Actions	23
H.	Confidentiality	23
I.	Security of Premises, Equipment, Data and Personnel.....	23
J.	Background and/or Criminal History Investigation.....	24
K.	Limitation of Liability.....	24
L.	Overcharges	24
M.	Prohibited Conduct	24
N.	Required Insurance Coverage	25
O.	Use of State Property	26
P.	Immigration.....	26
Q.	Public Disclosure	26
R.	Product and/or Services Substitutions	27
S.	Secure Erasure of Hard Disk Managed Services Products and/or Services	27
T.	Deceptive Trade Practices; Unfair Business Practices	27
U.	Drug Free Workplace Policy	27
V.	Accessibility of Public Information	27
W.	Vendor Reporting Responsibilities	28
10.	Contract Enforcement	28
A.	Enforcement of Contract and Dispute Resolution	28
B.	Termination.....	28
1)	Termination for Non-Appropriation	28
a)	Termination for Non-Appropriation by Customer.....	28
b)	Termination for Non-Appropriation by DIR	29
2)	Absolute Right	29
3)	Termination for Convenience	29
4)	Termination for Cause	29
a)	Contract.....	29
b)	Purchase Order.....	30
5)	Immediate Termination or Suspension	30
6)	Customer Rights Under Termination.....	30
7)	Vendor or Order Fulfiller Rights Under Termination.....	30
C.	Force Majeure	31
11.	Notification	31
A.	Notices	31
B.	Handling of Written Complaints.....	31
12.	Captions	31

Appendix A: Standard Terms and Conditions for Services Contracts

1. No Quantity Guarantees:

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

The Contract is not exclusive to the Vendor. Customers may obtain services from other sources during the term of the Contract. DIR makes no express or implied warranties whatsoever that any particular quantity or dollar amount of services will be procured through the Contract.

2. Definitions

A. Customer – any Texas state agency, unit of local government, institution of higher education as defined in Section 2054.003, Texas Government Code, the Electric Reliability Council of Texas, the Lower Colorado River Authority, a private school, as defined by Section 5.001, Education Code, a private or independent institution of higher education, as defined by Section 61.003, Education Code, a volunteer fire department, as defined by Section 152.001, Tax Code and those state agencies purchasing from a DIR contract through an Interagency Agreement, as authorized by Chapter 771, Texas Government Code, any local government as authorized through the Interlocal Cooperation Act, Chapter 791, Texas Government Code, the state agencies and political subdivisions of other states as authorized by Section 2054.0565, Texas Government Code, and, except for telecommunications services under Chapter 2170, Texas Government Code, assistance organizations as defined in Section 2175.001, Texas Government Code to mean:

- 1) A non-profit organization that provides educational, health or human services or assistance to homeless individuals;
- 2) A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;
- 3) Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance Office of the Agency for International Development;
- 4) A group, including a faith-based group, that enters into a financial or non-financial agreement with a health or human services agency to provide services to that agency's clients;
- 5) A local workforce development board created under Section 2308.253;
- 6) A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters;
- 7) The Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section 74.1011, Texas Agriculture Code;
- 8) A nonprofit computer bank that solicits, stores, refurbishes and redistributes used computer equipment to public school students and their families; and
- 9) A nonprofit organization that provides affordable housing.

B. Compliance Check – an audit of Vendor's compliance with the Contract may be performed by, but not limited to, a third-party auditor, DIR Internal Audit department, or DIR contract management staff or their designees.

**Appendix A:
Standard Terms and Conditions for Services Contracts**

- C. Contract** – the document executed between DIR and Vendor into which this Appendix A is incorporated.
- D. CPA** – refers to the Texas Comptroller of Public Accounts.
- E. Day** – shall mean business days, Monday through Friday, except for State and Federal holidays, unless otherwise specified as calendar days. If the Contract calls for performance on a day that is not a business day, then performance is intended to occur on the next business day.
- F. Purchase Order** – the Customer’s fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).
- G. State** – refers to the State of Texas.

3. General Provisions

A. Entire Agreement

The Contract, Appendices, and Exhibits constitute the entire agreement between DIR and the Vendor. No statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained in the Contract, Appendices, or its Exhibits shall be binding or valid.

B. Modification of Contract Terms and/or Amendments

1) The terms and conditions of the Contract shall govern all transactions by Customers under the Contract. The Contract may only be modified or amended upon mutual written agreement of DIR and Vendor.

2) Customers shall not have the authority to modify the terms of the Contract; however, additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Vendor may be added in a Purchase Order and given effect. No additional term or condition added in a Purchase Order issued by a Customer can conflict with or diminish a term or condition of the Contract. Pre-printed terms and conditions on any Purchase Order issued by Customer hereunder will have no force and effect. In the event of a conflict between a Customer’s Purchase Order and the Contract, the Contract term shall control.

3) Customers and Vendor will negotiate and enter into written agreements regarding statements of work, service level agreements, remedies, acceptance criteria, information confidentiality and security requirements, and other terms specific to their Purchase Orders under the Contract with Vendor.

C. Invalid Term or Condition

1) To the extent any term or condition in the Contract conflicts with the applicable Texas and/or United States law or regulation, such Contract term or condition is void and unenforceable. By executing a contract which contains the conflicting term or condition, DIR makes no representations or warranties regarding the enforceability of such term or condition and DIR does not waive the applicable State and/or United States law or regulation which conflicts with the Contract term or condition.

**Appendix A:
Standard Terms and Conditions for Services Contracts**

2) If one or more term or condition in the Contract, or the application of any term or condition to any party or circumstance, is held invalid, unenforceable, or illegal in any respect by a final judgment or order of the State Office of Administrative Hearings or a court of competent jurisdiction, the remainder of the Contract and the application of the term or condition to other parties or circumstances shall remain valid and in full force and effect.

D. Assignment

DIR or Vendor may assign the Contract without prior written approval to: i) a successor in interest (for DIR, another state agency as designated by the Texas Legislature), or ii) a subsidiary, parent company or affiliate, or iii) as necessary to satisfy a regulatory requirement imposed upon a party by a governing body with the appropriate authority. Assignment of the Contract under the above terms shall require written notification by the assigning party and, for Vendor, a mutually agreed written Contract amendment. Any other assignment by a party shall require the written consent of the other party and a mutually agreed written Contract amendment.

E. Survival

All applicable service agreements that were entered into between Vendor and a Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Vendor shall survive expiration or termination of the Contract for the term of the Purchase Order, unless the Customer terminates the Purchase Order sooner. However, regardless of the term of the Purchase Order, no Purchase Order shall survive the expiration or termination of the Contract for more than five years, unless Customer makes an express finding and justification for the longer term. The finding and justification must either be included in the Purchase Order, or referenced in it and maintained in Customer's procurement record. Rights and obligations under this Contract which by their nature should survive, including, but not limited to the DIR Administrative Fee; and any and all payment obligations invoiced prior to the termination or expiration hereof, obligations of confidentiality; and indemnification will remain in effect after termination or expiration hereof.

F. Choice of Law

The laws of the State shall govern the construction and interpretation of the Contract. Exclusive venue for all actions will be in state court, Travis County, Texas. Nothing in the Contract or its Appendices shall be construed to waive the State's sovereign immunity.

G. Limitation of Authority

Vendor shall have no authority to act for or on behalf of the Texas Department of Information Resources or the State except as expressly provided for in this Contract; no other authority, power or use is granted or implied. Vendor may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State or DIR.

**Appendix A:
Standard Terms and Conditions for Services Contracts**

H. Proof of Financial Stability

Either DIR or Customer may require Vendor to provide proof of financial stability prior to or at any time during the contract term.

4. Intellectual Property Matters

A. Definitions

1) “*Work Product*” means any and all deliverables produced by Vendor for Customer under a Statement of Work issued pursuant to this Contract, including any and all tangible or intangible items or things that have been or will be prepared, created, developed, invented or conceived at any time following the effective date of the Contract, including but not limited to any (i) works of authorship (such as manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer programs, computer software, scripts, object code, source code or other programming code, HTML code, flow charts, notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, formulae, processes, algorithms, data, information, multimedia files, text web pages or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or deliverables to be provided to Customer under the Contract or a Statement of Work, and (viii) all Intellectual Property Rights in any of the foregoing, and which are or were created, prepared, developed, invented or conceived for the use or benefit of Customer in connection with this Contract or a Statement of Work, or with funds appropriated by or for Customer or Customer’s benefit: (a) by any Vendor personnel or Customer personnel, or (b) any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

2) “*Intellectual Property Rights*” means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.

**Appendix A:
Standard Terms and Conditions for Services Contracts**

3) “Statement of Work” means a document signed by Customer and Vendor describing a specific set of activities and/or deliverables, which may include Work Product and Intellectual Property Rights, that Vendor is to provide Customer, issued pursuant to the Contract.

4) “Third Party IP” means the Intellectual Property Rights of any third party that is not a party to this Contract, and that is not directly or indirectly providing any goods or services to Customer under this Contract.

5) “Vendor IP” shall mean all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Vendor (a) prior to providing any Services or Work Product to Customer and prior to receiving any documents, materials, information or funding from or on behalf of Customer relating to the Services or Work Product, or (b) after the Effective Date of the Contract if such tangible or intangible items or things were independently developed by Vendor outside Vendor’s provision of Services or Work Product for Customer hereunder and were not created, prepared, developed, invented or conceived by any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

B. Ownership.

As between Vendor and Customer, the Work Product and Intellectual Property Rights therein are and shall be owned exclusively by Customer, and not Vendor. Vendor specifically agrees that the Work Product shall be considered “works made for hire” and that the Work Product shall, upon creation, be owned exclusively by Customer. To the extent that the Work Product, under applicable law, may not be considered works made for hire, Vendor hereby agrees that the Contract effectively transfers, grants, conveys, assigns, and relinquishes exclusively to Customer all right, title and interest in and to all ownership rights in the Work Product, and all Intellectual Property Rights in the Work Product, without the necessity of any further consideration, and Customer shall be entitled to obtain and hold in its own name all Intellectual Property Rights in and to the Work Product. Vendor acknowledges that Vendor and Customer do not intend Vendor to be a joint author of the Work Product within the meaning of the Copyright Act of 1976. Customer shall have access, during normal business hours (Monday through Friday, 8AM to 5PM) and upon reasonable prior notice to Vendor, to all Vendor materials, premises and computer files containing the Work Product. Vendor and Customer, as appropriate, will cooperate with one another and execute such other documents as may be reasonably appropriate to achieve the objectives herein. No license or other right is granted hereunder to any Third-Party IP, except as may be incorporated in the Work Product by Vendor.

C. Further Actions.

Vendor, upon request and without further consideration, shall perform any acts that may be deemed reasonably necessary or desirable by Customer to evidence more fully

**Appendix A:
Standard Terms and Conditions for Services Contracts**

the transfer of ownership and/or registration of all Intellectual Property Rights in all Work Product to Customer to the fullest extent possible, including but not limited to the execution, acknowledgement and delivery of such further documents in a form determined by Customer. In the event Customer shall be unable to obtain Vendor's signature due to the dissolution of Vendor or Vendor's unreasonable failure to respond to Customer's repeated requests for such signature on any document reasonably necessary for any purpose set forth in the foregoing sentence, Vendor hereby irrevocably designates and appoints Customer and its duly authorized officers and agents as Vendor's agent and Vendor's attorney-in-fact to act for and in Vendor's behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further any such purpose with the same force and effect as if executed and delivered by Vendor, provided however that no such grant of right to Customer is applicable if Vendor fails to execute any document due to a good faith dispute by Vendor with respect to such document. It is understood that such power is coupled with an interest and is therefore irrevocable. Customer shall have the full and sole power to prosecute such applications and to take all other action concerning the Work Product, and Vendor shall cooperate, at Customer's sole expense, in the preparation and prosecution of all such applications and in any legal actions and proceedings concerning the Work Product.

D. Waiver of Moral Rights.

Vendor hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in or to the Work Product which Vendor may now have or which may accrue to Vendor's benefit under U.S. or foreign copyright or other laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. Vendor acknowledges the receipt of equitable compensation for its assignment and waiver of such Moral Rights. The term "Moral Rights" shall mean any and all rights of paternity or integrity of the Work Product and the right to object to any modification, translation or use of the Work Product, and any similar rights existing under the judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a moral right.

E. Confidentiality.

All documents, information and materials forwarded to Vendor by Customer for use in and preparation of the Work Product shall be deemed the confidential information of Customer, and subject to the license granted by Customer to Vendor under subparagraph H. hereunder. Vendor shall not use, disclose, or permit any person to use or obtain the Work Product, or any portion thereof, in any manner without the prior written approval of Customer.

F. Injunctive Relief.

The Contract is intended to protect Customer's proprietary rights pertaining to the Work Product, and the Intellectual Property Rights therein, and any misuse of such rights would cause substantial and irreparable harm to Customer's business. Therefore, Vendor acknowledges and stipulates that a court of competent jurisdiction

Appendix A:
Standard Terms and Conditions for Services Contracts

may immediately enjoin any material breach of the intellectual property, use, and confidentiality provisions of this Contract, upon a request by Customer, without requiring proof of irreparable injury as same should be presumed.

G. Return of Materials Pertaining to Work Product.

Upon the request of Customer, but in any event upon termination or expiration of this Contract or a Statement of Work, Vendor shall surrender to Customer all documents and things pertaining to the Work Product, including but not limited to drafts, memoranda, notes, records, drawings, manuals, computer software, reports, data, and all other documents or materials (and copies of same) generated or developed by Vendor or furnished by Customer to Vendor, including all materials embodying the Work Product, any Customer confidential information, or Intellectual Property Rights in such Work Product, regardless of whether complete or incomplete. This section is intended to apply to all Work Product as well as to all documents and things furnished to Vendor by Customer or by anyone else that pertain to the Work Product.

H. Vendor License to Use.

Customer hereby grants to Vendor a non-transferable, non-exclusive, royalty-free, fully paid-up license to use any Work Product solely as necessary to provide the Services to Customer. Except as provided in this Section, neither Vendor nor any Subcontractor shall have the right to use the Work Product in connection with the provision of services to its other customers without the prior written consent of Customer, which consent may be withheld in Customer's sole discretion.

I. Third-Party Underlying and Derivative Works.

To the extent that any Vendor IP or Third Party IP are embodied or reflected in the Work Product, or are necessary to provide the Services, Vendor hereby grants to the Customer, or shall obtain from the applicable third party for Customer's benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for Customer's internal business purposes only, to (i) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Vendor IP or Third Party IP and any derivative works thereof embodied in or delivered to Customer in conjunction with the Work Product, and (ii) authorize others to do any or all of the foregoing. Vendor agrees to notify Customer on delivery of the Work Product or Services if such materials include any Third-Party IP. On request, Vendor shall provide Customer with documentation indicating a third party's written approval for Vendor to use any Third-Party IP that may be embodied or reflected in the Work Product.

J. Agreement with Subcontracts.

Vendor agrees that it shall have written agreement(s) that are consistent with the provisions hereof related to Work Product and Intellectual Property Rights with any employees, agents, consultants, contractors or subcontractors providing Services or Work Product pursuant to the Contract, prior to their providing such Services or Work Product, and that it shall maintain such written agreements at all times during performance of this Contract, which are sufficient to support all performance and

**Appendix A:
Standard Terms and Conditions for Services Contracts**

grants of rights by Vendor. Copies of such agreements shall be provided to the Customer promptly upon request.

K. License to Customer.

Vendor grants to Customer, a perpetual, irrevocable, royalty free license, solely for the Customer's internal business purposes, to use, copy, modify, display, perform (by any means), transmit and prepare derivative works of any Vendor IP embodied in or delivered to Customer in conjunction with the Work Product. The foregoing license includes the right to sublicense third parties, solely for the purpose of engaging such third parties to assist or carryout Customer's internal business use of the Work Product. Except for the preceding license, all rights in Vendor IP remain in Vendor.

L. Vendor Development Rights.

To the extent not inconsistent with Customer's rights in the Work Product or as set forth herein, nothing in this Contract shall preclude Vendor from developing for itself, or for others, materials which are competitive with those produced as a result of the Services provided hereunder, provided that no Work Product is utilized, and no Intellectual Property Rights of Customer therein are infringed by such competitive materials. To the extent that Vendor wishes to use the Work Product, or acquire licensed rights in certain Intellectual Property Rights of Customer therein in order to offer competitive goods or services to third parties, Vendor and Customer agree to negotiate in good faith regarding an appropriate license and royalty agreement to allow for such.

5. Terms and Conditions Applicable to State Agency Purchases Only:

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

A. Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapters 206 and 213 (Applicable to State Agency and Institution of Higher Education Purchases Only)

1) Effective September 1, 2006 state agencies and institutions of higher education shall procure products which comply with the State Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapters 206 and 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

2) Upon request, but not later than thirty (30) calendar days after request, Vendor shall provide DIR with a completed Voluntary Product Accessibility Template (VPAT) of the specified product or a URL to the VPAT for reviewing compliance with the State Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act).

B. Purchase of Commodity Items (Applicable to State Agency Purchases Only)

1) Texas Government Code, §2157.068 requires State agencies to buy commodity items, as defined in 5.B.2, below, in accordance with contracts developed by DIR, unless the agency obtains an exemption from DIR or a written certification that a commodity is not on DIR contract (for the limited purpose of purchasing from a local

Appendix A: Standard Terms and Conditions for Services Contracts

government purchasing cooperative).

2) Commodity items are commercially available software, hardware and technology services that are generally available to businesses or the public and for which DIR determines that a reasonable demand exists in two or more state agencies. Hardware is the physical technology used to process, manage, store, transmit, receive or deliver information. Software is the commercially available programs that operate hardware and includes all supporting documentation, media on which the software may be contained or stored, related materials, modifications, versions, upgrades, enhancements, updates or replacements. Technology services are the services, functions and activities that facilitate the design, implementation, creation, or use of software or hardware. Technology services include seat management, staffing augmentation, training, maintenance and subscription services. Technology services do not include telecommunications services. Seat management is services through which a state agency transfers its responsibilities to a vendor to manage its personal computing needs, including all necessary hardware, software and technology services.

3) Vendor agrees to coordinate all State agency commodity item sales through existing DIR contracts. Institutions of higher education are exempt from this Subsection 5.B.

6. Contract Fulfillment and Promotion

A. Service, Sales and Support of the Contract

Vendor shall provide service, sales and support resources to serve all Customers throughout the State. It is the responsibility of the Vendor to sell, market, and promote services available under the Contract. Vendor shall use its best efforts to ensure that potential Customers are made aware of the existence of the Contract. All sales to Customers for services available under the Contract shall be processed through the Contract.

B. Internet Access to Contract and Pricing Information

1) Vendor Webpage

Within thirty (30) calendar days of the effective date of the Contract, Vendor will establish and maintain a webpage specific to the services awarded under the Contract that are clearly distinguishable from other, non-DIR Contract offerings on the Vendor's website. The webpage must include:

- a) the services awarded;
- b) description of product and service awarded
- c) a current price list or mechanism (for example, a services calculator or product builder) to obtain specific contracted pricing;
- d) discount percentage (%) off MSRP or List Price;
- e) designated Order Fulfillers;
- f) contact information (name, telephone number and email address) for Vendor and designated Order Fulfillers;

**Appendix A:
Standard Terms and Conditions for Services Contracts**

- g) instructions for obtaining quotes and placing Purchase Orders;
- h) warranty policies;
- i) return policies;
- j) the DIR Contract number with a hyperlink to the Contract's DIR webpage;
- k) a link to the DIR "Cooperative Contracts" webpage; and
- l) the DIR logo in accordance with the requirements of this Section.

If Vendor does not meet the webpage requirements listed above, DIR may cancel the contract without penalty.

2) Accurate and Timely Contract Information

Vendor warrants and represents that the website information specified in the above paragraph will be accurately and completely posted, maintained and displayed in an objective and timely manner. Vendor, at its own expense, shall correct any non-conforming or inaccurate information posted at Vendor's website within ten (10) business days after written notification by DIR.

3) Webpage Compliance Checks

Periodic compliance checks of the information posted for the Contract on Vendor's webpage will be conducted by DIR. Upon request by DIR, Vendor shall provide verifiable documentation that pricing listed upon this webpage is compliant with the pricing as stated in the Contract.

4) Webpage Changes

Vendor hereby consents to a link from the DIR website to Vendor's webpage in order to facilitate access to Contract information. The establishment of the link is provided solely for convenience in carrying out the business operations of the State. DIR reserves the right to suspend, terminate or remove a link at any time, in its sole discretion, without advance notice, or to deny a future request for a link. DIR will provide Vendor with subsequent notice of link suspension, termination or removal. Vendor shall provide DIR with timely written notice of any change in URL or other information needed to access the site and/or maintain the link.

5) Use of Access Data Prohibited

If Vendor stores, collects or maintains data electronically as a condition of accessing Contract information, such data shall only be used internally by Vendor for the purpose of implementing or marketing the Contract, and shall not be disseminated to third parties or used for other marketing purposes. The Contract constitutes a public document under the laws of the State and Vendor shall not restrict access to Contract terms and conditions including pricing, i.e., through use of restrictive technology or passwords.

6) Responsibility for Content

Vendor is solely responsible for administration, content, intellectual property rights, and all materials at Vendor's website. DIR reserves the right to require a change of

**Appendix A:
Standard Terms and Conditions for Services Contracts**

listed content if, in the opinion of DIR, it does not adequately represent the Contract.

C. Services Warranty and Return Policies

Vendor and Order Fulfiller will adhere to the Vendor's then-currently published policies concerning services warranties and returns. Such policies for Customers will not be more restrictive or more costly than warranty and return policies for other similarly situated Customers for like services.

D. DIR Logo

Vendor may use the DIR logo in the promotion of the Contract to Customers with the following stipulations: (i) the logo may not be modified in any way, (ii) when displayed, the size of the DIR logo must be equal to or smaller than the Vendor logo, (iii) the DIR logo is only used to communicate the availability of services under the Contract to Customers, and (iv) any other use of the DIR logo requires prior written permission from DIR.

E. Vendor Logo

If DIR receives Vendor's prior written approval, DIR may use the Vendor's name and logo in the promotion of the Contract to communicate the availability of services under the Contract to Customers. Use of the logos may be on the DIR website or on printed materials. Any use of Vendor's logo by DIR must comply with and be solely related to the purposes of the Contract and any usage guidelines communicated to DIR from time to time. Nothing contained in the Contract will give DIR any right, title, or interest in or to Vendor's trademarks or the goodwill associated therewith, except for the limited usage rights expressly provided by Vendor.

F. Trade Show Participation

At DIR's discretion, Vendor may be required to participate in no more than two DIR sponsored trade shows each calendar year. Vendor understands and agrees that participation, at the Vendor's expense, includes providing a manned booth display or similar presence. DIR will provide four months advance notice of any required participation. Vendor must display the DIR logo at all trade shows that potential Customers will attend. DIR reserves the right to approve or disapprove of the location or the use of the DIR logo in or on the Vendor's booth.

G. Orientation Meeting

Within thirty (30) calendar days from execution of the Contract, Vendor and Order Fulfillers will be required to attend an orientation meeting to discuss the content and procedures of the Contract to include reporting requirements. DIR, at its discretion, may waive the orientation requirement for Vendors who have previously held DIR contracts. The meeting will be held in the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference, at DIR's discretion. DIR shall bear no cost for the time and travel of the Vendor or Order Fulfillers for attendance at the meeting.

Appendix A: Standard Terms and Conditions for Services Contracts

H. Performance Review Meetings

DIR may require the Vendor to attend periodic meetings to review the Vendor's performance under the Contract, at DIR's discretion. The meetings may be held within the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference. DIR shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

I. DIR Cost Avoidance

As part of the performance measures reported to state leadership, DIR must provide the cost avoidance the State has achieved through the Contract. Upon request by DIR, Vendor shall provide DIR with a detailed report of a representative sample of service sold under the Contract. The report shall contain: service description, list price, price to Customer under the Contract.

7. Pricing, Purchase Orders, Invoices, and Payments

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED FOR A-F, H-J

A. Manufacturer's Suggested Retail Price (MSRP) or List Price

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

MSRP is defined as the product sales price list published in some form by the manufacturer or publisher of a product and available to and recognized by the trade. A price list especially prepared for a given solicitation is not acceptable.

B. Customer Discount

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

The minimum Customer discount for all services will be the percentage off MSRP as specified in Appendix C, Pricing Index.

C. Customer Price

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED FOR SECTION C1

1) The price to the Customer shall be calculated as follows:

Customer Price = (MSRP or List Price – Customer Discount as set forth in Appendix C, Pricing Index) x (1 + DIR Administrative Fee, as set forth in the Contract).

2) Customers purchasing services under this Contract may negotiate more advantageous pricing or participate in special promotional offers. In such event, a copy of such better offerings shall be furnished to DIR upon request.

3) If pricing for services available under this Contract is provided by the Vendor at a lower price to: (i) an eligible Customer who is not purchasing those services under this Contract or (ii) to any other customer under the same terms and conditions provided for the State for the same commodities and services under this contract, then the available Customer Price in this Contract shall be adjusted to that lower price. This requirement applies to services quoted by Vendor or its resellers for a quantity of one (1) under like terms and conditions, and does not apply to volume or special pricing

Appendix A: Standard Terms and Conditions for Services Contracts

purchases. Vendor shall notify DIR within ten (10) days and this Contract shall be amended days to reflect the lower price.

D. Shipping and Handling Fees

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

The price to the Customer under this Contract shall include all shipping and handling fees. Shipments will be Free On Board Customer's Destination. No additional fees shall be charged to the Customer for standard shipping and handling. If the Customer requests expedited or special delivery, Customer will be responsible for any charges for expedited or special delivery.

E. Tax-Exempt

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

As per Section 151.309, Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j). Customers shall provide evidence of tax-exempt status to Vendor upon request.

F. Travel Expense Reimbursement

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Pricing for services provided under this Contract are exclusive of any travel expenses that may be incurred in the performance of those services. Travel expense reimbursement may include personal vehicle mileage or commercial coach transportation, hotel accommodations, parking and meals; provided, however, the amount of reimbursement by Customers shall not exceed the amounts authorized for state employees as adopted by each Customer; and provided, further, that all reimbursement rates shall not exceed the maximum rates established for state employees under the current State Travel Management Program (<http://www.window.state.tx.us/procurement/prog/stmp/>). Travel time may not be included as part of the amounts payable by Customer for any services rendered under this Contract. The DIR administrative fee specified in the contract is not applicable to travel expense reimbursement. Anticipated travel expenses must be pre-approved in writing by Customer. Customer reserves the right not to pay travel expenses which are not pre-approved in writing by the Customer.

G. Changes to Prices

Subject to the requirements of this section, Vendor may change the price of any product or service at any time, based upon changes to the MSRP, but discount levels shall remain consistent with the discount levels specified in this Contract.

Vendor may revise its pricing (but not its discount rate, if any, and not the services on its contract pricing list) by posting a revised pricing list. Such revised pricing lists are subject to review by DIR. If DIR finds that a product's or service's price has been increased unreasonably, DIR may request Vendor to reduce its pricing for the product or service to the level published before the revision Vendor must reduce its pricing, or remove the product from its pricing list. Failure to do so will constitute an act of default by Vendor.

Appendix A: Standard Terms and Conditions for Services Contracts

H. Purchase Orders

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

All Customer Purchase Orders will be placed directly with the Vendor. Accurate Purchase Orders shall be effective and binding upon Vendor when accepted by Vendor. Customer and Vendor may work together to include specific requirements as to what constitutes a valid Purchase Order.

Vendors will be required to comply with the disclosure requirements of Section 2252.908, Texas Government Code, as enacted by House Bill 1295, 84th Regular Session, when execution of a contract requires an action or vote by the governing body of a governmental entity before the contract may be signed.

I. Invoices

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

1) Invoices shall be submitted by the Vendor directly to the Customer and shall be issued in compliance with Chapter 2251, Texas Government Code. All payments for services purchased under the Contract and any provision of acceptance of such services shall be made by the Customer to the Vendor. For Customers that are not subject to Chapter 2251, Texas Government Code, Customer and Vendor will agree to acceptable terms.

2) Invoices must be timely and accurate. Each invoice must match Customer's Purchase Order and include any written changes that may apply, as it relates to services, prices and quantities. Invoices must include the Customer's Purchase Order number or other pertinent information for verification of receipt of the services by the Customer.

3) The administrative fee specified in the contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

J. Payments

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Customers shall comply with Chapter 2251, Texas Government Code, in making payments to Vendor. The statute states that payments for goods and services are due thirty (30) calendar days after the goods are provided, the services completed, or a correct invoice is received, whichever is later. Payment under the Contract shall not foreclose the right to recover wrongful payments. For Customers that are not subject to Chapter 2251, Texas Government Code, Customer and Vendor will agree to acceptable terms.

8. Contract Administration

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED FOR A, C-D

A. Contract Managers

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

DIR and the Vendor will each provide a Contract Manager to support the Contract.

**Appendix A:
Standard Terms and Conditions for Services Contracts**

Information regarding the Contract Managers will be posted on the Internet website designated for the Contract.

1) State Contract Manager

DIR shall provide a Contract Manager whose duties shall include but not be limited to: i) advising DIR and Vendor of Vendor's performance under the terms and conditions of the Contract, and ii) periodic verification of pricing and, iii) verification of monthly reports submitted by Vendor.

2) Vendor Contract Manager

Vendor shall identify a specific Contract Manager whose duties shall include but not be limited to: i) supporting the marketing and management of the Contract, ii) facilitating dispute resolution between Vendor and a Customer, and iii) advising DIR of Vendor's performance under the terms and conditions of the Contract. DIR reserves the right to require a change in Vendor's then-current Contract Manager if the assigned Contract Manager is not, in the reasonable opinion of DIR, adequately serving the needs of the State.

B. Reporting and Administrative Fees

1) Reporting Responsibility

a) Vendor shall be responsible for reporting all services purchased under the Contract. Vendor shall file the monthly reports, subcontract reports, and pay the administrative fees in accordance with the due dates specified in this section.

b) DIR shall have the right to verify required reports and to take any actions necessary to enforce its rights under this section, including but not limited to compliance checks of Vendor's applicable Contract. Vendor will provide all required documentation at no cost.

2) Detailed Monthly Report

Vendor shall electronically provide DIR with a detailed monthly report in the format required by DIR showing the dollar volume of any and all sales under the Contract for the previous calendar month period. Reports are due on the fifteenth (15th) calendar day of the month following the month of the sale. If the 15th calendar day falls on a weekend or state or federal holiday, the report shall be due on the next business day. The monthly report shall include, per transaction: the detailed sales for the period, Customer name, invoice date, invoice number, description, quantity, MSRP or List Price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the estimated administrative fee for the reporting period, subcontractor name, EPEAT designation (if applicable), configuration (if applicable), contract discount percentage, actual discount percentage, negotiated contract price (if fixed price is offered instead of discount off of MSRP), and other information as required by DIR. Each report must contain all information listed above per transaction or the report will be rejected and returned to the Vendor for correction in accordance with this section. Vendor shall report in a manner required by DIR which is subject to change dependent upon DIR's business needs. Failure to do so may result in contract termination.

**Appendix A:
Standard Terms and Conditions for Services Contracts**

3) Historically Underutilized Businesses Subcontract Reports

a) Vendor shall electronically provide each Customer with Vendor's relevant Historically Underutilized Business Subcontracting Report, pursuant to the Contract, as required by Chapter 2161, Texas Government Code. Reports shall also be submitted to DIR.

b) Reports shall be due in accordance with the CPA rules.

4) DIR Administrative Fee

a) The Vendor shall pay an administrative fee to DIR to defray the DIR costs of negotiating, executing, and administering the Contract. The maximum administrative fee is set by the Texas Legislature in the biennial General Appropriations Act. DIR will review Vendor monthly sales reports, close the sales period, and notify the Vendor of the administrative fee no later than the fourteenth (14th) day of the second month following the date of the reported sale. Vendor shall pay the administrative fee by the twenty-fifth (25th) calendar day of the second month following the date of the reported sale. For example, Vendor reports January sales by February 15th; DIR closes January sales and notifies Vendor of administrative fee by March 14th; Vendor submits administrative fee for January sales by March 25th.

b) DIR may change the amount of the administrative fee upon thirty (30) calendar days written notice to Vendor without the need for a formal contract amendment.

c) Vendor shall reference the DIR Contract number, reporting period, and administrative fee amount on any remittance instruments.

5) Accurate and Timely Submission of Reports

a) The reports and administrative fees shall be accurate and timely and submitted in accordance with the due dates specified in this section. Vendor shall correct any inaccurate reports or administrative fee payments within three (3) business days upon written notification by DIR. Vendor shall deliver any late reports or late administrative fee payments within three (3) business days upon written notification by DIR. If Vendor is unable to correct inaccurate reports or administrative fee payments or deliver late reports and fee payments within three (3) business days, Vendor must contact DIR and provide a corrective plan of action, including the timeline for completion of correction. The corrective plan of action shall be subject to DIR approval.

b) Should Vendor fail to correct inaccurate reports or cure the delay in timely delivery of reports and payments within the corrective plan of action timeline, DIR reserves the right to require an independent third party audit of the Vendor's records as specified in C.3 of this Section, at Vendor's expense. DIR will select the auditor (and all payments to auditor will require DIR approval).

c) Failure to timely submit three (3) reports or administrative fee payments within any rolling twelve (12) month period may, at DIR's discretion, result in the addition of late fees of \$100/day for each day the report or payment is due (up to \$1000/month) or suspension or termination of Vendor's Contract.

Appendix A: Standard Terms and Conditions for Services Contracts

C. Records and Audit

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED IN SUBPARAGRAPH 1.

- 1) Acceptance of funds under the Contract by Vendor acts as acceptance of the authority of the State Auditor's Office, or any successor agency or designee, to conduct an audit or investigation in connection with those funds. Vendor further agrees to cooperate fully with the State Auditor's Office or its successor or designee in the conduct of the audit or investigation, including providing all records requested. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Vendor and the requirement to cooperate is included in any subcontract it awards pertaining to the Contract. Under the direction of the Legislative Audit Committee, a Vendor that is the subject of an audit or investigation by the State Auditor's Office must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit.
- 2) Vendor shall maintain adequate records to establish compliance with the Contract until the later of a period of seven (7) years after termination of the Contract or until full, final and unappealable resolution of all Compliance Check or litigation issues that arise under the Contract. Such records shall include per transaction: Customer name, invoice date, invoice number, description, quantity, MSRP or List Price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the calculations supporting each administrative fee owed DIR under the Contract, Historically Underutilized Businesses Subcontracting reports, and such other documentation as DIR may request.
- 3) Vendor and/or Order Fulfillers shall grant access to all paper and electronic records, books, documents, accounting procedures, practices, customer records including but not limited to contracts, agreements, purchase orders and statements of work, and any other items relevant to the performance of the Contract to the DIR Internal Audit department or DIR Contract Management staff, including the compliance checks designated by the DIR Internal Audit department, DIR Contract Management staff, the State Auditor's Office, and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, Compliance Checking and/or copying such books and records. Vendor and/or Order Fulfillers shall provide copies and printouts requested by DIR without charge. DIR shall provide Vendor and/or Order Fulfillers ten (10) business days' notice prior to inspecting, Compliance Checking, and/or copying Vendor's and/or Order Fulfiller's records. Vendor's and/or Order Fulfillers records, whether paper or electronic, shall be made available during regular office hours. Vendor and/or Order Fulfiller personnel familiar with the Vendor's and/or Order Fulfiller's books and records shall be available to the DIR Internal Audit department, or DIR Contract Management staff and designees as needed. Vendor and/or Order Fulfiller shall provide adequate office space to DIR staff during the performance of Compliance Check. If Vendor is found to be responsible for inaccurate reports, DIR may invoice for the reasonable costs of the audit, which Vendor must pay within thirty (30) calendar days of receipt.
- 4) For procuring State Agencies whose payments are processed by the Texas Comptroller of Public Accounts, the volume of payments made to Vendor through the

**Appendix A:
Standard Terms and Conditions for Services Contracts**

Texas Comptroller of Public Accounts and the administrative fee based thereon shall be presumed correct unless Vendor can demonstrate to DIR's satisfaction that Vendor's calculation of DIR's administrative fee is correct.

D. Contract Administration Notification

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

1) Prior to execution of the Contract, Vendor shall provide DIR with written notification of the following: i) Vendor Contract Administrator name and contact information, ii) Vendor sales representative name and contact information, and iii) name and contact information of Vendor personnel responsible for submitting reports and payment of administrative fees.

2) Upon execution of the Contract, DIR shall provide Vendor with written notification of the following: i) DIR Contract Administrator name and contact information, and ii) DIR Cooperative Contracts E-Mail Box information.

9. Vendor Responsibilities

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED IN C-M, O-S, V-W.

A. Indemnification

1) INDEPENDENT CONTRACTOR

VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, IT IS FURNISHING SERVICES IN THE CAPACITY OF AN INDEPENDENT CONTRACTOR AND THAT VENDOR IS NOT AN EMPLOYEE OF THE CUSTOMER OR THE STATE OF TEXAS.

2) Acts or Omissions

Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

3) Infringements

a) Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any and all third-

**Appendix A:
Standard Terms and Conditions for Services Contracts**

party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense: (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

4) PROPERTY DAMAGE

IN THE EVENT OF LOSS, DAMAGE, OR DESTRUCTION OF ANY PROPERTY OF CUSTOMER OR THE STATE DUE TO THE NEGLIGENCE, MISCONDUCT, WRONGFUL ACT OR OMISSION ON THE PART OF THE VENDOR, ITS EMPLOYEES, AGENTS, REPRESENTATIVES, OR SUBCONTRACTORS, THE VENDOR SHALL PAY THE FULL COST OF EITHER REPAIR, RECONSTRUCTION, OR REPLACEMENT OF THE PROPERTY, AT THE CUSTOMER'S SOLE ELECTION. SUCH COST SHALL BE DETERMINED BY THE CUSTOMER AND SHALL BE DUE AND PAYABLE BY THE VENDOR NINETY (90) CALENDAR DAYS AFTER THE DATE OF THE VENDORS RECEIPT FROM THE CUSTOMER OF A WRITTEN NOTICE OF THE AMOUNT DUE.

B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE

1) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND

**Appendix A:
Standard Terms and Conditions for Services Contracts**

VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE CUSTOMER AND/OR THE STATE SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

2) VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS CUSTOMERS, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

C. Vendor Certifications

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor certifies on behalf of Vendor and its designated Order Fulfillers that they:

- (i) have not given, offered to give, and do not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Contract;
- (ii) are not currently delinquent in the payment of any franchise tax owed the State and are not ineligible to receive payment under §231.006 of the Texas Family Code and acknowledge the Contract may be terminated and payment withheld if this certification is inaccurate;
- (iii) neither they, nor anyone acting for them, have violated the antitrust laws of the United States or the State, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage;
- (iv) have not received payment from DIR or any of its employees for participating in the preparation of the Contract;

**Appendix A:
Standard Terms and Conditions for Services Contracts**

- (v) under Section 2155.004, Texas Government Code, the vendor 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 contract may be terminated and payment withheld if this certification is inaccurate;
- (vi) to the best of their knowledge and belief, there are no suits or proceedings pending or threatened against or affecting them, which if determined adversely to them will have a material adverse effect on the ability to fulfill their obligations under the Contract;
- (vii) Vendor and its principals are not suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration;
- (viii) as of the effective date of the Contract, are not listed in the prohibited vendors list authorized by Executive Order #13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*", published by the United States Department of the Treasury, Office of Foreign Assets Control;
- (ix) Vendor represents and warrants that, for its performance of this contract, it shall purchase products and materials produced in the State of Texas when available at the price and time comparable to products and materials produced outside the state, to the extent that such is required under Texas Government Code, Section 2155.4441;
- (x) agrees that all equipment and materials used in fulfilling the requirements of this contract are of high-quality and consistent with or better than applicable industry standards, if any. All Works and Services performed pursuant to this Contract shall be of high professional quality and workmanship and according consistent with or better than applicable industry standards, if any;
- (xi) agree that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas;
- (xii) are in compliance Section 669.003, Texas Government Code, relating to contracting with executive head of a state agency;
- (xiii) represent and warrant that the provision of goods and services or other performance under the Contract will not constitute an actual or potential conflict of interest and certify that they will not reasonably create the appearance of impropriety, and, if these facts change during the course of the Contract, certify they shall disclose the actual or potential conflict of interest and any circumstances that create the appearance of impropriety;
- (xiv) under Section 2155.006 and Section 2261.053, Texas Government Code, are not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate;

**Appendix A:
Standard Terms and Conditions for Services Contracts**

- (xv) have complied with the Section 556.0055, Texas Government Code, restriction on lobbying expenditures. In addition, Vendor acknowledges the applicability of §2155.444 and §2155.4441, Texas Government Code, in fulfilling the terms of the Contract; and
- (xvi) represent and warrant that the Customer's payment and their receipt of appropriated or other funds under this Agreement are not prohibited by Sections 556.005 or Section 556.008, Texas Government Code; and
- (xvii) represent and warrant that in accordance with Section 2270.002 of the Texas Government Code, by signature hereon, Vendor does not boycott Israel and will not boycott Israel during the term of this Contract.

During the term of the Contract, Vendor shall, for itself and on behalf of its Order Fulfillers, promptly disclose to DIR all changes that occur to the foregoing certifications, representations and warranties. Vendor covenants to fully cooperate in the development and execution of resulting documentation necessary to maintain an accurate record of the certifications, representations and warranties.

In addition, Vendor understands and agrees that if Vendor responds to certain Customer pricing requests or Statements of Work, then, in order to contract with the Customer, Vendor may be required to comply with additional terms and conditions or certifications that an individual customer may require due to state and federal law (e.g., privacy and security requirements).

D. Ability to Conduct Business in Texas

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor and its Order Fulfillers shall be authorized and validly existing under the laws of its state of organization, and shall be authorized to do business in the State of Texas in accordance with Texas Business Organizations Code, Title 1, Chapter 9.

E. Equal Opportunity Compliance

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor agrees to abide by all applicable laws, regulations, and executive orders pertaining to equal employment opportunity, including federal laws and the laws of the State in which its primary place of business is located. In accordance with such laws, regulations, and executive orders, the Vendor agrees that no person in the United States shall, on the grounds of race, color, religion, national origin, sex, age, veteran status or handicap, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed by Vendor under the Contract. If Vendor is found to be not in compliance with these requirements during the term of the Contract, Vendor agrees to take appropriate steps to correct these deficiencies. Upon request, Vendor will furnish information regarding its nondiscriminatory hiring and promotion policies, as well as specific information on the composition of its principals and staff, including the identification of minorities and women in management or other positions with discretionary or decision-making authority.

Appendix A: Standard Terms and Conditions for Services Contracts

F. Use of Subcontractors and Designation of Order Fulfillers

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

If Vendor uses any subcontractors in the performance of this Contract, Vendor must make a good faith effort in the submission of its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses (HUB). A revised Subcontracting Plan approved by DIR's HUB Office shall be required before Vendor can engage additional subcontractors in the performance of this Contract. A revised Subcontracting Plan approved by DIR's HUB Office shall be required before Vendor can remove subcontractors currently engaged in the performance of this Contract. Vendor shall remain solely responsible for the performance of its obligations under the Contract.

Vendors who submit Order Fulfillers must indicate whether (a) the Order Fulfiller(s) will provide sales and marketing of the Vendor's services only or (b) the Order Fulfiller(s) will provide technical services in addition to sales and marketing of the Vendor's services. If Vendor wishes to engage additional Order Fulfiller(s) to provide technical services after Contract execution, Vendor must submit the qualifications of Order Fulfiller(s) to the DIR Contract Manager for approval (in addition to meeting HUB requirements) prior to inclusion of such Order Fulfiller.

G. Responsibility for Actions

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

- 1) Vendor is solely responsible for its actions and those of its agents, employees, or subcontractors, and agrees that neither Vendor nor any of the foregoing has any authority to act or speak on behalf of DIR or the State.
- 2) Vendor, for itself and on behalf of its subcontractors, shall report to DIR promptly when the disclosures under the Certification Statement of Exhibit A to the RFO and/or Section 9.C. (x), Vendor Certifications of this Appendix A to the Contract change. Vendor covenants to fully cooperate with DIR to update and amend the Contract to accurately disclose the status of conflicts of interest.

H. Confidentiality

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

- 1) Vendor acknowledges that DIR and Customers that are governmental bodies as defined by Texas Government Code, Section 552.003 are subject to the Texas Public Information Act. Vendor also acknowledges that DIR and Customers that are state agencies will comply with the Public Information Act, and with all opinions of the Texas Attorney General's office concerning this Act.
- 2) Under the terms of the Contract, DIR may provide Vendor with information related to Customers. Vendor shall not re-sell or otherwise distribute or release Customer information to any party in any manner.

I. Security of Premises, Equipment, Data and Personnel

Vendor and/or Order Fulfiller may, from time to time during the performance of the Contract, have access to the personnel, premises, equipment, and other property, including data, files and /or materials (collectively referred to as "Data") belonging to

Appendix A: Standard Terms and Conditions for Services Contracts

the Customer. Vendor shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance with the instruction of the Customer. Vendor shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors. If a Vendor fails to comply with Customer's security requirements, then Customer may immediately terminate its Purchase Order and related Service Agreement.

J. Background and/or Criminal History Investigation

Prior to commencement of any services, background and/or criminal history investigation of the Vendor's employees and subcontractors who will be providing services to the Customer under the Contract may be performed by the Customer. Should any employee or subcontractor of the Vendor who will be providing services to the Customer under the Contract not be acceptable to the Customer as a result of the background and/or criminal history check, then Customer may immediately terminate its Purchase Order and related Service Agreement or request replacement of the employee or subcontractor in question.

K. Limitation of Liability

For any claim or cause of action arising under or related to the Contract: i) to the extent permitted by the Constitution and the laws of the State, none of the parties shall be liable to the other for punitive, special, or consequential damages, even if it is advised of the possibility of such damages; and ii) Vendor's liability for damages of any kind to the Customer shall be limited to the total amount paid to Vendor under the Contract during the twelve months immediately preceding the accrual of the claim or cause of action. However, this limitation of Vendor's liability shall not apply to claims of bodily injury; violation of intellectual property rights including but not limited to patent, trademark, or copyright infringement; indemnification requirements under this Contract; and violation of State or Federal law including but not limited to disclosures of confidential information and any penalty of any kind lawfully assessed as a result of such violation.

L. Overcharges

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor hereby assigns to DIR any and all of its claims for overcharges associated with this contract which arise under the antitrust laws of the United States, 15 U.S.C.A. Section 1, et seq., and which arise under the antitrust laws of the State of Texas, Tex. Bus. and Comm. Code Section 15.01, et seq.

M. Prohibited Conduct

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor represents and warrants that, to the best of its knowledge as of the date of this certification, neither Vendor nor any subcontractor, firm, corporation, partnership, or institution represented by Vendor, nor anyone acting for such, subcontractor, firm, corporation or institution has: (1) violated the antitrust laws of the State of Texas under Texas Business & Commerce Code, Chapter 15, or the federal antitrust laws; or (2)

**Appendix A:
Standard Terms and Conditions for Services Contracts**

communicated its response to the Request for Offer directly or indirectly to any competitor or any other person engaged in such line of business during the procurement for the Contract.

N. Required Insurance Coverage

As a condition of this Contract with DIR, Vendor shall provide the listed insurance coverage within 5 business days of execution of the Contract if the Vendor is awarded services which require that Vendor's employees perform work at any Customer premises and/or use employer vehicles to conduct work on behalf of Customers. In addition, when engaged by a Customer to provide services on Customer premises, the Vendor shall, at its own expense, secure and maintain the insurance coverage specified herein, and shall provide proof of such insurance coverage to the related Customer within five (5) business days following the execution of the Purchase Order. Vendor may not begin performance under the Contract and/or a Purchase Order until such proof of insurance coverage is provided to, and approved by, DIR and the Customer. All required insurance must be issued by companies that have an A rating and a Financial Size Category Class of VII from A.M. Best, and are licensed in the State of Texas and authorized to provide the corresponding coverage. The Customer and DIR will be named as Additional Insureds on all required coverage. Required coverage must remain in effect through the term of the Contract and each Purchase Order issued to Vendor there under. The minimum acceptable insurance provisions are as follows:

1) Commercial General Liability

Commercial General Liability must include \$1,000,000 per occurrence for Bodily Injury and Property Damage with a separate aggregate limit of \$2,000,000; Medical Expense per person of \$5,000; Personal Injury and Advertising Liability of \$1,000,000; Products/Completed Operations Aggregate Limit of \$2,000,000; and Damage to Premises Rented: \$50,000. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:

- a) Blanket contractual liability coverage for liability assumed under the Contract;
- b) Independent Contractor coverage;
- c) State of Texas, DIR and Customer listed as an additional insured; and
- d) Waiver of Subrogation.

2) Workers' Compensation Insurance

WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY COVERAGE MUST INCLUDE LIMITS CONSISTENT WITH STATUTORY BENEFITS OUTLINED IN THE TEXAS WORKERS' COMPENSATION ACT (ART. 8308-1.01 ET SEQ. TEX. REV. CIV. STAT) AND MINIMUM POLICY LIMITS FOR EMPLOYERS' LIABILITY OF \$1,000,000 PER ACCIDENT, \$1,000,000 DISEASE PER EMPLOYEE AND \$1,000,000 PER DISEASE POLICY LIMIT.

3) Business Automobile Liability Insurance

Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. The policy shall contain the following endorsements in

**Appendix A:
Standard Terms and Conditions for Services Contracts**

favor of DIR and/or Customer:

- a) Waiver of Subrogation; and
- b) Additional Insured.

O. Use of State Property

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor is prohibited from using the Customer's equipment, the customer's location, or any other resources of the Customer or the State for any purpose other than performing services under this Agreement. For this purpose, equipment includes, but is not limited to, copy machines, computers and telephones using State long distance services. Any charges incurred by Vendor using the Customer's equipment for any purpose other than performing services under this Agreement must be fully reimbursed by Vendor to the Customer immediately upon demand by the Customer. Such use shall constitute breach of contract and may result in termination of the contract and other remedies available to DIR and Customer under the contract and applicable law.

P. Immigration

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

The Vendor shall comply with all requirements related to federal immigration laws and regulations, to include but not be limited to, the Immigration and Reform Act of 1986, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") and the Immigration Act of 1990 (8 U.S.C.1101, et seq.) regarding employment verification and retention of verification forms for any individual(s) who will perform any labor or services under this Contract.

Pursuant to Executive Order No. RP-80, issued by the Governor of Texas on December 3, 2014, and as subsequently clarified, the Vendor shall, as a condition of this Contract, also comply with the United States Department of Homeland Security's E-Verify system to determine the eligibility of:

- all persons 1) to whom the E-Verify system applies, and 2) who are hired by the Vendor during the term of this Contract to perform duties within Texas; and
- all subcontractors' employees 1) to whom the E-Verify system applies, and 2) who are hired by the subcontractor during the term of this Contract and assigned by the subcontractor to perform work pursuant to this Contract.

The Vendor shall require its subcontractors to comply with the requirements of this Section and the Vendor is responsible for the compliance of its subcontractors. Nothing herein is intended to exclude compliance by Vendor and its subcontractors with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

Q. Public Disclosure

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

No public disclosures or news releases pertaining to this contract shall be made by Vendor without prior written approval of DIR.

Appendix A: Standard Terms and Conditions for Services Contracts

R. Product and/or Services Substitutions

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Substitutions are not permitted without the written permission of DIR or Customer.

S. Secure Erasure of Hard Disk Managed Services Products and/or Services

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor agrees that all managed service products and/or services equipped with hard disk drives (e.g., computers, telephones, printers, fax machines, scanners, multifunction devices) shall have the capability to securely erase data written to the hard drive prior to final disposition of such managed service products and/or services, either at the end of the managed service product and/or services' useful life or at the end of the Customer's managed service product and/or services' useful life or the end of the related Customer Managed Services Agreement for such products and/or services, in accordance with 1 TAC 202.

T. Deceptive Trade Practices; Unfair Business Practices

1) Vendor represents and warrants that neither Vendor nor any of its Subcontractors has been (i) found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations as defined under Chapter 17, Texas Business & Commerce Code, or (ii) has outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

2) Vendor certifies that it has no officers who have served as officers of other entities who (i) have been found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations or (ii) have outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

U. Drug Free Workplace Policy

Vendor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (41 U.S.C. §§8101-8106) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (Financial Assistance), issued by the Office of Management and Budget (2 C.F.R. Part 182) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and the contractor shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

V. Accessibility of Public Information

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

1) Pursuant to S.B. 1368 of the 83rd Texas Legislature, Regular Session, Vendor is required to make any information created or exchanged with the State pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.

2) Each State government entity should supplement the provision set forth in Subsection 1, above, with the additional terms agreed upon by the parties regarding the

**Appendix A:
Standard Terms and Conditions for Services Contracts**

specific format by which the Vendor is required to make the information accessible by the public.

W. Vendor Reporting Responsibilities

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

Vendor shall comply with Subtitle C, Title 5, Business & Commerce Code, Chapter 109 as added by HB 2539 of the 83rd Texas Legislature, Regular Session, requiring computer technicians to report images of child pornography.

10. Contract Enforcement

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED TO A, B2, 5-7.

A. Enforcement of Contract and Dispute Resolution

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

1) Vendor and DIR agree to the following: (i) a party's failure to require strict performance of any provision of the Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision, (ii) for disputes not resolved in the normal course of business, the dispute resolution process provided for in Chapter 2260, Texas Government Code, shall be used, and (iii) actions or proceedings arising from the Contract shall be heard in a state court of competent jurisdiction in Travis County, Texas.

2) Disputes arising between a Customer and the Vendor shall be resolved in accordance with the dispute resolution process of the Customer that is not inconsistent with subparagraph A.1 above. DIR shall not be a party to any such dispute unless DIR, Customer, and Vendor agree in writing.

3) State agencies are required by rule (34 TAC §20.1115) to report vendor performance through the Vendor Performance Tracking System (VPTS) on every purchase over \$25,000.

B. Termination

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

1) Termination for Non-Appropriation

a) Termination for Non-Appropriation by Customer

Customer may terminate Purchase Orders if funds sufficient to pay its obligations under the Contract are not appropriated: i) by the governing body on behalf of local governments; ii) by the Texas legislature on behalf of state agencies; or iii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor will be provided ten (10) calendar days written notice of intent to terminate. Notwithstanding the foregoing, if a Customer issues a Purchase Order and has accepted delivery of the services, they are obligated to pay for the services or they may discontinue using services under any return provisions that Vendor offers. In the event of such termination, the Customer will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages

Appendix A:
Standard Terms and Conditions for Services Contracts

or any other amounts which are caused by or associated with such termination.

b) Termination for Non-Appropriation by DIR

DIR may terminate Contract if funds sufficient to pay its obligations under the Contract are not appropriated: by the i) Texas legislature or ii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor will be provided thirty (30) calendar days written notice of intent to terminate. In the event of such termination, DIR will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

2) Absolute Right

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

DIR shall have the absolute right to terminate the Contract without recourse in the event that: i) Vendor becomes listed on the prohibited vendors list authorized by Executive Order #13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*", published by the United States Department of the Treasury, Office of Foreign Assets Control; ii) Vendor becomes suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration; or (iii) Vendor is found by DIR to be ineligible to hold this Contract under Subsection (b) of Section 2155.006, Texas Government Code. Vendor shall be provided written notice in accordance with Section 11.A, Notices, of intent to terminate.

3) Termination for Convenience

DIR may terminate the Contract, in whole or in part, by giving the other party thirty (30) calendar days' written notice. A Customer may terminate a Purchase Order or other contractual document or relationship by giving the other party thirty (30) calendar days' written notice.

4) Termination for Cause

a) Contract

Either DIR or Vendor may issue a written notice of default to the other upon the occurrence of a material breach of any covenant, warranty or provision of the Contract, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Contract. Customers purchasing services

Appendix A: Standard Terms and Conditions for Services Contracts

under the Contract have no power to terminate the Contract for default.

b) Purchase Order

Customer or Order Fulfiller may terminate a Purchase Order or other contractual document or relationship upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order or other contractual document or relationship in accordance with Section 3.B.2 above, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code, in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Purchase Order. Customer may immediately suspend or terminate a Purchase Order without advance notice in the event Vendor fails to comply with confidentiality, privacy, security requirements, environmental or safety laws or regulations, if such non-compliance relates or may relate to vendor provision of goods or services to the Customer.

5) Immediate Termination or Suspension

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

DIR may immediately suspend or terminate this Contract without advance notice if DIR receives notice or knowledge of potentially criminal violations by Vendor (whether or not such potential violations directly impact the provision of goods or services under this Contract). In such case, the Vendor may be held ineligible to receive further business or payment but may be responsible for winding down or transition expenses incurred by Customer. DIR or Customer will use reasonable efforts to provide notice (to the extent allowed by law) to vendor within five (5) business days after imposing the suspension or termination. Vendor may provide a response and request an opportunity to present its position. DIR or Customer will review vendor presentation, but is under no obligation to provide formal response.

6) Customer Rights Under Termination

In the event the Contract expires or is terminated for any reason, a Customer shall retain its rights under the Contract and the Purchase Order issued prior to the termination or expiration of the Contract. The Purchase Order survives the expiration or termination of the Contract for its then effective term.

7) Vendor or Order Fulfiller Rights Under Termination

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

In the event a Purchase Order expires or is terminated, a Customer shall pay: 1) all amounts due for products or services ordered prior to the effective termination date and ultimately accepted, and 2) any applicable early termination fees agreed to in such Purchase Order.

**Appendix A:
Standard Terms and Conditions for Services Contracts**

C. Force Majeure

DIR, Customer, or Vendor may be excused from performance under the Contract for any period when performance is prevented as the result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, a Customer may terminate a Purchase Order if it is determined by the Customer that Vendor will not be able to deliver services in a timely manner to meet the business needs of the Customer.

11. Notification

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

A. Notices

All notices, demands, designations, certificates, requests, offers, consents, approvals and other instruments given pursuant to the Contract shall be in writing and shall be validly given on: (i) the date of delivery if delivered by email, facsimile transmission, mailed by registered or certified mail, or hand delivered, or (ii) three business days after being mailed via United States Postal Service. All notices under the Contract shall be sent to a party at the respective address indicated in Section 6 of the Contract or to such other address as such party shall have notified the other party in writing.

B. Handling of Written Complaints

In addition to other remedies contained in the Contract, a person contracting with DIR may direct their written complaints to the following office:

Public Information Office
Department of Information Resources
Attn: Public Information Officer
300 W. 15th Street, Suite 1300
Austin, Texas 78701
(512) 475-4759, facsimile

12. Captions

Note: NO EXCEPTIONS OR REVISIONS WILL BE CONSIDERED

The captions contained in the Contract, Appendices, and its Exhibits are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.



HUB Subcontracting Plan (HSP) QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

- **If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. - Yes, I will be subcontracting portions of the contract.
 - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors.
 - Section 2 c. - Yes
 - Section 4 - Affirmation
 - GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract* in place for more than five (5) years meets or exceeds the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. - Yes, I will be subcontracting portions of the contract.
 - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
 - Section 2 c. - No
 - Section 2 d. - Yes
 - Section 4 - Affirmation
 - GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.
- **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract* in place for more than five (5) years does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. - Yes, I will be subcontracting portions of the contract.
 - Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
 - Section 2 c. - No
 - Section 2 d. - No
 - Section 4 - Affirmation
 - GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.
- **If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment), complete:**
 - Section 1 - Respondent and Requisition Information
 - Section 2 a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources.
 - Section 3 - Self Performing Justification
 - Section 4 - Affirmation

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders' contracts,
- 32.9 percent for all special trade construction contracts,
- 23.7 percent for professional services contracts,
- 26.0 percent for all other services contracts, and
- 21.1 percent for commodities contracts.

- - Agency Special Instructions/Additional Requirements - -

*In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent **does not** have a **continuous contract*** in place for **more than five (5) years** shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

SECTION 1: RESPONDENT AND REQUISITION INFORMATION

- a. Respondent (Company) Name: Strategic Communications State of Texas VID #: 1611271313200
 Point of Contact: Kathy Mills Phone #: 502-657-3412
 E-mail Address: kmills@yourstrategic.com Fax #: 502-657-6512
- b. Is your company a State of Texas certified HUB? - Yes - No
- c. Requisition #: DIR-TSO-TMP-266 Bid Open Date: 04/06/2017
(mm/dd/yyyy)

Enter your company's name here: Strategic Communications Requisition #: DIR-TSO-TMP-266

SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, **including contracted staffing, goods and services will be subcontracted**. Note: In accordance with 34 TAC §20.11, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b of this SECTION and continue to Item c of this SECTION.)
- No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If **No**, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to non-HUBs.
1	Professional Services	26 %	0 %	0 %
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

- Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- No** (If **No**, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified HUBs** with which you **do not** have a **continuous contract*** in place with for **more than five (5) years**, **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: Strategic Communications Requisition #: DIR-TSO-TMP-266

SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS (CONTINUATION SHEET)

This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a <u>continuous contract*</u> in place for <u>more than five (5) years</u> .	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract*</u> in place for <u>more than five (5) years</u> .	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%
43		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: Strategic Communications Requisition #: DIR-TSO-TMP-266

SECTION 3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

[Empty box for justification text]

SECTION 4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature on File

Kathy Mills

C.E.O.

03/31/2017

Signature

Printed Name

Title

Date
(mm/dd/yyyy)

Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method A (Attachment A)

Rev. 10/16

Enter your company's name here: <u>Strategic Communications</u>	Requisition #: <u>DIR-TSO-TMP-266</u>
---	---------------------------------------

IMPORTANT: If you responded “Yes” to **SECTION 2, Items c or d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method A (Attachment A)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-a.pdf>

SECTION A-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 1 Description: Professional Services

SECTION A-2: SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
CIMA Solutions Group	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1202446920200	\$ 609,000.00	20 %
SHI Government Solutions Inc.	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1223695478500	\$ 182,700.00	6 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 10/16

Enter your company's name here: Strategic Communications Requisition #: DIR-TSO-TMP-266

IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: _____ Description: _____

SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, continue to SECTION B-4.)

- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/HUBSubcontractingOpportunityNotificationForm.pdf>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID (Do not enter Social Security Numbers.)	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <https://www.comptroller.texas.gov/purchasing/vendor/hub/resources.php>.

- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Enter your company's name here: Strategic Communications Requisition #: DIR-TSO-TMP-266

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: _____ Description: _____

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract **no later than ten (10) working days** after the contract is awarded.

DIR-TSO-4232

Appendix C- Pricing Index Strategic Communications, LLC.

Infrastructure as a Service		DIR Discount % off MSRP
Brand	Service Description	
Amazon Web Services (AWS)	IaaS Cloud Services	1.00%
Amazon Web Services (AWS)	IaaS GovCloud Services	1.00%
Equinix	IaaS Cloud Services	1.00%
Microsoft	IaaS Cloud Services	1.00%
Oracle	IaaS Cloud Services	1.00%
Red Hat	IaaS Cloud Services	1.00%
Platform as a Service		DIR Discount % off MSRP
Brand	Service Description	
Amazon Web Services (AWS)	PaaS Cloud Services	1.00%
Amazon Web Services (AWS)	PaaS GovCloud Services	1.00%
Microsoft	PaaS Cloud Services	1.00%
Oracle	PaaS Cloud Services	1.00%
Red Hat	PaaS Cloud Services	1.00%
Miscellaneous as a Service		DIR Discount % off MSRP
Brand	Service Description	
Amazon Web Services (AWS)	MaaS Cloud Services	1.00%
Amazon Web Services (AWS)	MaaS GovCloud Services	1.00%
Amazon Web Services (AWS)	Collaboration	1.00%
Amazon Web Services (AWS)	Data Analytics	1.00%
Amazon Web Services (AWS)	Data Management	1.00%
Amazon Web Services (AWS)	Development, Testing and Deployment	1.00%
Amazon Web Services (AWS)	Managed Desktop Services	1.00%
Amazon Web Services (AWS)	Monitoring	1.00%
Amazon Web Services (AWS)	Multimedia	1.00%
Amazon Web Services (AWS)	Security - Compliance Management	1.00%
Amazon Web Services (AWS)	Workflow and Electronic Signature	1.00%
Cloud Broker Services		DIR Discount % off MSRP
Brand	Service Description	

Strategic Communications, LLC.	Cloud Broker Services - Per hour rate for consultation, proof of concept, broker and migration assistance. Example of Cloud Broker Services include: Cloud Development and Architecture Consulting Network Auditing & Engineering Consulting Cloud Security Consulting Hybrid Cloud Migration Consulting GIS Migration Consulting Managed Backup Design Consulting Microsoft Sharepoint on AWS Consulting Managed Cloud Operations Consulting Machine Learning Consulting Application Migration Consulting App/Dev Consultation VMware on AWS Consulting Compute & Storage Consulting Relational Database Service (RDS) Consulting Virtual Desktop Consulting	20%
Related Services Description		DIR Discount % off MSRP
Strategic Communications, LLC.	Program Manager – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Program Manager – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Program Manager – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Project Manager - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Project Manager - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Project Manager - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Cloud Architect (Hourly Rate)	20%
Strategic Communications, LLC.	Business Analyst -- Functional (Hourly Rate)	20%
Strategic Communications, LLC.	Business Analyst -- Technical (Hourly Rate)	20%
Strategic Communications, LLC.	Project Administrator (Hourly Rate)	20%
Strategic Communications, LLC.	Project Administrator - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Quality Assurance Manager– Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Quality Assurance Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Quality Assurance Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Chief Enterprise Architect (Hourly Rate)	20%
Strategic Communications, LLC.	Lead Enterprise Architect (Hourly Rate)	20%
Strategic Communications, LLC.	Senior IT Systems Solution Architect (Hourly Rate)	20%
Strategic Communications, LLC.	Client/Server Network Architect (Hourly Rate)	20%
Strategic Communications, LLC.	Software Architect (Hourly Rate)	20%
Strategic Communications, LLC.	Systems Engineer - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Systems Engineer - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Systems Engineer - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Network Engineer – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Network Engineer – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Network Engineer – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Managed System Engineer - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Managed Systems Engineer - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Managed Systems Engineer - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Applications Systems Analyst – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Applications Systems Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Applications Systems Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Software Engineer – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Software Engineer – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Software Engineer – Associate (Hourly Rate)	20%

Strategic Communications, LLC.	Applications Programmer – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Applications Programmer – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Applications Programmer – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	IT Certified Professional – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	IT Certified Professional –Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	IT Certified Professional – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Seat Management Administrator. (Hourly Rate)	20%
Strategic Communications, LLC.	Configuration Management (CM) Specialist - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Configuration Management (CM) Specialist - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Configuration Management (CM) Specialist - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Information Assurance Engineer - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Information Assurance Engineer - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Information Assurance Engineer - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Information Systems Auditor – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Information Systems Auditor – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Information Systems Auditor – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Data Security Analyst – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Data Security Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Data Security Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Disaster Recovery/COOP/Contingency Administrator (Hourly Rate)	20%
Strategic Communications, LLC.	Information Security Specialist - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Information Security Specialist - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Information Security Specialist - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	IA Policy and Compliance Certified Professional – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	IA Policy and Compliance Certified Professional – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	IA Policy and Compliance Certified Professional – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Operations Research Analyst – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Operations Research Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Operations Research Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Operations Malware Analyst – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Operations Malware Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Operations Malware Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Watch Operations Certified Analyst – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Watch Operations Certified Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Cyber Watch Operations Certified Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Cloud Administrator – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Cloud Administrator – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Cloud Administrator -Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Database Administrator (Hourly Rate)	20%
Strategic Communications, LLC.	Database Analyst/Programmer – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Database Analyst/Programmer – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Database Analyst/Programmer – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Advanced Database Analyst/Programmer - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Advanced Database Analyst/Programmer - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Advanced Database Analyst/Programmer – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Data Warehousing Project Manager (Hourly Rate)	20%
Strategic Communications, LLC.	Data Architect (Hourly Rate)	20%
Strategic Communications, LLC.	Data Warehouse Analyst (Hourly Rate)	20%
Strategic Communications, LLC.	Data Warehousing Programmer (Hourly Rate)	20%
Strategic Communications, LLC.	Data Warehousing Administrator (Hourly Rate)	20%
Strategic Communications, LLC.	Help Desk Coordinator (Hourly Rate)	20%
Strategic Communications, LLC.	Help Desk Support Service Specialist – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Help Desk Support Service Specialist – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Help Desk Support Service Specialist – Associate (Hourly Rate)	20%

Strategic Communications, LLC.	Web Project Manager (Hourly Rate)	20%
Strategic Communications, LLC.	Web Designer - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Web Designer - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Web Designer - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Web Software Developer - Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Web Software Developer - Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Web Software Developer - Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Web Technical Administrator (Hourly Rate)	20%
Strategic Communications, LLC.	Web Content Administrator (Hourly Rate)	20%
Strategic Communications, LLC.	ERP Business Analyst – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	ERP Business Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	ERP Business Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Business Systems Analyst – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Business Systems Analyst – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Business Systems Analyst – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Information Systems Training Manager (Hourly Rate)	20%
Strategic Communications, LLC.	Information Systems Training Specialist – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Information Systems Training Specialist – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Information Systems Training Specialist – Associate (Hourly Rate)	20%
Strategic Communications, LLC.	Instructor Technical Training – Senior (Hourly Rate)	20%
Strategic Communications, LLC.	Instructor Technical Training – Intermediate (Hourly Rate)	20%
Strategic Communications, LLC.	Instructor Technical Training – Associate (Hourly Rate)	20%
<p>NOTE: Vendor's quote to DIR Customers shall include the Administrative Fee. The fee will be added to the Firm Fixed Price and MSRP after the DIR Discount % off MSRP is applied.</p>		

Contract DIR-TSO-4232
Appendix D, Statement of Work

Department of Information Resources

Cloud Services Contract

Sample Statement of Work

**STATEMENT OF WORK (SOW)
FOR
CLOUD SERVICES**

Project Name

DIR Customer Name

DATE

1.0 Purpose

This Statement of Work describes the Cloud Services to be delivered to *[Department/Agency]* with regard to *[application name]*.

2.0 Background/Objective

Given the growing significance and maturity of Cloud Services, the Texas Department of Information Resources (DIR) issued a Cloud Services RFO to contract cloud providers for customer use. Cloud computing is a model for enabling available, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services). Cloud Services are generally expected to offer reduced cost and increased efficiency for government organizations.

The *[Department/Agency]* seeks cloud services to *[explain customer problem or reason for seeking cloud services]*. *[Provide useful information regarding the Customer organization, project history, future plans or any other relevant information regarding the work to be performed.]*

3.0 Scope

The overarching goal of this SOW is to provide *[Department/Agency]* the ability to take advantage of rapidly developing offerings and changing price models in Cloud Services.

The scope focuses on offering *[type of cloud service e.g., IAAS, PAAS, cloud broker]* for the following activities:

- *[List all application activities requiring cloud services, e.g., Cloud Storage Services, Virtual Machines]*

4.0 Requirements

The requirements focus on the *[type of cloud service offering]* and are divided into the following categories:

- General Cloud Computing Requirements – specifies general requirements for cloud services
- Common Technical Requirements – specifies the technical requirements for enabling *[type of cloud service]* offering
- Specific Application Technical Requirements – specifies the requirements for service offerings described in SOW

The *[Department/Agency]* retains ownership of any user created/loaded data and applications hosted on vendor’s infrastructure, and maintains right to request full copies of these at any time.

4.1 General Cloud Computing Requirements

The Vendor shall provide a Cloud Computing solution that aligns to the following general cloud computing requirements as described in Table 1 below.

Table 1: General Cloud Computing Requirement

Cloud Characteristic	Definition	General Requirement

4.2 Common Technical Requirements

The Vendor shall provide a solution that aligns to the following technical requirements as described in Table 2 below. (List provided is not all inclusive)

Service Management and Provisioning Requirements

Cloud Characteristic	List of Requirements
<i>Service Provisioning</i>	
<i>Service Level Agreement Management</i>	
<i>Operational Management</i>	
<i>DR and COOP</i>	

Cloud Characteristic	List of Requirements
<i>Data Management</i>	

User/Admin Portal Requirements

Cloud Characteristic	List of Requirements
<i>Order Management</i>	
<i>Billing/Invoice Tracking</i>	
<i>Utilization Monitoring</i>	
<i>Trouble Management</i>	
<i>User Profile Management</i>	

Integration Requirements

Cloud Characteristic	List of Requirements
<i>Application Programming Interfaces (APIs)</i>	

Data Center Facilities Requirements

<i>Internet Access</i>	
<i>Firewalls</i>	
<i>LAN/WAN</i>	
<i>Data Center Facilities</i>	1.

4.3 Specific Application Technical Requirements

List all requirements specific to application (e.g., storage requirements, bandwidth tiers, virtual machine requirements, bundling options,

5.0 Compliance Requirements

5.1 Accessibility Requirements – list all accessibility requirements

5.2 Security Requirements – list all security requirements

5.3 Privacy Requirements – list all privacy requirements

6.0 Reporting Deliverables

Below is an example list of deliverables that might be required by customer.

Report / Deliverable	Description	Frequency
Service Level Agreement (SLA)	<ul style="list-style-type: none"> • Service Availability (Measured as Total Uptime Hours / Total Hours within the Month) displayed as a percentage of availability up to one-tenth of a percent (e.g. 99.5%) • Text description of major outages (including description of root-cause and fix) resulting in greater than 1-hour of unscheduled downtime within a month 	Monthly
Help Desk / Trouble Tickets	<ul style="list-style-type: none"> • Number of Help Desk/customer service requests received. • Number of Trouble Tickets Opened • Number of trouble tickets closed • Average mean time to respond to Trouble 	Monthly

	<p>Tickets (time between trouble ticket opened and the first contact with customer)</p> <ul style="list-style-type: none"> • Average mean time to resolve trouble ticket 	
Service Orders / Sales	<ul style="list-style-type: none"> • Quantity and Type of IaaS/PaaS service orders received • Number of service orders (and percentage of orders out of the total) which resulted in an email or contact with customer within two hours of individual task order(s) issued under this BPA being sent to vendor 	Monthly
Service Utilization	<ul style="list-style-type: none"> • Monthly utilization of each IaaS/PaaS Service type (Lot) as defined by the Service Units for the specific Lot offered by the vendor 	Monthly
Invoicing/Billing	<ul style="list-style-type: none"> • Standard invoicing/billing 	Monthly

7.0 Additional Customer Terms and Conditions

List any additional terms and conditions required by the Customer. Customers may negotiate the terms and conditions of a SOW to suit their business needs so long as the SOW terms and conditions do not conflict or weaken the DIR master contract.

8.0 Pricing

The main purpose of this section is to detail the pricing for the cloud services. Vendor should also provide a summary of any assumptions and exclusions.

Sample Pricing Sheet

Cloud Service	Agency/Department Application Name	Price

The undersigned signatories represent and warrant that they have full authority to enter into this Statement of Work on behalf of the respective parties. The Effective Date of this SOW shall be the date of the last party to sign.

Customer Agency

Cloud Service Provider (Vendor)

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Legal: _____

Website Compliance Checklist

Requirements defined in Appendix A, Terms and Conditions of your DIR contract. Vendor will maintain a website specific to the product and service offerings under the Contract which is clearly distinguishable from other non- DIR Contract offerings at Vendor's website. Must include:

Requirement Met	Yes	No
The Products or Services related offered	<input type="checkbox"/>	<input type="checkbox"/>
Products or Services specification (provide a link to product or Service description)	<input type="checkbox"/>	<input type="checkbox"/>
Contract pricing (<i>DIR actual pricing or MSRP w/Discount listed or MSRP w/Discount listed & DIR pricing</i>)	<input type="checkbox"/>	<input type="checkbox"/>
Designated Order Fulfillers (Resellers)	<input type="checkbox"/>	<input type="checkbox"/>
Contact Information for Vendor	<input type="checkbox"/>	<input type="checkbox"/>
Instructions for obtaining quotes and placing Purchase Orders (Required - reference DIR contract number DIR-TSO-3734)	<input type="checkbox"/>	<input type="checkbox"/>
Warranty and Return Policies	<input type="checkbox"/>	<input type="checkbox"/>
Vendor's website shall list the DIR Contract number	<input type="checkbox"/>	<input type="checkbox"/>
Reference the DIR Co-op Contract Program Overview Reference following URL: http://dir.texas.gov/View-About-DIR/Pages/Content.aspx?id=41	<input type="checkbox"/>	<input type="checkbox"/>
Display the DIR logo	<input type="checkbox"/>	<input type="checkbox"/>
Contain a link to the DIR website for your Contract. http://dir.texas.gov/View-Search/Contracts-Detail.aspx?contractnumber=DIR-TSO-4188&keyword=4188	<input type="checkbox"/>	<input type="checkbox"/>

NOTE:

DIR Logo

Order Fulfiller may use the DIR logo in the promotion of the Contract to Customers with the following stipulations: (i) the logo may not be modified in any way, (ii) when displayed, the size of the DIR logo must be equal to or smaller than the Order Fulfiller logo, (iii) the DIR logo is only used to communicate the availability of products and services under the Contract to Customers, and (iv) any other use of the DIR logo requires prior written permission from DIR.

To obtain copies of our DIR logos to use on newsletters and your company web site, you may contact: Hannah Schaeffer at 512-463-4055 or via email at Hannah.Schaeffer@dir.texas.gov or Elliott Sprehe at 512-475-4704 or via email at Elliott.Sprehe@dir.texas.gov.

Explanation of VSR Errors & How to Fix

NOTE: For all downloaded error files, remove/delete entire last column labeled **Error Description before reloading the corrected report.**

Invalid Template (Cooperative, ITSAC, Telecom)

Open file and look in far right column. Is there an error description column? If yes, delete column and reload. If not, check if current template is protected (snapshot below). If yes, download a blank and use new version.

Invalid Vendor Name (Cooperative, ITSAC, Telecom) Field length is 150 characters

Must match the approved name as it displays at the top of your main DIR contract website page. It should show as default in the Upload and History screens.

Invalid Contract Number (Cooperative, ITSAC, Telecom)

Must match the approved contract number by spelling, punctuation, etc. as it shows on your main DIR website page. This is not the RFO number.

Invalid Submitted Reporting Month (Cooperative, ITSAC, Telecom) Field length is 6 characters

This is month for previous period that just ended. It is always in YYYYMM format. Unacceptable formats are 2016-12, December 2016, etc. Valid examples are 201612, 201701. You cannot re-load a report for a file that has been previously **Accepted**. Errors should be corrected on future reports. If you miss a previous month you must enter that month as a zero sales report before entering current month in the system.

Invalid Customer (Cooperative, ITSAC, Telecom) Field length is 100 characters

Schools should list parent school district or charter school. School names can repeat across districts and charters. There should never be an individual's name as customer. Out of state customers must have an interlocal agreement on file with DIR and show on DIR website at following link:

<http://dir.texas.gov/View-Contracts-And-Services/Pages/Content.aspx?id=2>

Customer name listed doesn't match name in approved list. Three ways to fix:

1. Download error file and do search for name in Look Up screen.
2. Download error file and do search in approved customer name list.
3. Edit Online

Search by key part(s) in name. Example name is City of Austin Parks Department. Search for City of Austin

Customer eligibility requirements are found at:

<http://dir.texas.gov/View-Contracts-And-Services/Pages/Content.aspx?id=25>

Out of state customers can be found at the following link:

<http://dir.texas.gov/View-Contracts-And-Services/Pages/Content.aspx?id=2>

Invalid Reference Number (Cooperative, ITSAC, Telecom) Field length is 30 characters
Column is either blank or lists one of the following: N/A, na, cc, credit card. Can't be blank or list payment method. Field length is 30 characters.

Invalid Sales Period (Cooperative, ITSAC, Telecom) Field length is 6 characters
Period is in YYYYMM format (example January 2017 is 201701). Period must be same month year as invoice date. If date is correct and you are reporting older month sales, you have opportunity to confirm and load in Online Edit function.

Ineligible Order Date (Cooperative, ITSAC, Telecom) Field length is 10 characters
Date must be on or after the start date of your DIR contract. It also must be on or before the current end date. If contract has lapsed or suspended, no new orders can be issued, but sales report is still required. If contract has ended, reports are submitted when invoices are issued with order dates from start through end date. Approved formats are: M/D/YY, M/D/YYYY, or MM/DD/YY. If date appears correct, ensure there is no extra spaces or blank lines inserted within the cell after it.

Invalid Invoice Date (Cooperative, ITSAC, Telecom) Field length is 10 characters
List all invoices with dates within the start and end date of the Submitted Reporting Month (cell B3). Invoices with dates for future months may not be loaded. Approved formats are: M/D/YY, M/D/YYYY or MM/DD/YY. If date appears correct, ensure there is no extra spaces or blank lines inserted within the cell after it.

Invalid Invoice Number (Cooperative, ITSAC, Telecom) Field length is 50 characters
One invoice per line. It cannot be blank.

Invalid Ship Date (Cooperative) Field length is 10 characters
The date must be on or after the contract start date **and** on or before the invoice date. Pre-billing before shipment or service is against statute. Approved formats are: M/D/YY, M/D/YYYY or MM/DD/YY. If date appears correct, ensure there are no extra spaces or blank lines inserted within the cell after it.

Invalid Product Item (Telecom) Field length is 50 characters
Text field

Invalid Product Type (Cooperative) Field length is 100 characters
It is required on DBITS contracts issued under RFOs: DIR-SDD-TMP-197 & DIR-SDD-TMP-253
Field must match spelling, punctuation of name in approved list. Should be blank otherwise. List can be found on your main DIR web page under **Available Products and Services**

Invalid Product Item (Telecom) Field length is 50 characters

Field cannot be blank, must be filled in with name or number at 50 characters including spaces or less.

Invalid Description (Cooperative, ITSAC, Telecom) Field length is 150 characters

Leave out special characters such as *, +, /, |, etc. that may be construed as calculations or code. The description needs to be easy to determine how it fits under your DIR contract. References to credits/discounts or trade-ins need to provide what it is a credit on. Example: Credit on HDMI cables. Do not combine items together. For ITSAC contracts the contractor performing the work needs to be listed. Ex: John Smith, Farrah Fawcett, etc.

Invalid Brand (Cooperative) Field length is 100 characters

Must match name of approved name under Available Brands by spelling, punctuation, etc. If none are listed, check with your DIR contract manager. Some contracts are open to all brands. If brand is missing and allowed under your contract, your DIR contract manager must be contacted to get brand added to complete the load.

Invalid MANUF (ITSAC) Field length is 100 characters

Column is either blank or it is not ALL CAPS or it has been mis-spelled. Must be: STAFFING SERVICES

Invalid Publisher/Manufacturer (Telecom) Field length is 100 characters

Column is either blank or has been mis-spelled. Must match approved manufacturer for the contract.

Invalid Lease (Cooperative) Field length is 5 characters

Must be either Buy or Lease. If item is on a lease/rental term, it must be buy. Field cannot be blank, be a number or any other word.

Invalid Quantity (Cooperative, ITSAC, Telecom) Field length is 10 characters with to 4-digit number

after the decimal point for Cooperative & ITSAC and 6-digit number after decimal point for Telecom For credits/discounts the number needs to be in -#.## or -#.##### format. All digits must display. Do not list more than allowed. Examples: 1.2345 but not 124.3438974 (too many digits after decimal point) or -34.43 but not (34.43). Number for credit can't be in ().

Invalid Unit Price (Cooperative, ITSAC, Telecom) Field length is 10 characters with up 6-digit number

after decimal point for Cooperative and ITSAC and 8-digit number after decimal point for Telecom For credits/discounts it can never be a negative. Number may include dollar sign or comma.

Invalid Extended Price (Cooperative, ITSAC, Telecom) Field length is 10 characters with a 2-digit number after decimal point

It must equal the quantity times the unit price. If all allowed numbers do not display or too many digits are listed in either quantity and/or unit price the number will not calculate correctly. For credits the number must be in -#.## format not (#.##) format.

Invalid MSRP (Cooperative, ITSAC) Field length is 10 characters with 2-digit number after decimal point

For cooperative it must zero or greater and is based on the unit price. It can never be a negative number or be blank. For ITSAC it must be zero. It can never be a negative number or be blank.

Invalid Address (Cooperative, ITSAC, Telecom) Field length is 100 characters
Cannot be blank. Address should point to customer name listed

Invalid City (Cooperative, ITSAC, Telecom) Field length is 50 characters
Cannot be blank

Invalid State (Cooperative, ITSAC, Telecom) Field length is 2 characters
Must be all cap 2-digit abbreviation. Cannot be blank. Must be state within the United States.

Invalid Zip Code (Cooperative, ITSAC, Telecom) Field length is 10 characters
Cannot be blank. Must display all digits. For zip codes starting with 0 put number in text format. Acceptable format are ##### (ex: 75731) or #####-#### (ex: 07543-9399)

Invalid Part Number (Cooperative) Field length is 50 characters
Must have either a number (alpha/numeric) or list N/A because it is a service). Should be one number per line

Invalid Reseller (Cooperative) Field length is 255 characters. Reseller applies to company authorized to sell products off your prime DIR contract – prime vendor is not a reseller. It must match name as it shows on your main DIR website page under Reseller Vendor Contacts by spelling, punctuation, etc. If name is missing, contact your DIR contract manager to get it added. Do not list Subcontractor sale on same line. Line item must apply to Reseller only.

Invalid Subcontractor (Cooperative) Field length is 255 characters. Subcontractor is a company authorized to sell services allowed off your DIR contract. It must match name in approved list by spelling, punctuation, etc. Check with your DIR contract manager if a name appears to be missing.

Invalid ITSAC Category (ITSAC)- Field length is 100 characters.
Column is either blank, Category is misspelled, or the Title is incorrect. Refer to the Approved Category &NTE tab of your report template for correct spellings and groupings. You will need to download your report if the ITSAC Category is not correct in order to fix it. You may also use the Lookup screen.

Invalid ITSAC Title (ITSAC) Field length is 100 characters.
Column is either blank, Category is misspelled and doesn't match the ITSAC title or ITSAC title is incorrect. Refer to the Approved Category &NTE tab of your report template for correct spellings and groupings. You may also use the Lookup screen.

Invalid ITSAC Level (ITSAC) Field length is 1 characters.

Should be either a 1, 2 or 3 except if the position is a Security Engineer or Security Architect title. In those 2 instances the field must be blank.

Invalid Technology Type (ITSAC) Field length is 10 characters

Either the type has been misspelled or the column has been left blank. Must match one of the 3 types: Legacy, Core or Emerging by spelling.

Invalid Acquisition Type (ITSAC) Field length is 10 characters

Column is either blank, or the Type is misspelled. Must match one of 3 types: Best Value, Competitive or Renewal.

Invalid EPEAT (Cooperative) Field length is 6 characters

Electronic Product Environmental Assessment Tool (EPEAT) – You can go to epeat.net to determine if product meets this ‘green’ criteria.

If product is EPEAT the entry must be either: Bronze, Silver or Gold. It can be blank. No other entries are allowed.

Invalid Configuration (Cooperative) Field length is 1 character

Enter **Y** if special configuration. If none it must be blank.

Please provide Contract Discount Percentage plus Actual Discount Percentage or just Contract

Price (Cooperative) Pricing in these columns are based on your approved Appendix C, Pricing Index.

You are missing either contract or actual discount percentage (columns AB & AC) or contract price. If line item is based on discount percentages you must fill in both columns AB & AC in **###%** format. If it is based on a set rate then column AD is filled in in **###** format. It is based on the unit price for each line item.

Invalid Contract Discount Percentage (Cooperative) Field length is 12 characters with 2-digit number after decimal point. Pricing in this column is based on your approved Appendix C, Pricing Index.

Number must be in **###** format and based on unit price in column N.

Invalid Actual Discount Percentage (Cooperative). Field length is 12 characters with 2-digit number after decimal point. Pricing in this column is based on your approved Appendix C, Pricing Index.

Number must be in **###** format.

Invalid Contract Price (Cooperative). Field length is 10 characters with 2-digit number after decimal point. Pricing in this column is based on your approved Appendix C, Pricing Index.

Number must be in **###** format and based on unit price in column N.

Invalid Promotion Name (Telecom) Field length is 50 characters

Information in the column is longer than 50 characters. Field can be blank, or N/A or filled in with information at 50 characters or less.

Invalid Subcontractor (Telecom) Field length is 100 characters

Information in the column is longer than 100 characters. Field can be blank, or N/A or filled in with information at 100 characters or less.

of Pages (Telecom) (Telecom) Field length is 28 characters

Information in the column is longer than 28 characters. Field can be blank, or N/A or filled in with a number at 28 characters or less.

Invalid Language (Telecom) Field length is 50 characters

Information in the column is longer than 50 characters. Put in Language if it applies. It must be either blank, n/a or filled in with language (examples: German, Chinese, Spanish, etc.).

Invalid Minutes (Column V) Field length is 28 characters

Information in the column is longer than 28 characters. Put in number if it applies. It must be either blank, n/a or filled in with number and include comma in the format.

Logging On, Using & Logging Off VSRAPP Portal

If you are a Sales Report Contact and attend the training, you will receive an email from VSR Support with your login information. If you do not receive this email within 24 hours of attending training, please email your DIR contract manager and ask them to add any missing sales report contacts. Each contract is limited to 5 people for loading.

A sample of the email you should receive is listed below:

-----Original Message-----

From: VSR Support [mailto:vsr.support@dir.texas.gov]

Sent: Tuesday, February 07, 2017 12:28 PM

To: _____ <john.doe@gmail.com>

Subject: VSR User Account Created

YOUR NAME,

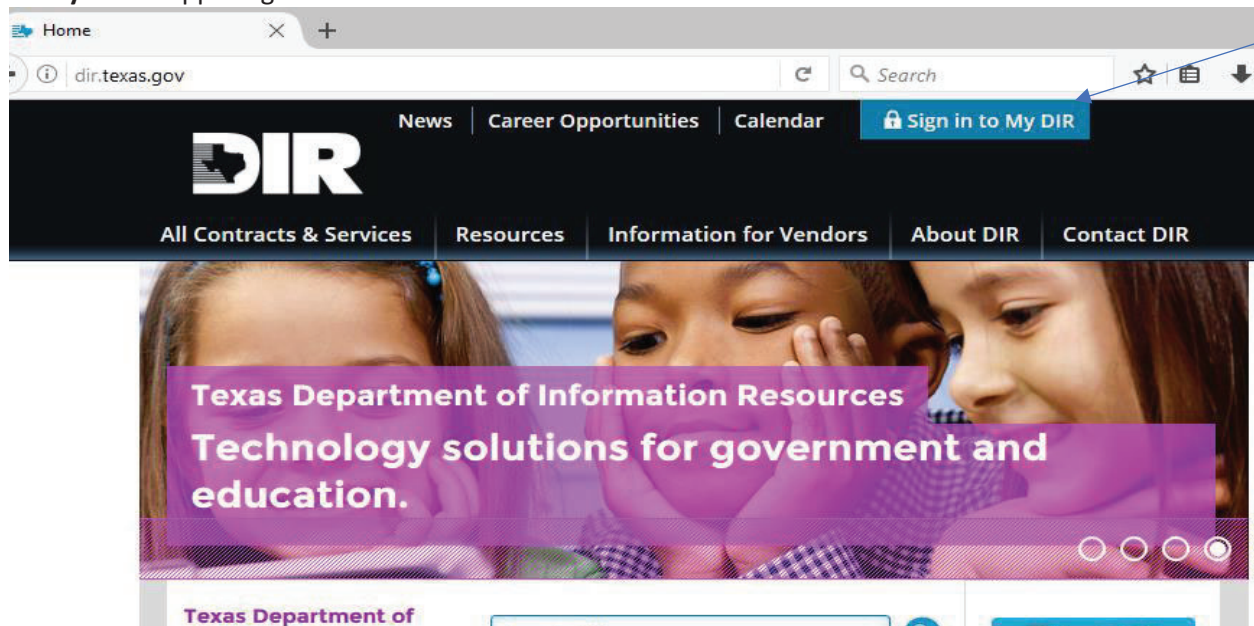
Here are your credentials for the DIR portal, for submitting Vendor Sales Reports for your DIR contract.

Username: _____ (your email address)

Temp Password: _____ (your temporary password will be provided)

The portal is located in the upper right corner of our home page, <http://dir.texas.gov/>. Click on the button and (if asked) select Forms Authentication. Once you log in with the temporary password, you should navigate to your name, and select Change Password, so you can update it to a preferable one for yourself. Please reply to this email if you have any issues logging in.

To sign in you should go to the main DIR website page (<http://dir.texas.gov/>) and click on the **Sign in to My DIR** in upper right hand corner.



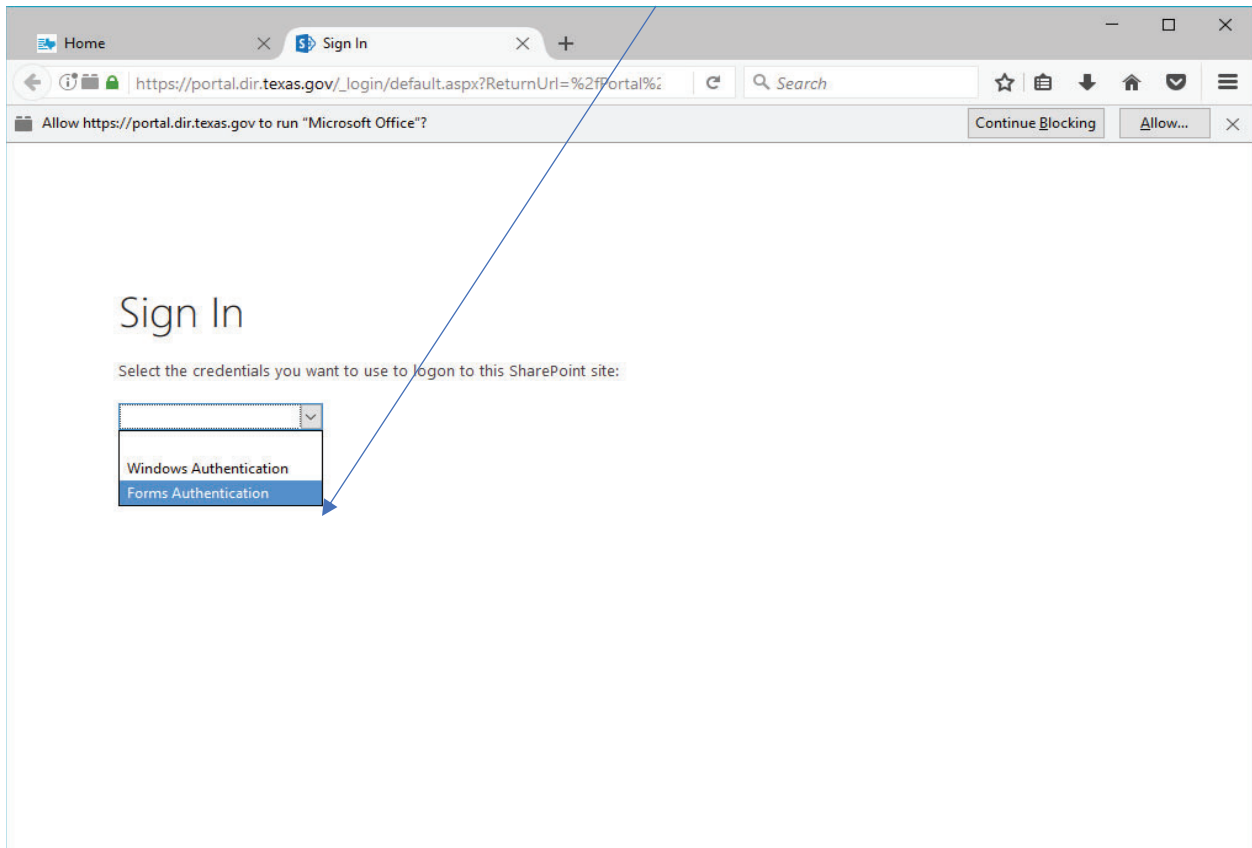
Logging On, Using & Logging Off VSRAPP Portal

You will then see a pop up window like below:

Sign In

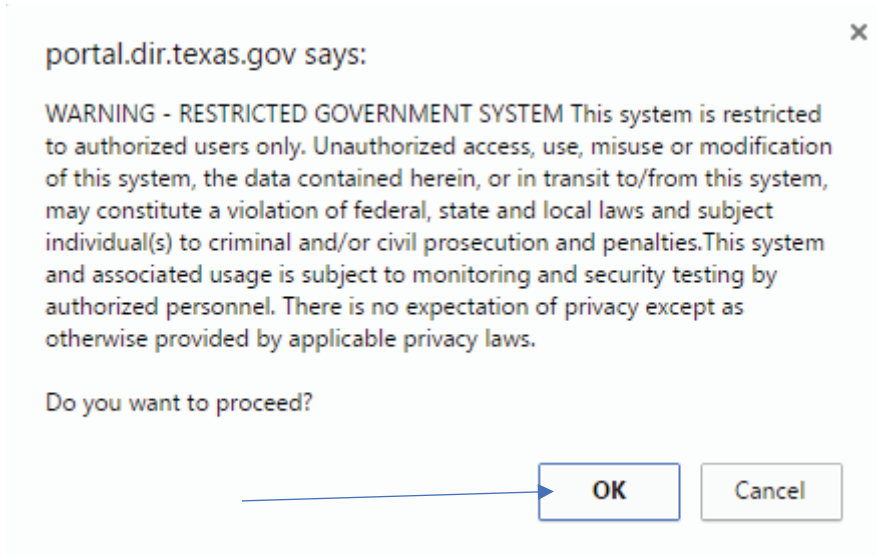
Select the credentials you want to use to logon to this SharePoint site:

Next, click on the drop down arrow and Select **Forms Authentication** option.

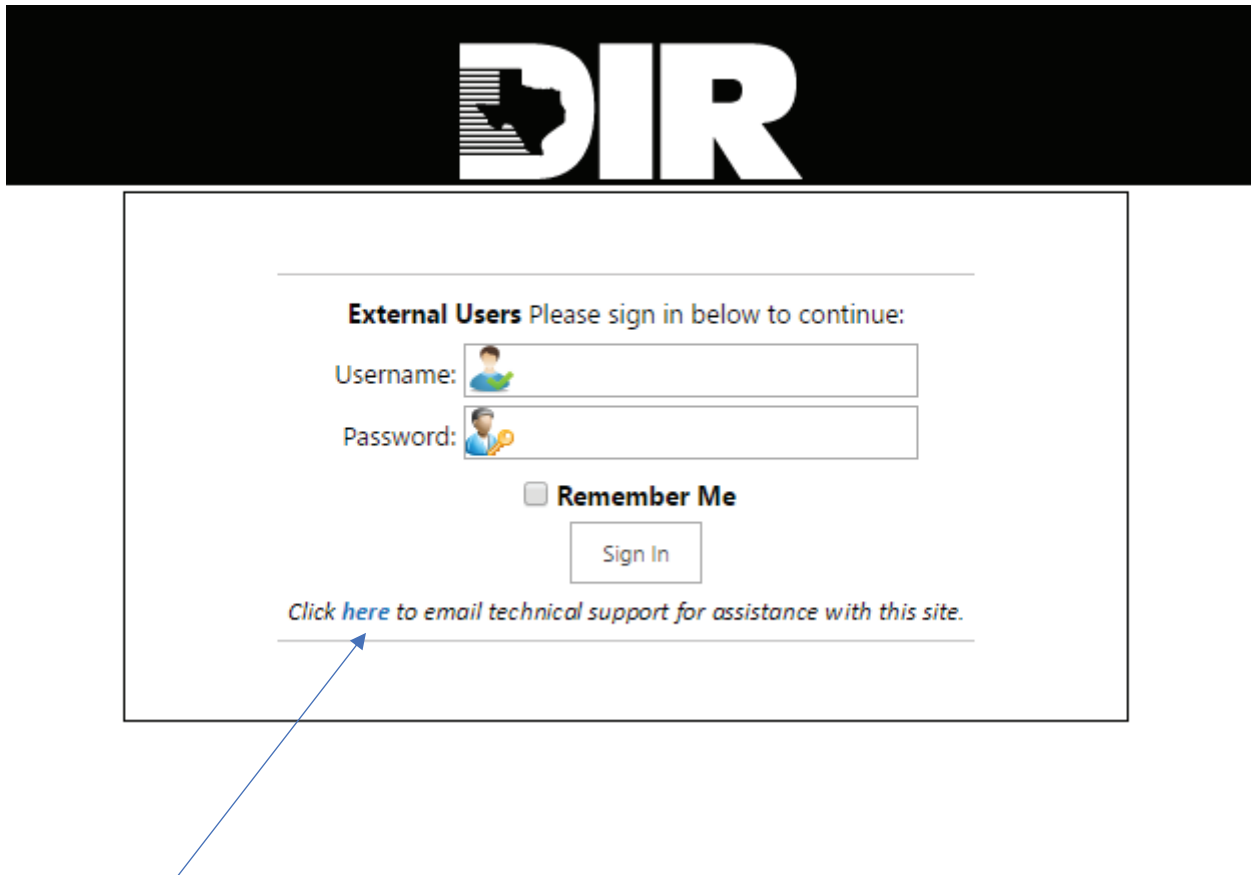


Logging On, Using & Logging Off VSRAPP Portal

Next you will see a pop up window as shown below. Click on the OK button. For each web browser the pop-up may look slightly different.



The next pop-up is where you sign in.



Logging On, Using & Logging Off VSRAPP Portal

Put in your email address and temporary password from VSR Support. If you have issues logging in use the Click **here** option below the log in. We don't recommend you click on the Remember Me option.

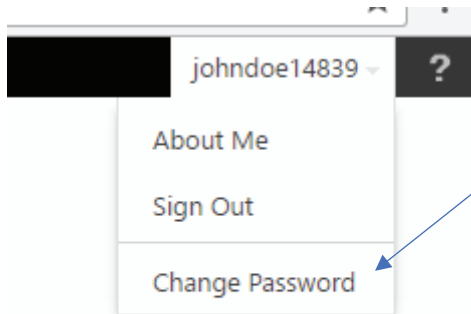
To change your password you must do so before clicking on the **DIR VSR Portal** on left hand side of the screen.



Welcome to DIR Vendor Portal!

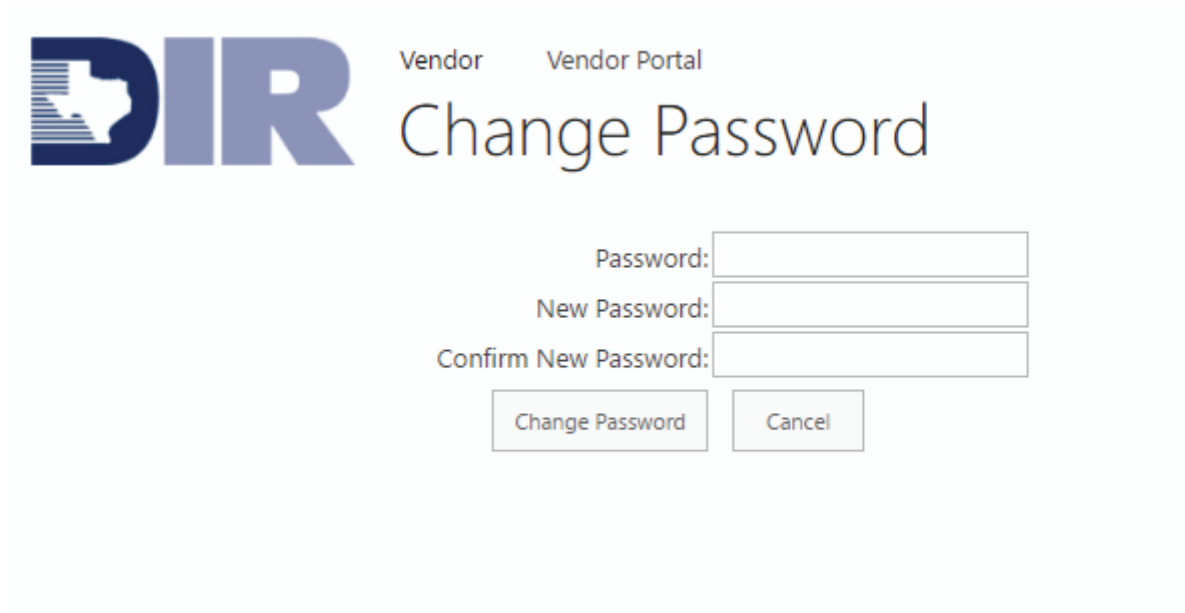
DIR VSR Portal

Instead click on the down arrow next to your name and select the Change Password option.



The screen will then show the following:

Logging On, Using & Logging Off VSRAPP Portal



First enter your temporary password.

Then create a new password. It will need to be at least 7 characters in length with a minimum of 1 number and 1 special character. Examples of special characters are: !, #, \$, %, >, |, etc.

You will need to re-enter the new password and then click change password.

If you ever forget your password, you will need to email VSR Support to request a new temporary password. Include your email address and contract number(s) in the request.

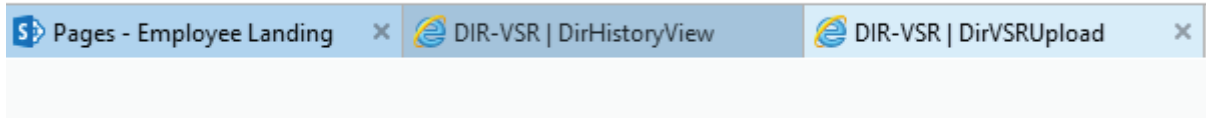
Using the Portal

Once logged in you can move to any of the other options. If you get more than one of the same screen showing you should close the additional tabs (they will show at the top in your web browser). This can create multiple instances of your login. In example below there are multiple instance of DIR-VSR | Main. At least one of these should be eliminated. You can delete the main option anytime.



Logging On, Using & Logging Off VSRAPP Portal

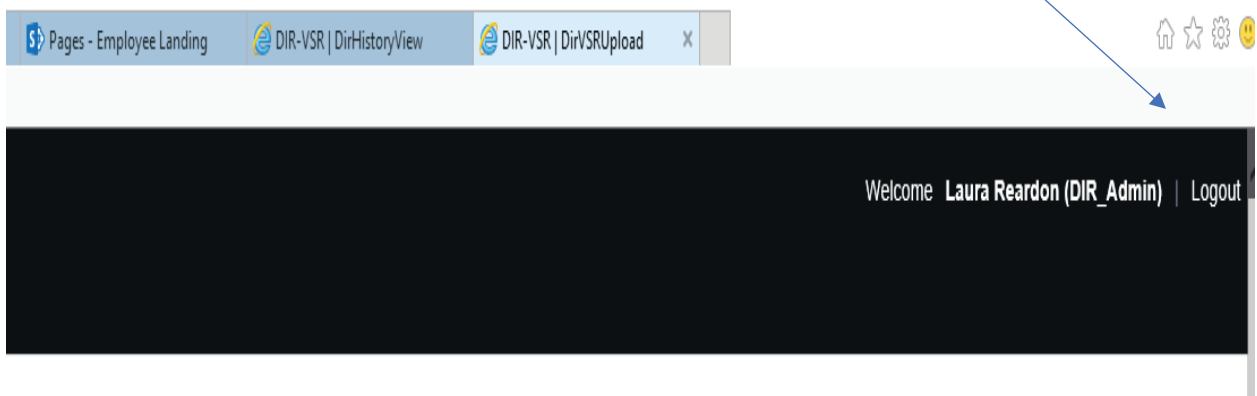
Only 1 instance of each shows below and DIR-VSR | Main is eliminated.



DIR doesn't recommend you save your password on browser. You can be spammed or phished but outside entities trying to infect your computer.

Logging off

Please make sure to hit log off option. Clear your History/cookies in your browser often.



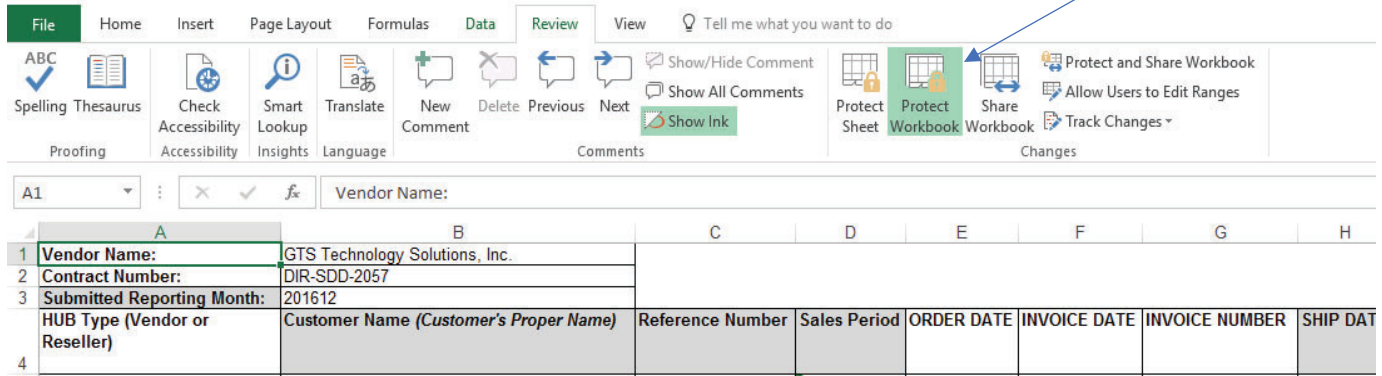
NOTE: If you find you're constantly being booted back to Main screen tab then log out. Clear your history on the browser. Wait a few minutes before retrying or use a different browser. When you log in make sure to enable pop-ups. If you don't you can be constantly booted back to main creating multiple log in instances and making it difficult to process any loading, online edits, etc.

Signature: _____ **Title:** _____ **Date:** _____

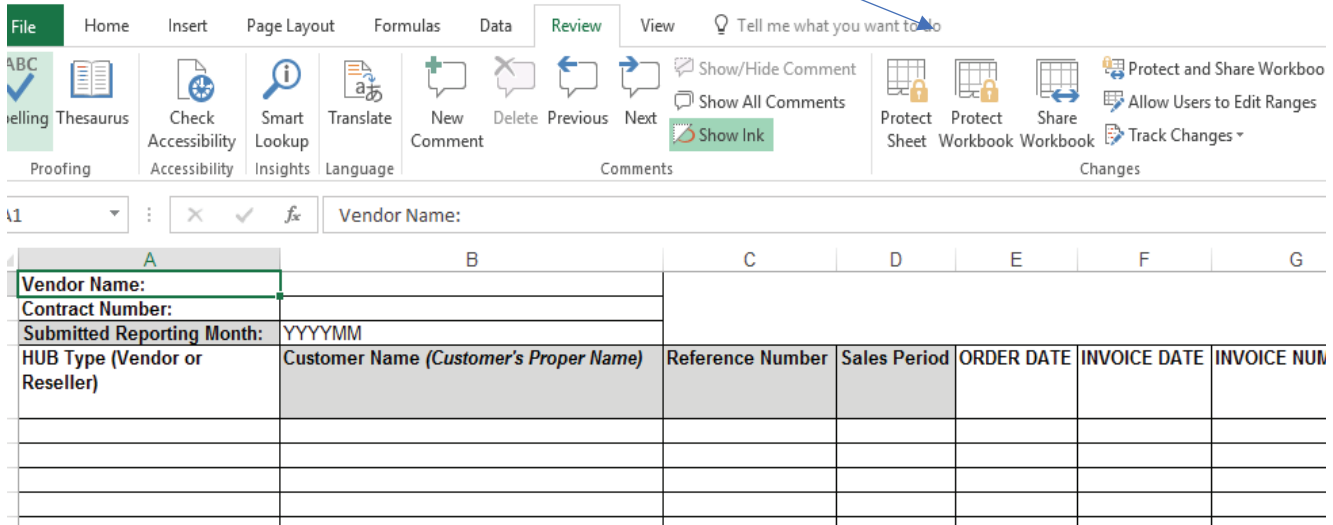
Loading Sales in the VSR Portal Application

Before submitting make sure your file is not protected. To determine this open the file and click on the Review option in the toolbar. Look in the review options section.

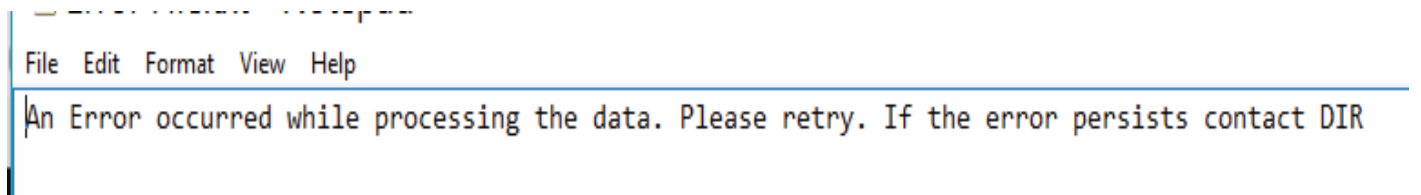
If the Protect Workbook section is dark around it then the file is protected and won't load.



You will then need to download an unprotected template and copy and paste over the information in it on to a downloaded template. It won't show darkened around the spreadsheet in your toolbar on an unprotected document.



If you attempt to load with it protected, you'll most likely get one of 2 errors. Either template is invalid in error file message or another text error in History screen that has problems processing your file.



Loading Sales in the VSR Portal Application

Loading Zero Sales

1. Go to VSR Upload screen. Make sure your vendor name shows in screen on right hand side of page.

Vendor

Dashboard / Upload VSR

Vendor Name * GTS Technology Solutions, Inc.

Contract Type * Select

Contract Number * Select

Upload the VSR * Browse...

This is a Zero Sales Report.

Submit

2. Select Contract Type drop down. All types you are set up for display.

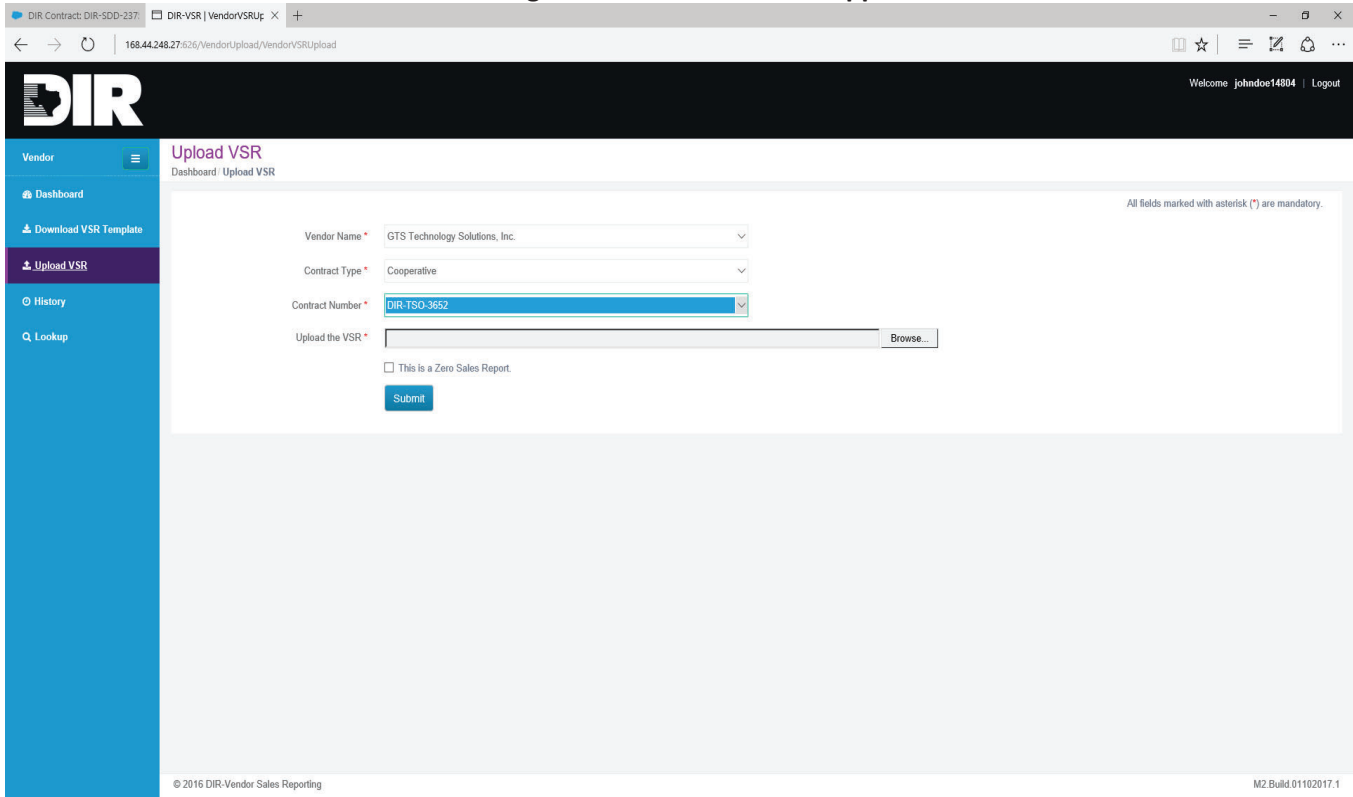
Loading Sales in the VSR Portal Application

The screenshot shows the 'Upload VSR' form in the VSR Portal Application. The form is titled 'Upload VSR' and is located on the 'Dashboard' page. The form includes the following fields:

- Vendor Name ***: A dropdown menu with the selected value 'GTS Technology Solutions, Inc.' and a downward arrow.
- Contract Type ***: A dropdown menu with the selected value 'Select' and a downward arrow. A blue arrow points to this dropdown menu.
- Contract Number ***: A text input field with a downward arrow.
- Upload the VSR ***: A file upload field with a 'Browse...' button.
- This is a Zero Sales Report.**
- Submit**: A blue button.

3. Select type of report to load. Then select contact number associated with type. If number is missing check to see if listed under another contract type. If still missing, contact your DIR contract manager. You must be listed as a Sales Report Contact for each contract you're responsible for loading to get added.

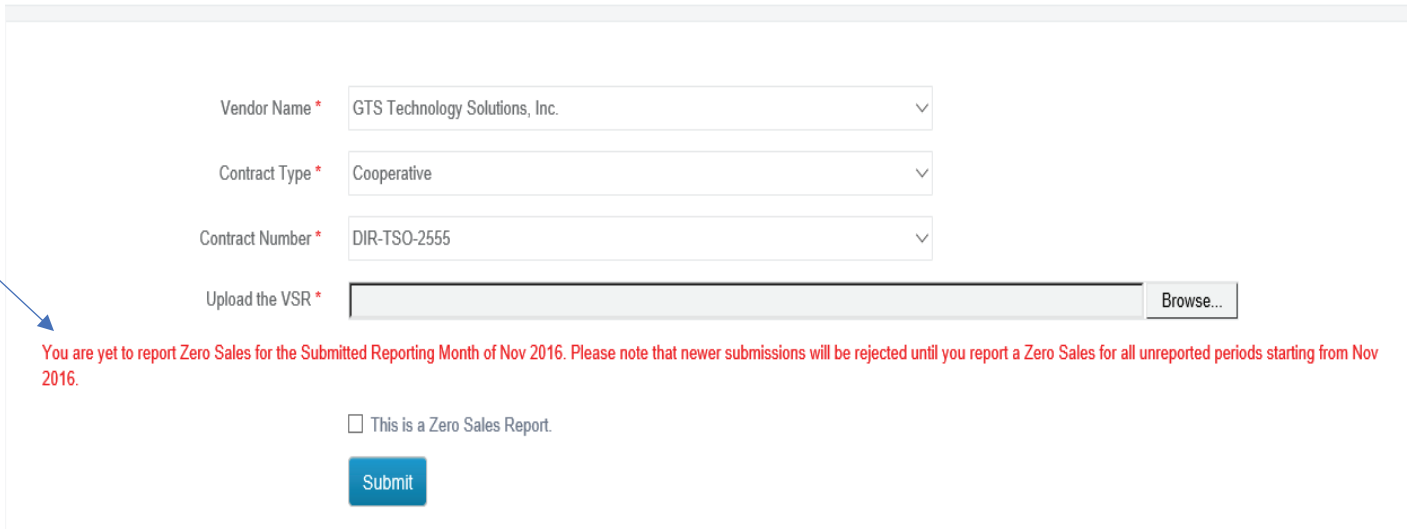
Loading Sales in the VSR Portal Application



If you have a missed month for the contract being loaded you'll get a message like the following:

Upload VSR

Dashboard / Upload VSR



Loading Sales in the VSR Portal Application

For missed months you must upload a zero sales report for the period(s) listed before proceeding. These are just required on active contracts. If you missed reporting older month sales or have corrections to previous entries, you need to add these to the current month listed on the Dashboard.

4. Click inside the Upload the VSR box or click on the Browse/Choose File button to find the file to load. Note the contract number should go with the file listed to prevent error on the load.

Upload VSR

Dashboard / Upload VSR

Vendor Name * GTS Technology Solutions, Inc. ▾

Contract Type * Cooperative ▾

Contract Number * DIR-TSO-2555 ▾

Upload the VSR * T:\BusOps\GoDIRect\GDSales\1H-Web Portal\Demo 2-9-17 am\GTS Technology Solutions TSO-2530 Nov16r2.xlsx Browse...

You are yet to report Zero Sales for the Submitted Reporting Month of Nov 2016. Please note that newer submissions will be rejected until you report a Zero Sales for all unreported periods starting from Nov 2016.

This is a Zero Sales Report.

Submit

5. After it displays click on the box next to 'This is a Zero Sales Report'. Then click on the Submit button.
6. The next screen will show the following. You should click on the History screen button to find out the status of the file.

Upload VSR

Dashboard / Upload VSR

You have uploaded a VSR on 02/09/2017.
Please go to the History Screen to check if your submission was accepted or rejected

Back to Dashboard History

Loading Sales in the VSR Portal Application

7. The History screen then shows up and defaults to the contract that just loaded with 13 month period displaying.

History
Dashboard / History

All fields marked with asterisk (*) are mandatory

Vendor Name: GTS Technology Solutions, Inc.

Contract Type: Cooperative

Contract Number: DIR-TSO-2555

Submitted Reporting Month From * Feb 2016 To * Feb 2017

Search Results [Export to Excel](#)

Vendor Name	Contract No	Type	Submitted Reporting Month	Submitted By	Submitted Date	Status	Status Date	Total Extended Price	Estimated Admin Fee	Estimated Late Fee	Final Admin Fee	DIR Response
GTS Technology Solutions, Inc.	DIR-TSO-2555	Cooperative	Nov 2016	14804@testmail.com	02-09-2017	Accepted	02-09-2017	\$0.00	\$0.00	\$0.00	\$0.00	Accepted file by DIR

You can change the parameters to show any contract type, any contract number. It will list up to 13 months for your contract(s). The portal has sales from November 2016 forward. Older months will not display as these were loaded on a different system.

If the file is rejected the status will show here and the error file should be opened to determine what needs to be fixed. The most common errors are:

- Customer name – It doesn't match the name on the report
- Contract number – It doesn't match the number on the report
- Period listed has already been accepted and cannot be reloaded – Cell B3 is for a previous period that is in accepted status and newer period must be listed.
- Invalid template - The template has either invalid header, protected, etc. and won't load. Download a valid template from the portal and update cells B1, B2 and B3.
- Report loaded doesn't match 'This is a Zero Sales Report' – Either report has sales listed on it and box is checked OR you forgot to check 'This is a Zero Sales Report' on initial upload VSR screen.

You will get an email for the initial submission, any rejection or acceptance. If rejected, open the file and correct the applicable item and save. Go back to the Upload VSR screen and load the new version. DIR recommends the file name have a reference to the resubmission such as v1, r1, rev1, etc. added at the end to distinguish it from all other submissions. Go back to the Upload VSR screen and re-load the newer version of the report (steps 1-7).

Loading Sales in the VSR Portal Application

In the example above the file was loaded entirely and no issues occurred. It will then show on the portal in accepted status on your Dashboard. Please note you cannot load a zero sales report for a contract that is inactive.

Loading non-Zero Sales Report

1. Follow steps 1-3 as noted for loading a zero sales report. Do not check the 'This is a Zero Sales Report' box and then click submit.

Upload VSR

Dashboard / Upload VSR

Vendor Name * GTS Technology Solutions, Inc. ▼

Contract Type * Cooperative ▼

Contract Number * DIR-SDD-2057 ▼

Upload the VSR * C:\Users\lreardon\Desktop\GTS Technology Solutions Inc. SDD-2057 Dec16.xlsx Browse...

This is a Zero Sales Report.

Submit

2. The next screen confirms you submitted a report. Click on the History screen to see if the report was rejected or accepted.

Upload VSR

Dashboard / Upload VSR

You have uploaded a VSR on 02/10/2017.
Please go to the History Screen to check if your submission was accepted or rejected

Back to Dashboard History

Loading Sales in the VSR Portal Application

- The History screen will then display with a full 13-month period for file that just loaded. We started using the portal with November 2016 sales so you can't view submissions before that time.

The initial file will show in submitted status and you will get an email within a couple minutes stating the same thing.

History
Dashboard / History

All fields marked with asterisk (*) are mandatory.

Vendor Name * Contract Type

Contract Number Submitted Reporting Month From * To *

Search Results [Export to Excel](#)

Vendor Name	Contract No	Type	Submitted Reporting Month	Submitted By	Submitted Date	Status	Status Date	Total Extended Price	Estimated Admin Fee	Final Admin Fee	Estimated Late Fee	DIR Response
GTS Technology Solutions, Inc.	DIR-TSO-3375	Cooperative	Dec 2016	laura.reardon@dir.texas.gov	02-09-2017	Submitted	02-10-2017					

The file will take between 1-10 minutes to go through all validations. You can refresh by hitting the F5 key or clicking on the search button. If there are no issues, the file will go to "Accepted" status. If your file is accepted, you are done.

If any required items are missing, or need corrections, the file will go to rejected status.

If the file doesn't pass those validations it will show rejected. You'll get an email that states this as well.

History
Dashboard / History

All fields marked with asterisk (*) are mandatory.

Vendor Name * Contract Type

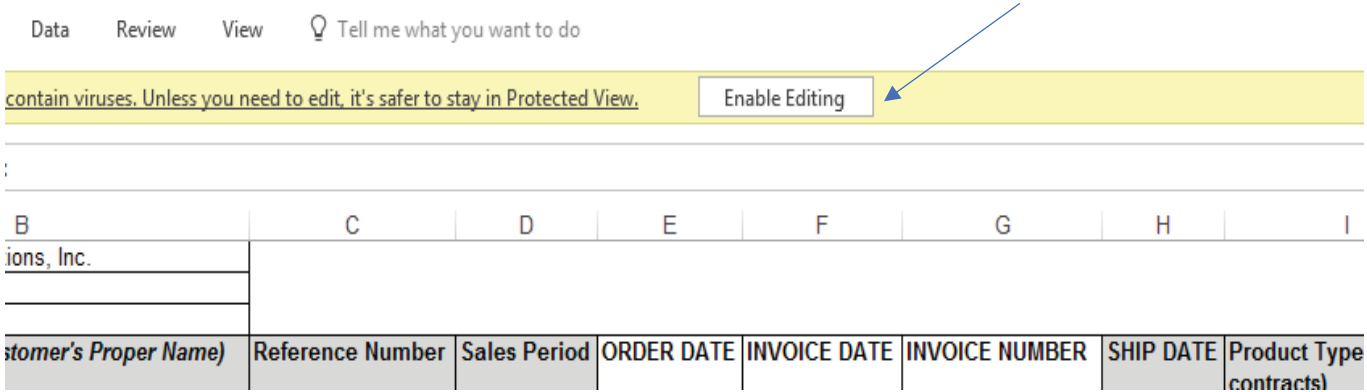
Contract Number Submitted Reporting Month From * To *

Search Results [Export to](#)

Vendor Name	Contract No	Type	Submitted Reporting Month	Submitted By	Submitted Date	Status	Status Date	Total Extended Price	Estimated Admin Fee	Estimated Late Fee	Final Admin Fee	DIR Respon
GTS Technology Solutions, Inc.	DIR-TSO-3375	Cooperative	Dec 2016	laura.reardon@dir.texas.gov	02-09-2017	Rejected	02-10-2017					Error File

Loading Sales in the VSR Portal Application

- Open the error file and click on the Enable Edition option at the top. Depending on your browser you might have to save, hit open or Open as Excel.



- Now scroll over to your last column and there should be inserted a new column labeled **Error Description**. It lists all errors within the report. It will always be after the last column in the file.

Error Description
Invalid Sales Period, Invalid State
Invalid Extended Price
Invalid Sales Period
Not Active Report Period, Invalid Ship Date
Invalid Contract Discount Percentage
Invalid Zip Code

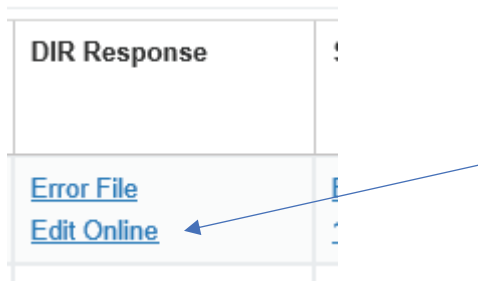
- You must correct all errors that are not look ups at minimum to reload the file. Look ups include Customer, Brand, Reseller, Subcontractor, State, ITSAC Category, ITSAC Title, ITSAC Level, ITSAC Technology Type and ITSAC Acquisition Type. Refer to the **'Explanation of VSR Errors & How to Fix'** document.

Loading Sales in the VSR Portal Application

NOTE: For Not Active Report Period this is an Edit Online function and should not change for any row that has valid Sales Period and Invoice Date for a previous period. You will correct all other errors and re-upload your report. How to validate that you are reporting past sales will be through online edit and is discussed later in this document.

Error Description
Not Active Report Period
Invalid Customer
Invalid Part Number
Invalid Subcontractor

7. **Delete the Error column** and resave the file. Suggest renaming with a v1, r1, rev, rev1, etc.
8. If file goes to Pending User Action, you can either download the error file or click on Edit Online. To work the error file in the portal, click on the Edit Online Link.



Loading Sales in the VSR Portal Application

- The screen will open and show you 3 categories: Customers, Previous Sales Period and Others. After each is the number of errors for same.

Customer Name (2)
 Previous Sales Period (0)
 Others (0)
 Go

Error Count	Error	Change/Edit Error	Reference Number	Invoice Number	Invoice Date	Sales Period	Corrected?
2	Invalid Customer	TEXAS STATE TECHNICAL COLLEGE	Multiple	Multiple	Multiple	201701	

Back to History Revalidate

The screen defaults to Customer Name. After each is the number of rows that have this error. Listed below is how to process each:

Customer Name - Click right below the **Change/Edit Error** header where the error shows. A new window will show up like the following:

✕

Customer

TEXAS STATE TECHNICAL COLLEGE

Search

🔍

Replace

Cancel

Having problems finding your customers? Click [here](#)

Click in the Search box and type in part of the main name to start displaying option for searching. You must type in 3 characters at minimum to get a name to display. You can scroll through the list or put in more characters to further refine your search.

Loading Sales in the VSR Portal Application

Customer

City of LAJJ

Search

| Search



Replace

Cancel

Having problems finding your customers? Click [here](#)

If you find the name, click on it. The name should then display in the full official name in the Search box field. Then hit Replace.

Customer

City of LAJJ

Search

las |

- Academy Of Dallas (Mi)
- Academy Of Dallas Michigan
- Cine Las Americas
- City Of Dallas - Aviation
- City Of Dallas - Fire Dept
- City Of Dallas - Mayor And Council
- City Of Dallas Wic Clinic

Loading Sales in the VSR Portal Application

Customer

City of LAJJ

Search

City Of La Joya

Replace

Cancel

Having problems finding your customers? Click [here](#)

If you don't find the name, search the DIR eligibility page to determine if the customer is eligible. For schools the school district or charter school name (parent) should be listed instead. There are many schools with same name thus the need to list parent name. Out of state entities must have an approved interlocal contract on file with DIR to be listed on the sales report.

If customer is eligible and you searched the DIR look up screen and couldn't find them, you'll need to select the option at bottom of this screen.

Cancel

→ Having problems finding your customers? Click [here](#)

A new window will display. You need to verify all statements. The customer you are wanting to add will display.

Add a new customer

If you were not able to find the customer in the previous search, you can request to add a new customer.

Customer City of LAJJ

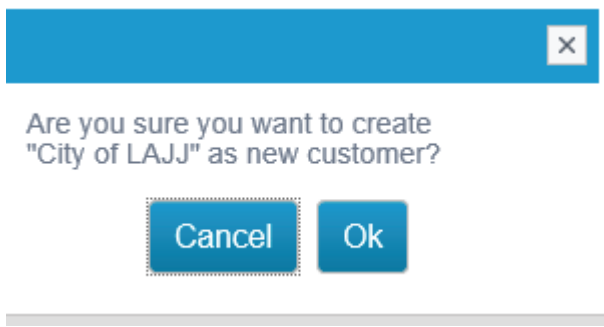
Please make sure you confirm the statements below, before requesting to add as a new customer. Since you may be subject to penalties by DIR.

I have checked the master list and verified to the best of my knowledge this is a new customer.

Cancel Add as a new customer

Loading Sales in the VSR Portal Application

You must check the last box to verify you are wanting to add this new customer and then click add as a new customer option. Another window will display that states the following:



You must click Ok button to add.

Once corrected the window will go back to Edit Online and show corrected on far right as well as number will change after the Customer Name (#) to show how many still have to be corrected in this area.

Customer Name (0)
 Previous Sales Period (1)
 Others (2)

Error Count	Error	Change/Edit Error	Reference Number	Invoice Number	Invoice Date	Sales Period	Corrected?
1	Invalid Customer	Village of Llano	020-323	INV10004293	12/20/2016	201612	Yes

Previous Sales Period – Click in the open circle next to this option and hit Go button.

Customer Name (0)
 Previous Sales Period (1)
 Others (2)

The screen will then show the following:

Edit Online

Dashboard | Edit Online

Contract Number: DIR-TSO-3556
Submitted Reporting Month: Dec 2016

Customer Name (0)
 Previous Sales Period (1)
 Others (2)

Error Count	Error	Change/Edit Error	Reference Number	Invoice Number	Invoice Date	Sales Period	Corrected?
1	Not Active Report Period	Multiple	Multiple	Multiple	Multiple	201611	

Loading Sales in the VSR Portal Application

For every month, you had listed that were previous month sales period a row will show. It will not detail the reference number, invoice number or invoice date. Click on the word Multiple below the Change/Edit Error column. A new window will show the following:

✕

The uploaded report includes past sales from (NOV 2016).
Do the invoice date(s) and sales period(s) listed match for all past sales being reported?
If so, click yes to confirm you are reporting past month sales.
If no, hit the cancel button.
Make sure to download the current pending report, update the Sales Period and Invoice Date fields on the applicable row(s) and reload the report.

Yes Cancel

The screen is asking you to verify the sales for older months are correct. If you did include sales from previous month(s) on the report, click on the Yes button. If no, you need to hit Cancel button. You can Revalidate any other corrections and then correct the error file by either changing the Sales Period and/or Invoice date or remove any lines that are not ready to reload as is.

If you click Yes, the previous Edit Online screen will come back up and show a new number pending on **Previous Sales Period** plus applicable sales periods 'corrected'.

Edit Online

Dashboard / Edit Online

Contract Number: DIR-TSO-3556
Submitted Reporting Month: Dec 2016

Customer Name (0) Previous Sales Period (0) Others (2) Go

Error Count	Error	Change/Edit Error	Reference Number	Invoice Number	Invoice Date	Sales Period	Corrected?
1	Not Active Report Period	Multiple	Multiple	Multiple	Multiple	201611	Yes

Back to History Revalidate

Others – this is for all other types of Edits to be made online. These include: Brands, Resellers, Subcontractors, ITSAC Category, ITSAC Title, Acquisition Type, and Technology Type. For Brands, Resellers and Subcontractors names must match those that are approved for your contract. If you don't see one of these in the list, you must contact your DIR contract manager to determine if it can be added prior to loading sales on those row(s).

Loading Sales in the VSR Portal Application

Click in the open circle next to this option and hit Go button.

1) Others (2)

Submitted Reporting Month: Dec 2016

Customer Name (0) Previous Sales Period (0) Others (2)

Row Number	Error	Change/Edit Error	Reference Number	Invoice Number	Invoice Date	Sales Period	Corrected?
2	Invalid Brand	Absolute	9094030	INV1003899	12/13/2016	201612	
12	Invalid Subcontractor	Vigilant	7893556	INV10004372	12/9/2016	201612	

Navigation:

For each one you must click in the cell under Change/Edit Error and do a Search for valid name to use for loading. The search needs 3 digits listed to start searching. Once found, click on name and hit replace. The brand example only is shown below.

The screenshot shows a search dialog box with the following elements:

- Brand:** Absolute
- Search:** abc|
- Search Results:** Absolute Software
- Buttons:** A blue search button (magnifying glass icon) and a blue Cancel button.

Loading Sales in the VSR Portal Application

Brand

Absolute

Search

Absolute Software

Replace

Cancel

Customer Name (0) Previous Sales Period (0) Others (1)

Row Number	Error	Change/Edit Error	Reference Number	Invoice Number	Invoice Date	Sales Period	Corrected?
2	Invalid Brand	Absolute Software	9094030	INV1003899	12/13/2016	201612	Yes
12	Invalid Subcontractor	Vigilant	7893556	INV10004372	12/9/2016	201612	

1 - 2

The number changes next to Others and it shows Corrected where fixed. NOTE: You may **Revalidate** at any time and items fixed will be checked and updated. A new pending user action will show again until all items are corrected.

In this example, all but one item will be fixed prior to revalidating. You may need to wait for fix by your DIR contract manager and thus can save all your fixes by doing so. If you don't the changes will not stay.

If you choose to **Revalidate** a new window will display.

Loading Sales in the VSR Portal Application

✕

There are 1 more errors to be corrected. Are you sure you want to revalidate? Please note the following if you wish to continue.

1. The error file on the history screen will get updated based on the corrections you just made.
2. The Edit Online Link on the history screen will direct you to the same screen without losing the changes you have made.
3. If you have made an "Add as a new customer" request, the VSR Application recognizes the customer now.

CancelProceed & Generate the new Error File

Any new customers will not show in the system for new reports until system update runs.

Click on the **Proceed & Generate the new Error File** option to save your changes. You will then be sent back to the History screen with the file showing in Submitted status. You will get another, rejected file email. This is just temporary. Once it validates your changes it will go to either **Pending User Actions** or **Accepted** status.

Until the file goes to Accepted status it is not considered received.

Search

tract No	Type	Submitted Reporting Month	Submitted By	Submitted Date	Status	Status Date	Tot Pric
-TSO-3556	Cooperative	Dec 2016	14804@testmail.com	02-12-2017	Submitted	02-12-2017	

Once the file is accepted the History screen shows date file was accepted, total extended price, estimated admin fee, estimated late fee, etc.

Loading Sales in the VSR Portal Application

Submitted Reporting Month	Submitted By	Submitted Date	Status	Status Date	Total Extended Price	Estimated Admin Fee	Estimated Late Fee	Final Admin Fee	DIR Response	Submitted File
Dec 2016	14804@testmail.com	02-12-2017	Accepted	02-12-2017	\$14,496.96	\$108.73	\$0.00	\$0.00	Accepted file by DIR	Copy of GTS Solutions TSC Dec16r4.xlsx

The Estimated Late Fee and Final Admin Fee will be updated right before DIR runs a month end close. The DIR Response has your file with a line by line calculation for the admin fee in the last column. Any differences in admin fee will be due to ineligible customers you included on the report. The system doesn't check for eligibility at loading.

You will be sent an email when the close is run and notified your admin fee along with any late fees are updated for the month noted in the History screen.