

STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES
CONTRACT FOR SERVICES
Digerati Systems, Inc.

1 Introduction

A. Parties

This Contract for Information Technology Staff Augmentation services is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter “DIR”) with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and Digerati Systems, Inc., (hereinafter “Successful Respondent”), with its principal place of business at 8501 Wade Blvd., Suite 520, Frisco, Texas 75034.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Comptroller of Public Accounts’ Electronic State Business Daily, Request for Offer (RFO) DIR-CPO-TMP-445, on April 8, 2020, for Information Technology Staff Augmentation Contract (ITSAC) services. Upon execution of this Contract, a notice of award for DIR-CPO-TMP-445 shall be posted by DIR on the Electronic State Business Daily.

C. Order of Precedence

For purchase transactions under this Contract, the order of precedence shall be as follows:

- i. this Contract;
- ii. Appendix A, Standard Terms and Conditions;
- iii. Appendix B, Successful Respondent’s Historically Underutilized Businesses Subcontracting Plan;
- iv. Appendix C, ITSAC Not-to-Exceed Rates;
- v. Appendix D, ITSAC Titles and Descriptions
- vi. Exhibit 1, Successful Respondent’s Response to RFO DIR-CPO-TMP-445, including all Addenda;
- vii. and Exhibit 2, RFO DIR-CPO-TMP-445, including all Addenda;

are incorporated by reference and constitute the entire agreement between DIR and Successful Respondent governing purchase transactions. 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substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.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 initial term of this Contract shall be two (2) years commencing on the later of October 1, 2020 or the last date of approval by DIR and Successful Respondent and ending on August 31, 2022, with two (2) optional one-year renewals. Prior to expiration of each term, the contract will renew automatically under the same terms and conditions unless either party provides notice to the other party sixty (60) days in advance of the renewal date stating that the party wishes to discuss modification of terms or not renew.

3 Option to Extend

The Successful Respondent agrees that DIR may require continued performance, not including termination assistance, beyond the initial or any renewal Contract term, of any of the within described services at the rates specified in the Contract. This option may be exercised more than once, but the total extension of performance hereunder shall not exceed four (4) calendar months. Such extension of services shall be subject to the requirements of the Contract, with the sole and limited exception that the original date of termination shall be extended pursuant to this provision. DIR may exercise this option upon thirty (30) calendar days written notice to the Successful Respondent.

4 Service Offerings

Services available under this Contract are limited to information technology staff augmentation services as specified in **Appendix C, ITSAC Not-to-Exceed Rates**.

5 Pricing

Pricing to the DIR Customer shall be as set forth in **Appendix A, Standard Contract Terms and Conditions, Section 8, Pricing, Purchase Orders, Invoices and Payment**, and as limited by **Appendix C, ITSAC Not-to-Exceed Rates**, and shall include the DIR Administrative Fee.

6 DIR Administrative Fee

- A) The administrative fee to be paid by the Successful Respondent to DIR based on the dollar value of all sales to Customers pursuant to this Contract is one percent (1.00%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$1,000.00.

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 Successful Respondent without further requirement for a formal contract amendment. Any change in the administrative fee shall be incorporated in the price to the Customer.

7 Notification

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

If sent to the State:

Hershel Becker, CTCM or Successor in Office
Chief Procurement Officer
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 475-4700
Email: hershel.becker@dir.texas.gov

If sent to the Successful Respondent:

Phani Vemuri
Digerati Systems, Inc.
8501 Wade Blvd., Suite 520
Frisco, Texas 75034
Phone: (412) 512-8368
Facsimile: (734) 503-5987
Email: phani.vemuri@digerati-systems.com

8 Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.

No exceptions have been agreed to by DIR and Successful Respondent.

Digerati Systems, Inc. Contract No. _____

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

Digerati Systems Inc

Authorized By: Signature on File

Name: Phani Vemuri

Title: President

Date: 10/6/2020

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: 10/6/2020

Office of General Counsel: MH 10/6/2020