Attachment to Managed Security Services Service Component Provider Master Services Agreement
DIR Contract No. DIR-MSS-SCP-001

Between

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

and

AT&T Corp.

**Attachment 4-B
Financial Responsibility Matrix**

October 26, 2017

Meaning of Headings

Item	Description
Personnel	
Salary, Benefits, Add'l Comp	Identifies who pays for Personnel compensation including salary, benefits, bonus, other additional compensation and payroll taxes.
Travel	Identifies who pays for Personnel travel subject to **Exhibit 4**.
Training	Identifies who pays for Personnel training.
Relocation	Identifies who pays for transitioned Personnel relocation expenses.
Inflation/Deflation	Identifies who pays for inflation/deflation that impacts Personnel-related line items.
Increase / Decrease in Staffing	Identifies who pay for staffing increases and if staffing goes down, which Party gets the benefit.
Retention Payments	Identifies why pays Personnel retention payments if applicable.
EUC Devices	Identifies w pays for Laptop, Desktop, Printers, Mobile Phones, etc.
Office Space	Identifies who pays for employees office space.
Charging Mechanism	
Equipment	Unless otherwise specified, this applies to all Equipment used to provide the Services.
Current Equipment Ownership	Identifies who paid for Equipment that existed prior to Service Proposal Effective Date and is used to provide the Services.
Equipment Ownership at Refresh	Identifies who pays for upgrading and/or replacing Equipment during the Service Proposal Term.
Refresh Cycle	Identifies the maximum number of years before Equipment is refreshed.
Ownership of Equipment for Upgrades / Enhancements	Identifies who pays if Equipment needs to be upgraded or enhanced.
Ownership of Equipment Required to Support Growth	Identifies who pays if additional Equipment is required as the result of growth.
Maintenance	Identifies who pays for Equipment break/fix and preventative maintenance.
Charging Mechanism	
Network Connectivity	Unless otherwise specified, this applies to all transport used to provide the Services.
Capacity	Identifies who pays for network capacity used to provide the Services.
Capacity Growth	Identifies who pays if more network capacity is required.
Charging Mechanism	Identifies who pays if more network capacity is required.
Software	Unless otherwise specified, this applies to all Software used to provide the Services.
Current Licenses / Maint. / Lease	Identifies who paid for Software licenses, maintenance fees and Software leases that existed prior to Service Proposal Effective Date and are used to provide the Services.
Future Licenses / Maint. / Lease	Identifies who pays for future licenses / maintenance fees / leases during the Service Proposal Term?

Meaning of Headings

Item	Description
Software Currency	Identifies the version of Software as designated by DIR and DCS as current. See **Exhibit 1** for definition of N/N-1. Financial responsibility determined in accordance with Software Releases/Upgrades/Enhancements.
Releases / Upgrades	Identifies who pays for Software upgrades. Financial responsibility includes N-1 to N upgrades where required, based upon Application requirements.
Software Required to Support Growth	Identifies who pays if new Software or additional licenses are required due to growth.
Charging Mechanism	Identifies who pays if new Software or additional licenses are required due to growth.
Facilities	
Current Assets	Identifies who pays for the current Facilities (building leases, HVAC, common services, etc.) that are used to provide the Services.
Refresh	Identify who pays for the upgrading and/or replacing of Equipment during the Term.
Upgrades / Enhancements	If upgrades or enhancements are needed for the Facility, identifies who pays for it.
Growth	If more space is needed, identifies who pays for the additional space.
Charging Mechanism	Identifies the charging mechanism based on the following: 1. SP Rates - Included in the SP Rates and cannot be billed separately or incrementally. - Refer to Exhibit 4. 2. Pass-Through Expenses - Refer to Exhibit 4. 3. TX - DIR or Customer expense with no payment to SP. SP has no financial responsibility for Third Party Vendor payment.
Cross Functional	
Current Ownership	Identifies who paid for the item that existed prior to Service Proposal Effective Date and is used to provide the Services.
Ownership at Refresh	Identifies who pays for upgrading and/or replacing the item during the Service Proposal Term.
Refresh Cycle	Identifies the maximum number of years before the item is refreshed.
Ownership for Upgrades / Enhancements	Identifies who pays if the item needs to be upgraded or enhanced.
Ownership Required to Support Growth	Identifies who pays if additional growth is required.
Maintenance	Identifies who pays for break/fix and preventative maintenance.
Charging Mechanism	Identifies who pays for break/fix and preventative maintenance.

Personnel											
All Service Types	**Salary, Benefits, Add'l Comp, Payroll Taxes**	**Travel**	**Training**	**Relocation**	**Inflation / Deflation**	**Increase / Decrease in Staffing**	**Retention Payments**	**EUC Devices (2)**	**Background Checks**	**Office Space**	**Charging Mechanism**
Third-Party Service Contracts (1)	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP Rates
SP Staff	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP Rates
Rate Card Resources	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP Rates
Customer Employees	TX	TX	TX	TX	TX	TX	TX	TX	TX	TX	TX

N/A = Not Applicable
SP = Managed Security Service Provider
TX = DIR or Customer
SP Rates =Included in Managed Security Services Charges and cannot be billed separately or incrementally. - Refer to Exhibit 4.
Note 1: Third-Party Service Contracts are contracts that include a labor-based component not included in the TX staffing levels

Equipment							
All Service Types	**Current Equipment Ownership**	**Equipment Ownership at Refresh**	**Refresh Cycle (2)**	**Ownership of Equipment for Upgrades / Enhancements**	**Ownership of Equipment Required to Support Growth**	**Equipment Maintenance**	**Charging Mechanism**
Equipment (SP provided) (1)	SP	SP	N-1	SP	SP	SP	SP Rates
Equipment (Customer provided)	TX	TX	N-1	TX	TX	TX	TX

N/A = Not Applicable
SP = Managed Security Service Provider
TX = DIR or Customer
SP Rates =Included in Managed Security Services Charges and cannot be billed separately or incrementally. - Refer to Exhibit 4.
Note 1: Excludes equipment provided by DCS vendors.
Note 2: N-1 version must still be supported by third party vendor and not End Of Life.

Network Connectivity			
All Service Types	**Capacity**	**Capacity Growth**	**Charging Mechanism**
Connectivity - Data:			
between TX Sites and TX network cloud	TX	TX	TX
between TX Sites	TX	TX	TX
between TX network cloud and SP network cloud (terminating at approved USA SP Site location) (1)	TX	TX	TX
between TX network cloud and public network cloud	TX	TX	TX
between SP Sites and SP network cloud (demarcation point)	SP	SP	SP Rates
between SP network cloud and public network cloud	SP	SP	SP Rates
between SP Sites	SP	SP	SP Rates
between SP Sites and Third-Party Disaster Recovery Provider	SP	SP	SP Rates

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SP Rates =Included in Managed Security Services Charges and cannot be billed separately or incrementally. - Refer to Exhibit 4.

Note 1: Connectivity other than VPN is Customer's responsibility as approved by SCP.

Software						
All Service Types	**Current Licenses / Maint. / Lease**	**Future Licenses / Maint. / Lease**	**Software Currency (2)**	**Releases / Upgrades**	**Software Required to Support Growth**	**Charging Mechanism**
Software (SP provided) (1)	SP	SP	n / n-1	SP	SP	SP Rates
Software (Customer provided)	TX	TX	n / n-1	TX	TX	TX
License Access / Transfer fees	SP	SP	N/A	SP	SP	SP Rates

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Note 1: Excludes software provided by DCS vendors.
Note 2: N-1 version must still be supported by third party vendor and not End Of Life.

Facilities

All Service Types	Current Assets	Refresh	Upgrades / Enhancements	Growth	Charging Mechanism
DIR Facilities					
Environmental (e.g., HVAC, PDUs)	TX	TX	TX	TX	TX
UPS	TX	TX	TX	TX	TX
Space Upgrades, Additions, Fit out	TX	TX	TX	TX	TX
Furniture & Fixtures	TX	TX	TX	TX	TX
Wiring	TX	TX	TX	TX	TX
Building Depreciation / Lease	TX	TX	TX	TX	TX
Office Equipment	TX	TX	TX	TX	TX
Building Maintenance / Security	TX	TX	TX	TX	TX
Utilities	TX	TX	TX	TX	TX
SP Sites					
Environmental (e.g., HVAC, PDUs)	SP		SP	SP	SP Rates
UPS	SP	SP	SP	SP	SP Rates
Space Upgrades, Additions, Fit out	SP	SP	SP	SP	SP Rates
Furniture & Fixtures	SP	SP	SP	SP	SP Rates
Wiring	SP	SP	SP	SP	SP Rates
Building Depreciation / Lease	SP	SP	SP	SP	SP Rates
Office Equipment	SP	SP	SP	SP	SP Rates
Building Maintenance / Security	SP	SP	SP	SP	SP Rates
Utilities	SP	SP	SP	SP	SP Rates

N/A = Not Applicable

SP = Managed Security Service Provider

TX = DIR or Customer

SP Rates =Included in Managed Security Services Charges and cannot be billed separately or incrementally. - Refer to Exhibit 4.

Cross Functional								
All Service Types	**Current Ownership**	**Ownership at Refresh**	**Refresh Cycle (1)**	**Ownership for Upgrades / Enhancements**	**Ownership Required to Support Growth**	**Maintenance**	**Charging Mechanism**	**Charging Mechanism**
Cross-Functional General:								
Security Assessment	SP - MSI	SP - MSI	N/A	SP - MSI	SP - MSI	SP - MSI	SP - MSI Rates	MSI Pass-Through
Asset Inventory and Mgmt Software	SP - MSI	SP - MSI	n / n-1	SP - MSI	SP - MSI	SP - MSI	SP - MSI Rates	SP - MSI Rates
Cross Functional Equipment part of SP MSSP solution	N/A	SP	n / n-1	SP	SP	SP	SP Rates	SP Rates
Software:								
Service Management Systems	SP - MSI	SP - MSI	n / n-1	SP - MSI	SP - MSI	SP - MSI	SP - MSI Rates	SP - MSI Rates
Cross Functional Equipment part of SP MSSP solution	N/A	SP	n / n-1	SP	SP	SP	SP Rates	SP Rates

N/A = Not Applicable

SP = Managed Security Service Provider

TX = DIR or Customer

SP Rates =Included in Managed Security Services Charges and cannot be billed separately or incrementally. - Refer to Exhibit 4.

SP - MSI Rates = Included in MSI Charges

SP - MSI Pass-Through = MSI invoices DIR as a Pass-through

Note 1: N-1 version must still be supported by third party vendor and not End Of Life.