



## **Department of Information Resources**

**Request for Offer  
DIR-TSO-TMP-262**

**Managed Services for Telecommunications**

**Issued:  
2/15/17**

**Initial Responses Due: 3/21/17**

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## **1. Introduction**

### **1.1. Purpose**

The purpose of this Request for Offer (RFO) is to solicit responses from potential Vendors to provide Managed Services for Telecommunications services to the State of Texas, acting by and through the Department of Information Resources (DIR).

As a result of this RFO, DIR expects to receive and evaluate responses and select one or more qualified Vendors with whom to enter into negotiations. Section 4 of this RFO contains more information regarding the response evaluation and Vendor selection process. DIR reserves the right to award more than one contract from this RFO. All contracts awarded shall be indefinite quantity contracts with no minimum guarantees of any purchases.

As a result of this RFO, DIR expects to create a contractual vehicle that satisfies statewide procurement requirements for Managed Services for Telecommunications Services Contracts and improves the efficiency of the procurement process by shortening the time required to procure Managed Services for Telecommunications.

**As part of DIR's initiatives to identify strategic sourcing opportunities, DIR reserves the right to make a single award or multiple awards as determined by DIR to achieve the highest overall value to the state.**

### **1.2. Background**

#### **1.2.1 Communications Technology Acquisition**

DIR, through its Communications Technology Division, is conducting this procurement under Chapter 2170, Texas Government Code, by negotiating, managing, and administering telecommunications contracts with communications technology providers. Telecommunications Customers include any Texas state agency, as defined by Section 2151.002, Texas Government Code to mean: a department, commission, board, office, or other agency in the executive branch of state government created by the state constitution or a state statute; the supreme court, the court of criminal appeals, a court of appeals, or the Texas Judicial Council; or a university system or an institution of higher education as defined by Section 61.003, Education Code, except a public junior college. Customers also include entities other than state agencies, as defined by Section 2170.004, Texas Government Code to mean: each house of the legislature; a legislative agency; an agency that is not a state agency as defined by Section 2151.002; a political subdivision, including a county, municipality, or district; a private institution of higher education accredited by a recognized accrediting agency, as defined by Section 61.003, Education Code, that engages in distance learning, as defined by Section 57.021, Utilities Code and receives federal funds for distance learning initiatives; and assistance organizations, as defined by Section 2175.001, Texas Government Code.

DIR combines the buying power of eligible Customers to obtain volume-discounted pricing for selected technology products and services. For contracts awarded as a result of this procurement, the Telecommunications Customers, as defined

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above, will be able to have a direct sales relationship with the selected Communications Technology Vendors awarded telecommunications services. All Customers contact the vendor for services and pricing information and send their purchase orders (with the DIR contract number) and payments directly to the awarded Vendors, not to DIR.

Any service awarded under the TEX-AN Next Generation Procurement, RFO number DIR-TEX-AN-NG-001 is excluded. The following services were awarded under the TEX-AN Next Generation Procurement: Long Distance Services, Internet Services (including SOHO), Voice over Internet Protocol (VoIP), Local Voice Service, Fixed Satellite, and Access and Transport.

**1.2.2 Cost Recovery**

DIR's telecommunications program is a cost recovery program. DIR, in its discretion, formulates cost recovery fees (CRF) per Service designed to fulfill its program needs, as authorized in Chapter 2170, Texas Government Code. Such CRFs may change over time and DIR will provide Vendor with 30 days' advance notice of a change in the CRFs. Vendor shall include the applicable CRF, as a component of its Price, in its bills to the Customers and shall remit the direct sales transaction CRF to DIR on a monthly basis. The CRF of 0.75% will apply to all contracts resulting from the RFO. For CRF changes, Vendor shall implement charge and remit to DIR on a going forward basis the new effective CRF in 2 billing periods from CRF Amendment Effective Date.

**1.2.3 Current Contracts**

DIR currently has multiple contracts with ten Vendors to provide Managed Services for Telecommunications. The volume of services sold through the contracts for fiscal years 2013-2016 was approximately \$58,591,200. The State's fiscal year runs September 1<sup>st</sup> through August 31<sup>st</sup>.

<b>Vendor</b>	<b>Fiscal Years 2013-2016</b>
AT & T Corporation	\$26,856,300.00
Insight Public Sector, Inc.	\$19,442,091.00
CenturyLink Communications, LLC	\$7,732,545.00
Presidio Networked Solutions Group, LLC	\$2,771,230.00
Black Box Network Services, Inc.	\$755,795.00
Verizon Business Network Services, Inc.	\$616,761.00
Globalscope Communications Corporation	\$174,819.00

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Continuant, Inc dba Continuant Texas, Inc.	\$135,041.00
EnaComm, Inc.	\$105,120.00
Porter Burgess Company DBA Flair Data Systems	\$1,500.00
<b>Totals</b>	<b>\$ 58,591,200.00</b>

## 2. Scope

### 2.1. Services

**This RFO is for services only. No hardware or software products may be sold through a contract resulting from this RFO. Any products needed to deliver final services must be procured through another contract vehicle.** DIR intends to contract to provide Managed Services for Telecommunications. The purpose of the services is to provide DIR eligible customers an effective and efficient means to obtain a variety of managed services solutions. DIR intends to establish master contracts to provide comprehensive services that will include, but are not limited to: Managed Services, Support Services and Technology Services and Related Services. Customers may order the Services by execution of a Statements of Work (SOWs). Each vendor will demonstrate its qualifications and experience for each engagement for which it intends to respond.

DIR is not soliciting Managed Services for Telecommunications for the agency. DIR establishes statewide master contracts for use by DIR eligible customers. DIR competitively bids for information technology products and services.

Customers must identify their own needs, then contact an awarded DIR Vendor and obtain a price quote for services. Customers may submit a statement of work or purchase order to the Vendor when obtaining a quote based on their needs. The Customer makes the best value determination and issues a purchase order directly to the Vendor.

This RFO is **not** a solicitation for professional or consulting services as defined in Chapter 2254, Texas Government Code.

### 2.2. Representative Examples of Managed Services

***Management of telecommunications services as set forth below:***

- A. Management Services is the management of customer owned equipment or vendor provided equipment in support of the following technology services:
  - a. Management of call processing architecture
  - b. Call Center or Contact Center Services
  - c. IVR/Auto-Attendant
  - d. Phone Systems Management (PBX, key system, etc.) or Integration
  - e. Management of Voice and/or Data Networks
  - f. Network Optimization

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- B. The following services can be included to provide a total managed service solution:
1. Hosted Solutions are offered to customers on a subscription basis and includes the IT infrastructure (hardware and software) and support services necessary to deliver the solution. Hosted services include technology services listed here:
    - a. Management of call processing architecture
    - b. Call Center or Contact Center Services
    - c. IVR/Auto-Attendant
    - d. Phone Systems Management (PBX, key system, etc.) or Integration
    - e. Management of Voice and/or Data Networks
    - f. Network Optimization
  2. Requirements Development
  3. Integration Services
  4. SLA's and Performance Metrics
  5. Reporting
  6. Asset Management
  7. Project management
  8. Operations
  9. Support Services
    - a. Move, Add, Changes (MACs)
    - b. Solution Design
    - c. Solution Software and Licenses
    - d. Network Readiness Assessment and Optimization
    - e. Transition and Termination Services
    - f. Break/Fix and Maintenance
    - g. Help/Support Desk Services
    - h. Training
- C. Excluded Telecommunications Service Offerings

**Any service awarded under the TEX-AN Next Generation Procurement, RFO number DIR-TEX-AN-NG-001. The following services were awarded under the TEX-AN Next Generation Procurement:**

1. Long Distance Services
2. Internet Services (including SOHO)
3. Voice over Internet Protocol (VoIP)
4. Local Voice Service
5. Fixed Satellite
6. Access and Transport

DIR reserves the right to include or exclude in a resulting Contract any services offered in a vendor's response.

DIR Customers acquiring Managed Services for Telecommunications under a contract will be required to execute a Statement of Work directly with a Vendor. The Customer will be required to negotiate additional terms and conditions and specific requirements as needed

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directly with a Vendor. Terms and Conditions stated in an SOW shall not weaken a term or condition as stated within a DIR services contract.

Vendor is required to respond to the requirements in Exhibit A, Vendor Information Form.

### 2.3. Electronic and Information Resources (EIR) Accessibility

Under Texas Government Code, Chapter 2054, Subchapter M, and DIR implementing rules, DIR state agency Customers must procure products that comply with the Accessibility Standards defined in the Texas Administrative Code, 1 TAC 206 and 1 TAC 213, when such Products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation. Accordingly, Vendor must provide electronic and information resources and associated Product documentation and technical support that comply with these Accessibility Standards in each awarded Statement of Work (SOW). Vendors who do not already have accessibility documentation should complete the form located here: <http://www.itic.org:8080/dotAsset/5644ecd2-5024-417f-bc23-a52650f47ef8.doc>.

### 2.4. Form of Contract

#### 2.4.1 Sample Contract and Terms; Negotiation

The final terms and conditions of any contract awarded as a result of this RFO shall be agreed upon during negotiation. However, the minimum standard terms and conditions that shall be included in any awarded contract are contained in the sample *Contract for Services* attached as “Bid Package 3” and the *Standard Terms and Conditions for Services Contracts* attached as “Bid Package 4” to the posting for this RFO, requisition number DIR-TSO-TMP-262, on the Electronic State Business Daily, <http://esbd.cpa.state.tx.us/>.

#### 2.4.2 Proposed Changes and Exceptions

**Caution: Vendors’ Responses may be disqualified if their exceptions are excessive, or if they except to non-negotiable terms, as described below.** Item 16 of Exhibit A contains the format for Vendor to note any exception to any provision, term, or condition specified in the *Contract for Services* and *Standard Terms and Conditions for Services Contracts*. Vendor should provide any proposed changes to contract language in redline in the “Proposed Language (redline)” column of the chart in Item 16 of Exhibit A. **Vendors may request exceptions to standard contract terms and conditions (other than those that DIR has identified as non-negotiable); however (1) where noted, exceptions to certain terms and conditions will not be allowed. If Vendor is unable to comply with these provisions, the Vendor’s response may be subject to disqualification from further consideration for this solicitation. (2) the number and significance of exceptions taken will be taken into consideration by DIR, and (3) DIR in its discretion may or may not accept the Vendor’s requested exceptions, and (4) DIR, in its sole direction, may determine that material deviations (including excessive, additional, inconsistent, conflicting or alternative terms) render the Offer non-responsive and may result in rejection of the bid without further consideration.** An explanation as to why the Vendor cannot comply with the provision, term, or condition and proposed alternative language **must** be included in the response. If Vendor fails to note any exception, Vendor will not be allowed to request an exception upon award or at

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some later date.

DIR anticipates a contract term of two years with two, one-year optional extensions to be exercised by DIR at its discretion. In the event of prolonged contract negotiations due to the number and/or significance of exceptions taken, lack of Vendor responsiveness or other failure to close contract negotiations that are not due to a failure on the part of DIR, DIR may in its discretion offer Vendor a shorter contract term.

DIR reserves the right to make changes to the *Contract for Services* or the *Standard Terms and Conditions for Services Contracts* if it is in the best interest of the State to do so. Should this occur prior to the award of any contracts as a result of this RFO, any Vendors selected for negotiations will be notified.

### **3. General Information**

#### **3.1. Point of Contact**

All communications regarding this RFO must be addressed in writing to:

Carrie Cooper  
Department of Information Resources  
300 W. 15<sup>th</sup> Street, Suite 1300  
Austin, Texas 78701  
Phone: 512-936-2353  
Fax: 512-936-6896  
Internet: [carrie.cooper@dir.texas.gov](mailto:carrie.cooper@dir.texas.gov)

#### **3.2. Contact with DIR Staff**

Upon issuance of this RFO, employees and representatives of DIR other than the Point of Contact identified in Section 3.1 will not discuss the contents of this RFO with any Vendor or their representatives. **Failure of a Vendor and any of its representatives to observe this restriction may result in disqualification of any related response.** This restriction does not preclude discussions between affected parties for the purpose of conducting business unrelated to this procurement.

#### **3.3. Anticipated Schedule**

##### **3.3.1 RFO Schedule**

It is DIR's intention to comply with the following schedule for this RFO. These dates represent a tentative schedule of events. DIR reserves the right to modify these dates at any time. Prospective Vendors will be notified of modifications to the schedule via the Electronic State Business Daily (ESBD) web site.

<b>Date/Time</b>	<b>Activity</b>
February 15, 2017	Publish RFO on Electronic State Business Daily
February 23, 2017 2:30 pm CT	Optional Vendor Conference
February 27, 2017 2:30 pm CT	Deadline for submitting questions
March 21, 2017 4:00 pm (CT)	Deadline for DIR to receive Vendor

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	references
March 8, 2017 5:00 pm (CT)	Deadline for posting answers to questions on the ESBD
<b>March 21, 2017 4:00 pm (CT)</b>	Deadline for submitting Responses to RFO
March 22, 2017-through completion	Evaluation of responses, oral presentations (if requested) negotiation and contract execution

**3.3.2 Vendor Conference**

An optional Vendor Conference will be held on the date and time specified in RFO Section 3.3.1 above at the location listed below. Please bring a copy of the RFO to the Vendor Conference, as DIR will only supply a limited amount of copies.

William P. Clements Building  
300 W. 15th Street  
Room 103  
Austin, Texas 78701

DIR will also provide Vendors the opportunity to submit written questions at the conference. All questions submitted at the conference must reference the appropriate RFO page and section number. Although DIR may provide tentative responses to questions at the conference, responses are not official until they are posted as an addendum to this RFO on the Electronic State Business Daily, <http://esbd.cpa.state.tx.us/>. DIR reserves the right to amend answers prior to the offer submission deadline.

**Webinar Information:**

The Vendor Conference will be available live via the web. **To participate in this live interactive Webcast, you must register by going to:**

<https://attendee.gotowebinar.com/register/5510483275799843586>

**3.3.3 Written Questions and Official Answers**

Vendors shall submit all questions regarding this RFO by fax, e-mail, or in writing to the Point of Contact listed in Section 3.1. **Questions regarding this RFO will be accepted until the date and time specified above in Section 3.3.1, RFO Schedule.** Note: Texas observes Daylight Savings Time. Official answers will be posted as an addendum to this RFO, requisition number DIR-TSO-TMP-262, on the Electronic State Business Daily (ESBD), <http://esbd.cpa.state.tx.us/>. DIR reserves the right to amend answers prior to the offer submission deadline.

Any addenda and/or amendment to this procurement solicitation will be posted as an addendum on the Electronic State Business Daily. It is the responsibility of interested parties to periodically check the ESBD for updates to the procurement prior to submitting a bid. Respondent's failure to periodically check the ESBD will in no way release the selected Vendor from "addenda or additional information" resulting in additional costs to meet the requirements of the RFO.

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**3.4. Historically Underutilized Businesses**

The purpose of the Historically Underutilized Business (HUB) Program is to promote full and equal business opportunities for all businesses in State contracting in accordance with the goals specified in the State of Texas Disparity Study. Each state agency must make a good faith effort to meet or exceed the goals identified below and assist HUBs in receiving a portion of the total contract value of all contracts that the agency expects to award in a fiscal year in accordance with the following procurement goals/percentages:

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

It is the policy of DIR to make a good faith effort to achieve the annual program goals by contracting directly with HUBs or indirectly through subcontracting opportunities in accordance with the Texas Government Code, Chapter 2161, Subchapter F, and HUB Rules promulgated by the Comptroller of Public Accounts (CPA), 34 TAC, Chapter 20.

HUBs are strongly urged to respond to this RFO. Under Texas law, state agencies are required to make a good faith effort to assist HUBs in receiving certain percentages of the total value of contract awards. Vendors who meet the qualifications are strongly encouraged to apply for certification as HUBs.

**3.4.1 HUB Subcontracting Plan**

DIR has determined that subcontracting is probable under any contract awarded as a result of this RFO. The HUB Goal for this RFO is **26.0%**. **ALL VENDORS RESPONDING TO THIS RFO, INCLUDING THOSE THAT ARE HUB CERTIFIED OR THOSE WHO DO NOT PLAN TO SUBCONTRACT, MUST COMPLETE A HUB SUBCONTRACTING PLAN (HSP) IN ACCORDANCE WITH THE STATE'S POLICY ON UTILIZATION OF HUBS. THE HSP MUST BE INCLUDED AS PART OF THE RESPONSE TO THIS RFO. FAILURE TO COMPLETE THE HSP AS INSTRUCTED MAY RESULT IN DISQUALIFICATION OF THE RESPONSE FROM CONSIDERATION.** The State's Policy on Utilization of Historically Underutilized Businesses and HSP forms are attached to this RFO as Exhibit C. Please review the HSP forms carefully and allow sufficient time to identify and contact HUBs and allow them to respond. Note that Vendors must demonstrate a good faith effort to contract with new HUBs if currently proposed HUBs have performed as subcontractors to the Vendor for more than five years. If the Vendor does not plan to subcontract, Vendor must state that fact in their plan. An original, signed paper copy of the HSP must be submitted in an envelope that is separate from the rest of the proposal. The completed plan shall become a part of the contract that may be awarded as a result of this RFO.

**3.4.2 HUB Continuing Performance**

Any contracts awarded as a result of this RFO shall include reporting responsibilities

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related to HUB subcontracting. Awarded Vendors may not change any subcontractor without submitting a revised HUB Subcontracting Plan (HSP). Any change to a subcontractor and revised HSP must be approved in writing by DIR prior to implementation.

**3.4.3 HUB Resources Available**

A list of certified HUBs is available on the Texas Comptroller of Public Accounts (CPA) Website at: <https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp>. For additional information, contact the CPA's HUB program office at [StatewideHUBProgram@cpa.texas.gov](mailto:StatewideHUBProgram@cpa.texas.gov). If Vendors know of any businesses that may qualify for certification as a HUB, they should encourage those businesses to contact the CPA HUB program office.

**3.5. Vendor Qualifications**

**3.5.1 Authorized Vendors**

Vendors who respond to this RFO must be a Vendor who will sell directly to Customers through a DIR Communications Technology contract.

**3.5.2 Federal Requirements**

- 1) State agencies are prohibited from doing business with terrorists and terrorist organizations. Any Vendor 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 (Terrorism List) shall not be awarded a Contract as a result of this RFO. Any Vendor awarded a Contract as a result of this RFO must agree that if at any time during the term of the contract the Vendor is listed on the Terrorism List, the Vendor shall promptly notify DIR. As part of DIR's contract management, periodic checks will be performed to ensure any Vendor awarded a contract as a result of the RFO remains in compliance with these Federal Requirements. DIR shall have the absolute right to terminate the contract without recourse in the event Vendor becomes listed on the Terrorism List.
- 2) Should any Vendor or its principals awarded a Contract as a result of this RFO become 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, the Vendor's contract will be terminated without recourse.
- 3) Vendor shall comply with the requirements of 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) hired on or after the effective date of the 1996 Act who will perform any labor or services under this Contract.

**3.5.3 Vendor Performance and Debarment**

In accordance with 34 TAC, Chapter 20, Subchapter C, any Vendor that is debarred from doing business with the State of Texas will not be awarded a contract under this solicitation. The list of debarred Vendors is located on the CPA

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Web site at:

<https://www.comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/debarred-vendors.php>

**3.5.4 Required Vendor and Subcontractor Current and Former State Employee Disclosures**

Vendor shall disclose, for itself and on behalf of all of its Subcontractors, in its response to Section 19 of Exhibit A to Bid Package 1 of the RFO, all of the following:

- 1) Any current Key Personnel, as defined in Section 2.2 of the RFO, of Vendors who will spend 20% or more of their time on a contract resulting from this RFO and are current or former employees of the State of Texas within the past five (5) years; and
- 2) Any proposed Vendor Key Personnel, as defined in Section 2.2 of the RFO, assigned to work directly on any Contract to arise from this RFO 20% or more of their time who are related within two degrees of consanguinity of any current or former employees of the State of Texas. Disclosure of former state employees may be limited to the last five (5) years.
- 3) Vendors will certify that they are in compliance with Texas Government Code, Title 6, Subtitle B, Section 669.003, relating to contracting with the executive head of a state agency. If Section 669.003 applies, Vendors will complete the following information in order for the response to be evaluated: Name of Former Executive, Name of State Agency, Date of Separation for State Agency, Position with Vendor, and Date of Employment with Vendor.

**3.6. Response Deadline and Submission Requirements**

Vendors are invited to submit responses in accordance with the requirements outlined in this document. Responses must be received by DIR on or before **the date and time specified in Section 3.1 of this RFO. No late responses will be reviewed.** Responses must be hand-delivered or mailed to the submittal address listed in Section 3.7.1. No facsimile or e-mail responses shall be accepted.

**3.6.1 Official Timepiece**

The clock in the DIR Purchasing Office at 300 W. 15<sup>th</sup> Street, 13<sup>th</sup> Floor, Room 1335, is the official timepiece for determining compliance with the deadline. All responses will be date and time stamped when received by the Purchasing Office on the 13<sup>th</sup> floor.

**3.6.2 Hand Delivery of Responses**

All Vendors and courier delivery service personnel will be required to check in at the security desk on the 1<sup>st</sup> floor at 300 W. 15<sup>th</sup> Street. Therefore, it is advised that Vendors allow extra time for building security check-in if hand-delivering responses or using a courier delivery service. DIR will not be responsible for delays associated with building security compliance.

**3.6.3 United States Postal Service Delivery of Responses**

Due to the potential for delays, DIR encourages the use of courier deliver services, however delivery of responses via United States Postal Service is acceptable. Responses

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must be received, not post-marked, by the response deadline and, due to the State's mail processing procedures, this method may cause a delay in delivery to the DIR Purchasing Office. DIR will not be responsible for any delays associated with this method of delivery.

### **3.7. Response Format and Contents**

#### **3.7.1 Submittal Address and External Packaging of Response**

Responses should be addressed to:

Department of Information Resources  
300 W. 15<sup>th</sup> Street, Suite 1300  
Austin, Texas 78701  
Attn: Carrie Cooper

USPS Delivery Only – please refer to Section 3.6.3  
Department of Information Resources  
P.O. Box 13564  
Austin, Texas 78711-3564

The external packaging of the response must reference "RFO DIR-TSO-TMP-262" and must include the name and address of the Vendor submitting the response.

#### **3.7.2 Number of Copies**

Each Vendor must submit the complete response as follows:

- a. One (1) signed original (clearly marked) of the complete response, including one (1) signed original of the HUB Subcontracting Plan;
- b. One (1) signed original of the HUB Subcontracting Plan in a separate envelope;
  1. Two (2) USB flash drives (**clearly marked with Vendor name**) containing the following;
- c. One (1) USB drive containing an electronic folder labeled "Complete Vendor Response" that shall contain the entire Vendor's response.
- d. One (1) USB drive containing a labeled electronic folder with any and all response materials, which Vendor asserts are confidential or proprietary\*; and a labeled electronic folder containing all non-proprietary/confidential and non-copyrighted materials in the Vendor's response\* (redacted copy for public release).

\* If Vendor's response does not contain such materials, then USB drive(s) for these items are not required. DIR will release the non-proprietary/confidential and non-copyrighted version if DIR receives a Public Information Request. Unless Vendor specifically identifies proprietary, confidential or copyrighted material as required, DIR will assume all information is available for public disclosure.

Paper responses must be bound in a three-ring binder and the cover of the binders must reference "DIR-TSO-TMP-262" and include the name and address of the responding Vendor.

Each USB drive must be clearly marked as to its contents. **The response materials on each USB drive must be compatible with Microsoft Office.** All materials must be submitted in an editable format (e.g., Microsoft Word, Microsoft Excel). Do not submit

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electronic materials in PDF format. If there are any disparities between the contents of the printed response and any of the response materials on USB drives, the contents of the signed original printed response will take precedence.

NOTE: USB drive(s) must be securely fastened to the three-ring binder.

**3.7.3 Mandatory Response Contents**

VENDOR MUST PROVIDE THE ITEMS LISTED BELOW OR THE RESPONSE WILL BE REJECTED.

- 1) Vendor Information – Exhibit A of this RFO  
This form must be filled out in its entirety and signed by an officer or agent empowered to contractually bind the Vendor.
- 2) List of Vendor’s Cancelled Contracts – Bid Package 1, Attachment 1
- 3) Release of Liability Form for References – Bid Package 1, Attachment 2
- 4) Contract Support Plan - Exhibit B of this RFO  
Vendor must provide a plan that describes the Vendor’s ability and strategy for promoting and supporting the contract, if awarded.
- 5) HUB Subcontracting Plan Forms – Exhibit C of this RFO  
All Vendors, **INCLUDING THOSE WITH HUB DESIGNATION AND THOSE THAT DO NOT PLAN TO USE SUBCONTRACTORS**, must submit a HUB Subcontracting Plan. HUB Subcontracting Plan Forms are provided in Exhibit C. Refer to Section 3.4 for more information regarding HUB subcontracting. **Note: For the purposes of the HUB Subcontracting Plan, Order Fulfillers designated by a manufacturer or publisher to sell directly to Customers on its behalf are considered subcontractors. The paper copy of the HSP must be submitted in a separate envelope.**
- 6) Vendor Experience Form – Bid Package 2

**3.7.4 References**

Vendor must send the Vendor Reference Questionnaire (See Bid Package 5) to three (3) companies or government agencies. At least one of the engagement customers listed in Bid Package 2, Vendor Experience, must be one of the references in the Vendor Reference Questionnaire, Bid Package 5. Instructions are included in Bid Package 5. DIR is not responsible for undeliverable e-mails or for non-responsive references. If DIR does not receive a vendor reference, Vendor will receive a score of “0” for that reference. Include all requested information. References must respond to DIR on the form provided by the due date in order to be considered in proposal evaluation. The Vendor Reference Questionnaire form must be submitted directly from the reference to DIR. The Vendor may not submit the reference form to DIR. Should this occur, the reference will be scored with a zero (0).

**3.8. Rejection of Responses**

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DIR has sole discretionary authority and reserves the right to reject any and all responses received as a result of this RFO. Responses that do not comply with the mandatory submission requirements shall be rejected. In addition, DIR reserves the right to accept or reject, in whole or in part, any responses submitted, and to waive minor technicalities when in the best interest of the State.

**3.9. Right to Amend or Withdraw RFO**

DIR reserves the right to alter, amend or modify any provision of this RFO, or to withdraw this RFO, in whole or in part, at any time prior to the award of a contract if to do so is in the best interest of the State. DIR reserves the right to re-solicit for like or similar products and services whenever it determines re-solicitation to be in the best interest of the State.

Any changes or additional information regarding this RFO will be posted as an addendum to requisition number DIR-TSO-TMP-262 on the Electronic State Business Daily, <http://esbd.cpa.state.tx.us/>. It is the responsibility of Vendors to monitor the web site for addenda. Vendor's failure to periodically check the ESBD will in no way release the vendor from "addenda or additional information" resulting in additional costs to meet the requirements of the RFP.

**3.10. Pre-agreement Costs**

DIR shall not be responsible or liable for any cost incurred by any Vendor in the preparation and submission of its response to this RFO or for other costs incurred by participating in this procurement process.

**3.11. Ownership of Responses**

All responses become the property of DIR. DIR reserves the right to use any and all information or materials presented in response to this RFO. Disqualification of a Vendor's response does not eliminate this right.

**3.12. Public Information**

DIR is a government agency subject to the Texas Public Information Act. Responses submitted to DIR as a result of this RFO are subject to release as public information after contracts are executed or if the procurement is terminated. Vendor may not mark its complete proposal "copyrighted" or mark every page as proprietary or confidential but if a Vendor believes that its response, or parts of its response, may be exempted from disclosure under Texas law, the Vendor must specify page-by-page and line-by-line the parts of the response that it believes are exempt. In addition, the Vendor must specify which exception(s) are applicable and provide detailed reasons substantiating the exception(s).

The Office of the Attorney General (OAG) has the sole authority to determine whether information is confidential and not subject to disclosure under the Public Information Act. DIR shall comply with all decisions of the OAG.

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DIR assumes no responsibility for asserting legal arguments on behalf of any Vendor. Vendors are advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

## **4. Evaluation, Negotiations, and Award**

### **4.1. Evaluation of Responses**

DIR will review proposals to determine responsiveness to this RFO. All determinations about responsiveness to this RFO are final. All proposals determined to be responsive will go through a financial review overseen by the Chief Financial Officer's (CFO's) office. **The financial review is a pass/fail determination that is final.** Only proposals that receive a passing grade will proceed to the Evaluation Committee. DIR will establish an Evaluation Committee to review all responses that have not been rejected. At any time during the evaluation process, DIR may ask any or all Vendors to elaborate on or clarify specific points or portions of their response. DIR's request and Vendor's response shall be in writing. Once initial evaluation of responses has been completed, the Evaluation Committee shall turnover the tabulated scores to the DIR purchasing office and shall conclude their duties.

### **4.2. Evaluation Criteria**

#### **4.2.1 Pass/Fail Criteria**

In addition to the weighted criteria listed below DIR also reviews additional Pass/Fail criteria as follows:

- a. DUNS Number and report is a Pass/Fail review conducted by the Finance Group (Exhibit A, Item 11)
- b. Compliance with applicable provisions of §§2155.074, 2155.075, 2156.007, 2157.003, and 2157.125, Gov't Code. Respondents may fail this selection criterion for any of the following conditions:
  - o A score of less than 90% in the Vendor Performance System;
  - o Currently under a Corrective Action Plan through the CPA, having repeated negative Vendor Performance Reports,
  - o Having purchase orders that have been cancelled in the previous 12 months for non-performance (including but not limited to late delivery, etc.).
- c. Completion of HUB Subcontract Plan (Exhibit C).

#### **4.2.2 Evaluation Criteria**

The criteria and weight to be used in determining the best value for the State are as follows:

- o **65% - Past Engagement Experience and Vendor's history and experience in providing the services requested, including information provided regarding Cancelled Contracts in Exhibit A, Attachment 1.**
  - Exhibit A of Bid Package 1
  - Bid Package 2, Vendor Experience
- o **20% Contract Marketing Plan** - Vendor's plan for supporting the Contract, if awarded. - Exhibit B of Bid Package 1
- o **15% - Vendor References.** Bid Package 5 will be submitted directly to DIR by

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each Vendors' reference

At least one of the engagement customers listed in Bid Package 2, Vendor Experience, must be one of the references in the Vendor Reference Questionnaire, Bid Package 5.

Vendors will be evaluated on performance under existing and prior contracts for similar products or services and the evaluation may include consideration of Vendor performance as recorded in the CPA Vendor Performance Tracking System as described in the Texas Administrative Code, 34 TAC 20.108(b).

#### **4.3. Oral Presentations, Best and Final Offer**

DIR in its discretion shall make the determination whether to request oral presentations and/or engage in the Best and Final Offer process. Both oral presentations and the Best and Final Offer process, if held, will also be scored.

DIR reserves the right to continue to evaluate responses until such point as the best value, as defined by Texas Government Code, Section 2157.003, is obtained for the State.

#### **4.4. Negotiations**

At the conclusion of the evaluation, as described within Sections 4.1 and 4.3 above, DIR staff shall determine the number of Vendors with which it will start contract negotiations. In its discretion, DIR shall terminate contract negotiations when DIR determines that the best value for the State has been obtained. Then the staff will recommend award of one or more contracts to DIR Executive Management.

#### **4.5. Award of Contract**

DIR Executive Management shall make the decision to award any contracts, if in the best interest of DIR and the State to do so. The decision of Executive Management on any award is final. Any award for this RFO shall be posted under requisition number DIR-TSO-TMP-262 on the Electronic State Business Daily, <http://esbd.cpa.state.tx.us/>, upon execution of a contract with one or more Vendors. All responses and working papers pursuant to this RFO are not subject to disclosure under the Public Information Act until all contracts resulting from this RFO have been executed.

Any Contract resulting from this solicitation is contingent upon the continued availability of lawful appropriations by the Texas Legislature.

#### **4.6. Vendor Protest Procedures**

Any Vendor who is aggrieved in connection with this RFO, evaluation, or award of a contract may formally protest to DIR in accordance with the Vendor protest procedures posted on the DIR Web site at: <http://dir.texas.gov/View-Information-For-Vendors/Pages/Content.aspx?id=21>

**END OF RFO**

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Exhibit A  
Vendor Information**

This form must be filled out in its entirety and signed by an officer or agent empowered to contractually bind the Vendor.

- 1) Company Name: \_\_\_\_\_
  
- 2) Comptroller of Public Accounts Vendor Identification Number: \_\_\_\_\_
  
- 3) Principal place of business  
Address:  
City:  
State:  
Zip Code:
  
- 4) Facility responsible for servicing the contract  
Address:  
City:  
State:  
Zip Code:
  
- 5) Contact Person regarding Vendor's response to the RFO  
Name:  
Address:  
City, State, Zip:  
Phone Number:  
Fax:  
Email:
  
- 6) Contact Person responsible for contract negotiation  
Name:  
Address:  
City, State, Zip:  
Phone Number:  
Fax:  
Email:
  
- 7) Indicate whether or not your company is a certified Historically Underutilized Business (HUB) with the State of Texas by the CPA.  
\_\_\_\_\_ Yes                      \_\_\_\_\_ No
  
- 8) Provide the year in which your company was created/incorporated.

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- 9) Provide a detailed history of your company.
- 10) Provide the number of years your company has sold the products/services requested in this RFO.
- 11) Provide the number of years your company has sold the products/services requested in this RFO to Texas state agencies, local governments, independent school districts, and institutions of higher education.
- 12) Indicate whether or not Texas state agencies, local governments, independent school districts, and institutions of higher education have purchased the products/services listed in this RFO from your company within the last 12 months.  
\_\_\_\_\_Yes                      \_\_\_\_\_No
- If yes, provide the entity names, total sales, quantity sold, and discount % off list price.
- 13) Indicate whether or not your company holds a contract for use by public entities (state agencies, local governments, independent school districts, public universities) in any other states for the same products/services requested in this RFO.  
\_\_\_\_\_Yes                      \_\_\_\_\_No
- If yes, provide the entity names, total sales, quantity sold, and discount % off list price.
- 14) Indicate whether or not your company holds a contract with any entity or consortium authorized by Texas law to sell the products and services requested in this RFO to Texas state agencies, local governments, independent school districts, and institutions of higher education.  
\_\_\_\_\_Yes                      \_\_\_\_\_No
- If yes, provide the entity names, total sales, quantity sold, and discount % off list price.
- 15) Vendor must send the Vendor Reference Questionnaire (See Bid Package 5) to three (3) companies or government agencies. Instructions are included in Bid Package 5. DIR is not responsible for undeliverable e-mails or for non-responsive references. If DIR does not receive a vendor reference, Vendor will receive a score of "0" for that reference. Include all requested information. References must respond to DIR on the form provided by the due date in order to be considered in proposal evaluation. The Vendor Reference Questionnaire form must be submitted directly from the reference to DIR. The Vendor may not submit the reference form to DIR. Should this occur, the reference will be scored with a zero (0).
- 16) List below by subsection all exceptions to the *Contract for Services* and *Standard Terms*

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*and Conditions for Services Contracts in redline form.* You must include the basis of your exceptions and provide proposed alternate language. **If Vendor fails to list exceptions in its response, Vendor shall not be permitted to submit exceptions to the same section during the negotiation process or thereafter. Vendor shall not redline the contract or Exhibit A. All exceptions must be listed in the chart below. Vendor shall not redline the contract or Appendix A. All exceptions must be listed in the chart below. Any terms and conditions attached to a response will not be considered unless specifically referred to in this solicitation and may result in disqualification.**

Section	Section Title	Explanation of Exception	Proposed Language (redline)

Vendor certifies that they are in compliance with Texas Government Code, Title 6, Subtitle B, Section 669.003, relating to contracting with the executive head of a state agency. If Section 669.003 applies, Vendor will complete the following information in order for the response to be evaluated: Name of Former Executive, Name of State Agency, Date of Separation for State Agency, Position with Vendor, and Date of Employment with Vendor.

17) Proof of Financial Stability.

All Vendors responding to this RFO and all Vendors that will enter into a contract with DIR must be and remain current in payment of all taxes, including Sales and Franchise Taxes. In general, the Comptroller of Public Accounts must identify the Vendor to be “in good standing” and a Vendor with which the state is authorized to do business.

Vendors must provide a Dun and Bradstreet D-U-N-S number. The D-U-N-S number **MUST** be included in the Vendor’s response. **Failure to include the D-U-N-S number listed for the company shall cause automatic rejection of the response.**

18) Officer or Agent empowered to contractually bind the Vendor:

- Name:
- Title:
- Address:
- Phone Number:
- Fax:
- Email:

19) Statement of Compliance

- Checklist for the RFO

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The following checklist is provided for the convenience of Vendors in their response preparation process. It is not intended to represent an exhaustive list of the mandatory requirements for this RFO. Vendors must ensure that all mandatory requirements for this RFO are met, even if they are not included in this checklist. The mandatory documentation must be submitted with the original and each copy of the response.

A completed checklist shall not be binding on DIR's administrative review for compliance with the mandatory response contents specified in this RFO. As step one of the evaluation process, DIR will review all responses to ensure compliance with the mandatory response contents as specified in Section 3.7.3. of the RFO and reject any response that does not comply.

**All responses must be received by DIR on or before the date and time specified in Section 3.3.1 of this RFO. No late responses will be reviewed.**

Item	Check
Response addressed to: Department of Information Resources 300 W. 15th Street, Suite 1300 Austin, Texas 78701 Attn: Carrie Cooper	
External packaging references "RFO DIR-TSO-TMP-262"	
Package contains one (1) signed original (clearly marked) of the complete response with one (1) signed original HUB Subcontracting Plan	
Package contains one (1) additional signed original HUB Subcontracting Plan in a separate envelope	
Package contains four (4) clearly marked additional thumb drive copies of the complete response	
Package contains one (1) USB drive containing any and all response materials which Vendor asserts are confidential or proprietary (if required)	
Package contains one (1) USB drive containing any and all copyrighted materials in the Vendor's response (if required)	
Package contains one (1) USB drive containing any and all non-proprietary/confidential and non-copyrighted materials in the Vendor's response	
Paper responses are bound and the cover of the binders reference "DIR-TSO-TMP-262" and include the name and address of the responding Vendor	
<b>Mandatory Response Contents</b>	
Vendor Information - Exhibit A	
Contract Support Plan – Exhibit B	
HUB Subcontracting Plan Forms – Exhibit C – one signed copy in a separate envelope	
List of Vendor's Cancelled Contracts – Bid Package 1, Attachment 1	
Release of Liability Form for References – Bid Package 1, Attachment 2	
Vendor Experience Form – Bid Package 2	

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**B. Certification Statement**

The undersigned hereby certifies on behalf of insert company name here that RFO DIR-TSO-TMP-262 has been read and understood. In submitting its response insert company name here represents to DIR the following:

- i) Vendor is capable of providing the products and services as described in the RFO;
- ii) Vendor is offering true and correct pricing and discounts for the products and services;
- iii) Vendor agrees, if awarded a contract, to abide by the terms and conditions of the resulting contract;
- iv) as of the date of signature below, Vendor is 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;
- v) 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;
- vi) Vendor certifies, under Texas Government Code, Sections 2155.004 and 2155.006, 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;
- (vii) Vendor certifies that, to the extent applicable to this scope of this RFO, Vendor is in compliance with Health and Safety Code, Chapter 361, Subchapter Y, related to the Computer Equipment Recycling Program, and the related rules found at 30 TAC Chapter 328;
- (viii) Vendor has not given, offered to give, nor intends 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 submitted response;
- (ix) Vendor has not received compensation for participation in the preparation of specifications for this solicitation as required by Texas Government Code, Section 2155.004(a);
- (x) Vendor has not, nor has anyone acting for Vendor, violated the antitrust laws of the United States or the State of Texas, 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;
- (xi) Vendor is not currently delinquent in the payment of any franchise tax owed the State of Texas and is not ineligible to receive payment under Section 231.006 of the Texas Family Code and acknowledges the Contract may be terminated and payment withheld if this certification is inaccurate, and any Vendor subject to Section 231.006 must include names and social security numbers of each person with at least 25% ownership of the business entity submitting the response, prior to award; .Enter the name and Social Security Numbers for each person below (alternatively, if this section applies, Vendor may make a note here and include Names and Social Security Numbers on a separate page and include it in the electronic folder labeled "Confidential and Proprietary."

Name:	Social Security Number:
Name:	Social Security Number:
Name:	Social Security Number:

xii) Vendor agrees 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

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of Texas;

(xiii) Vendor agrees to comply with Texas Government Code, Section 2155.4441, relating to use of service contracts for products produced in the State of Texas;

(xiv) Vendor certifies it is in compliance with Texas Government Code, Section 669.003, relating to contracting with executive head of a state agency;

(xv) Vendor certifies for itself and its subcontractors that it has identified all current or former, within the last five years, employees of the State of Texas assigned to work on the DIR Contract 20% or more of their time and has disclosed them to DIR and has disclosed or does not employ any relative of a current or former state employee within two degrees of consanguinity, and, if these facts change during the course of the Contract, Vendor certifies it shall disclose for itself and on behalf of subcontractors the name and other pertinent information about the employment of current and former employees and their relatives within two degrees of consanguinity;

(xvi) Vendor represents and warrants that the provision of goods and services or other performance under the Contract will not constitute an actual or potential conflict of interest and certifies that it will not reasonably create the appearance of impropriety;

(xvii) Vendor certifies that if a Texas address is shown as the Principle Place of Business in Exhibit A, Vendor Information Form, Vendor qualifies as a Texas Resident Bidder as defined in Texas Administrative Code, Title 34, Part I, Chapter 20;

(xviii) Vendor understands and agrees that 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); and

(xix) Vendor agrees that these representations will be incorporated into any subsequent agreement(s) between Vendor and Customer that result from this RFO.

---

Signature of Officer or Agent empowered to contractually bind the Vendor

---

Date

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**Exhibit B  
Contract Support Plan**

**Vendor must provide a plan that describes the Vendor's ability and strategy for promoting and supporting the contract, if awarded. The plan must include the information listed below.**

- 1) Describe your company's strategy for marketing and selling the services listed in this RFO to eligible DIR Customers.
  
- 2) Describe your company's strategy for providing:
  - a. sales,
  - b. order processing, and
  - c. support of eligible DIR Customers throughout the State of Texas.
  
- 3) Provide the projected total sales of the services listed in this RFO that your company anticipates making to eligible DIR Customers within the next 12 months. If available, show the projected sales breakdown between the following segments: State and Local Governments, Higher Education, and K-12.

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**Exhibit C**

**Historically Underutilized Business (HUB) Subcontracting Plan**

This form is separate and titled Bid Package 1- HUB Subcontracting Form

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**Attachment 1  
 List of Vendor's Canceled Contracts**

**THIS FORM MUST BE COMPLETED/SIGNED BY RESPONDENT FOR ANY IDENTIFIED  
 CANCELED CONTRACT WITHIN THE PAST FIVE YEARS REFERENCE AND SUBMITTED WITH  
 THE RESPONDENT'S  
 REQUIREMENTS SUBMISSION**

RESPONDENT NAME:

---

VENDOR COMPANY NAME (COMPANY NAME OF REFERENCE)		
COMPANY ADDRESS (Street, City, State, Zip Code)		
*CONTACT NAME / PHONE		
*E-MAIL		
CONTRACT AWARD DATE:	OPERATIONS START DATE:	CONTRACT CANCELLATION DATE:
DESCRIPTION OF SERVICE:		
REASON FOR CANCELLATION:		

COMPANY NAME (COMPANY NAME OF REFERENCE)		
COMPANY ADDRESS (Street, City, State, Zip Code)		
*CONTACT NAME / PHONE		

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*E-MAIL		
CONTRACT AWARD DATE:	OPERATIONS START DATE:	CONTRACT CANCELLATION DATE:
DESCRIPTION OF SERVICE:		
REASON FOR CANCELLATION:		

COMPANY NAME (COMPANY NAME OF REFERENCE)		
COMPANY ADDRESS (Street, City, State, Zip Code)		
*CONTACT NAME / PHONE		
*E-MAIL		
CONTRACT AWARD DATE:	OPERATIONS START DATE:	CONTRACT CANCELLATION DATE:
DESCRIPTION OF SERVICE:		
REASON FOR CANCELLATION:		

**\* Note: Do NOT complete these fields if DIR is the Cancelled Contract Reference**

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Attachment 2  
RESPONDENT RELEASE OF LIABILITY  
FOR REFERENCES

**THIS FORM MUST BE COMPLETED/SIGNED BY RESPONDENT FOR EACH IDENTIFIED REFERENCE (GENERAL REFERENCES IN ACCORDANCE WITH BID PACKAGE 5 AND CANCELLED CONTRACT REFERENCES) AND SUBMITTED WITH THE RESPONDENT'S PROPOSAL**

To company providing the reference:

*Enter name of company providing the reference here*

You are hereby requested to provide a business reference for:

*Enter name of company (Respondent) or key staff person's name needing a reference*

to the:

Texas Department of Information Resources  
Solicitation Evaluation Team

Please disclose any and all information that you deem relevant relating to the above-named parties' business relationship. By signing this document, the entity and, if applicable, individual key staff person signing below releases the above-named company providing a reference, its agents, employees, and all persons, natural or corporate, in privity with above-named company providing a reference from any and all liability, claims or causes of action arising from their disclosure of information pursuant to this request for a business reference.

Signed the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Respondent Signature)

\_\_\_\_\_  
(Respondent Printed Name)

\_\_\_\_\_  
(Respondent Title)

Signed the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Key Staff Signature or "N/A" if Respondent-level release)

\_\_\_\_\_  
(Key Staff Printed Name)

## **ATTACHMENT 3**

### **Department of Information Resources**

### **Managed Services for Telecommunications Contract**

#### **Sample Statement of Work**

*(this document will be incorporated into final contracts for Managed  
Service for Telecommunications)*

# **STATEMENT OF WORK (SOW)**

**FOR**

**Managed Services for  
Telecommunication**

***Engagement Name***

***DIR Customer Name***

***DATE***

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**1. Introduction**

Describe the managed service to be delivered and the characteristics of the services at a summary level. The statement of work (SOW) is unique and distinct for each engagement.

**2. Background**

Explain why the Customer is contracting for this managed service. Provide useful information regarding the Customer organization, engagement history, future plans or any other relevant information regarding the work to be performed.

**3. Electronic and Information Resources (EIR) Accessibility**

Under Texas Government Code, Chapter 2054, Subchapter M, and DIR implementing rules, DIR state agency Customers must procure EIR that complies with the Accessibility Standards defined in the Texas Administrative Codes [1 TAC 206](#), [1 TAC 213](#), and [WCAG 2.0 AA](#) as applicable, and when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

Accordingly, **all Vendors must submit accurate, completed VPATs or links to completed VPATs located on manufacturer websites for each proposed Commercial Off the Shelf (COTS) product or product family, and Software as a Service(SAAS) offering included in the submitted statement of work.**

Vendors who do not already have completed VPATs should use the form located here: <http://www.itic.org/public-policy/accessibility>. Instructions on how to complete a VPAT® can be found on [DIR's website](#).

Vendors claiming that a proposed product or family of products is exempt from accessibility requirements must use a VPAT form to: (1) specify each exempt product or product family and indicate "Not Applicable" in the "Supporting Features" column of the Summary Table; (2) provide an explanation in the "Remarks" column of Summary Table. Vendors that claim their products are exempt from accessibility requirements must present that position to DIR as a question during the question and answer period of the solicitation.

For non-COTS offerings (such as IT related development services, services that include user accessed, online components, etc.), credible evidence of the Vendor's capability or ability to produce accessible electronic and information resources may be requested. Such evidence may include, but is not limited to, a vendor's internal accessibility policy documents, contractual warranties for accessibility, accessibility testing documents, and examples of prior work results.

**4. Scope**

**Sample Content**

**4.1 Engagement-Based Services**

1. Scope of work
2. Engagement risks, assumptions and constraints
3. Roles and responsibilities
4. Detailed description of managed service
5. Acceptance criteria
6. Engagement completion criteria
7. Engagement schedules to be achieved by vendor
8. Relevant quality processes that will apply, such as change management, acceptance, and risk and issue management

**4.2 Outsourced Services**

9. Scope of services to be delivered
10. Acceptance criteria
11. Service-level objectives
12. Key performance indicators

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- 13. Service-level agreements (SLAs)
- 14. Service-level management

**5. Services**

**5.1 Sample Content**

**(Example – at a minimum, Customers should consider the following items when developing their SOW)**

- Managed Services must be provided on the dates specified. Any changes to the delivery date must have prior approval (in writing) by the Customer contract manager or designate.
- All managed services must be submitted in a format approved by the Customer contract manager.
- If the managed service cannot be provided within the scheduled time frame, the Vendor is required to contact the Customer contract manager in writing with a reason for the delay and the proposed revised schedule. The request for a revised schedule must include the impact on related tasks and the overall project.
- A request for a revised schedule must be reviewed and approved by the Customer contract manager before placed in effect. Contract Terms and Conditions may dictate remedies, costs, and other actions based on the facts related to the request for a revised schedule.
- The Customer will complete a review of each submitted managed service within specified working days for the date of receipt
- A kickoff meeting will be held at a location and time selected by the Customer where the Vendor and its staff will be introduced to the Customer.

**5.2 Sample Delivery Schedule**

No.	Item	SOW Paragraph	Due Date	Recipient
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				

**6. Reports and Meetings**

**Sample Content (Example – at a minimum, Customers should consider the following items when developing their SOW)**

- The Vendor is required to provide the Customer contract manager with weekly written progress reports of this engagement. These are due to the Customer contract manager by the close of business on the *specify day* each week throughout the life of the project
- The progress reports shall cover all work performed and completed during the week for which the progress report is provided and shall present the work to be performed during the subsequent week.
- The progress report shall identify any problems encountered or still outstanding with an explanation of the cause and resolution of the problem or how the problem will be resolved.

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- The Vendor will be responsible for conducting weekly status meetings with the Customer contract manager. The meetings will be held on *specify day* of each week - at a time and place so designated by the Customer contract manager - unless revised by the Customer contract manager. The meetings can be in person or over the phone at the discretion of the Customer contract manager.

**7. Service Level Agreement**

The items listed below are suggestions for areas to be considered for service levels and incorporated into the SOW service level agreement.

- A. Security (as defined by customer)
- B. Quality (as defined by customer)
- C. Availability (data, system, and components)
- D. Performance (transmission, response, or completion times)
- E. Meantime to Resolution (MTR)
- F. Business Continuity
- G. Required communications (meetings, reports, calls, emails)
- H. Required documents (plans, estimates, schedules, analyses)
- I. Degree of accuracy of estimates (schedule, budget, resources, total)
- J. Effective risk management and response (adherence to plans)
- K. Effective scope management and change control (adherence to plans)
- L. Data quality (fitness for use, accuracy, precision, completeness)
- M. Ad hoc query response (usually written in terms of averages)
- N. Reliability (queries generate same valid results)
- O. Consistency (calculations and definitions are consistent regardless of source or function)
- P. Acceptable usage (query controls)
- Q. Correct mapping of old to new (no functions or data lost that were not planned to retire)
- R. Previous software, system, or service retired on time

**8. Period of Performance**

Specify the period of performance in which the Vendor will conduct and complete the work associated with the SOW.

**9. Invoices**

Describe the Vendor's responsibilities for invoicing Customer including invoice content, frequency/schedule and instructions for submitting invoices. Payments will be made in accordance with Appendix A of the DIR-SDD-TMP-195 Contract.

**10. Customer/Vendor-Furnished Equipment and Work Space**

Specify what equipment and/or work space the Customer will provide or the expectations of what the Vendor will provide.

**11. 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.

**12. Vendor Response**

**Sample Content (Example – at a minimum, Customers should consider the following items when developing their SOW)**

- a. All written managed services proposed must be phrased in terms and language that can be easily understood by non-technical personnel (e.g., laypersons without subject matter expertise)

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- b. All document managed services proposed must be in formats (hard copy and electronic) as specified by the Customer - at a minimum, the formats must be in industry accepted standards (e.g., MS Word, MS PowerPoint, MS Project)
- c. The Vendor must demonstrate its knowledge and expertise of the environment (e.g., platforms, software, applications, network, tools, etc.) for which work is to be performed
- d. All items of this agreement shall be done in accordance with the Service Level Agreement.

**Sample Content**

- e. Agreement to confidentiality and legal statements
- f. Vendor staff capabilities specific to this SOW:
  - a. Organization chart
  - b. Management team resumes
  - c. Key personnel resumes
- g. Vendor's services capabilities:
  - a. Outline of capability to deliver the required services, including process, functional and technical expertise
  - b. Agreed-on SOW for managed services
  - c. Engagement plans for project services or transition
- h. Project management plan addressing the tasks specified in the SOW

**13. Pricing**

The main purpose of this section is to detail the pricing for the deliverables-based services. Vendors should also provide a summary of any assumptions and exclusions.

**Sample Pricing Sheet**

Engagement No.	Engagement Name	Price

**14. Response Submission Requirements**

**Sample Content**

- i. SOW schedule of events: deadline for questions, deadline for answering questions, response due date
- j. Address for response submission
- k. Number of copies
- l. Mandatory response contents



# 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: \_\_\_\_\_ State of Texas VID #: \_\_\_\_\_  
 Point of Contact: \_\_\_\_\_ Phone #: \_\_\_\_\_  
 E-mail Address: \_\_\_\_\_ Fax #: \_\_\_\_\_
- b. Is your company a State of Texas certified HUB?  - Yes  - No
- c. Requisition #: \_\_\_\_\_ Bid Open Date: \_\_\_\_\_  
(mm/dd/yyyy)

Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**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 <b>do not</b> have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	Percentage of the contract expected to be subcontracted to HUBs with which you have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
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: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**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 <b>do not</b> have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	Percentage of the contract expected to be subcontracted to HUBs with which you have a <b>continuous contract*</b> in place for <b>more than five (5) years</b> .	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: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**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.

**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	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>
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**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 B (Attachment B)

Rev. 10/16

Enter your company's name here: _____	Requisition #: _____
---------------------------------------	----------------------

**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 <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
			- Yes      - No
			- Yes      - No
			- Yes      - 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 <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
		- Yes      - No
		- Yes      - No

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

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Enter your company's name here: \_\_\_\_\_ Requisition #: \_\_\_\_\_

**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
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - No		\$	%
	- Yes    - 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.





## **Bid Package 2**

**Department of Information Resources**

**Managed Services for Telecommunications**

**Vendor Experience**



**Department of Information Resources  
 Managed Services for Telecommunications  
 Request for Offer DIR-TSO-TMP-262 Addendum #1**

This Addendum to Request for Offer DIR-TSO-TMP-262 contains:

1. Notice of replacement of RFO Bid Package 4 Standard Terms and Conditions in its entirety.
2. Notice of revision to RFO Bid Package 1 Section 3.3.1 RFO Schedule to extend the deadline for submitting questions from February 28, 2017 to March 6, 2017.
3. Notice of revision to RFO Bid Package 1 Section 3.3.1 RFO Schedule to extend the deadline to post answers to questions on the ESBD from March 8, 2017 5:00 pm (CT) to March 10, 2017 5:00 pm (CT)

Respondents may download the documents for this Addendum from the *Electronic State Business Daily* ([http://esbd.cpa.state.tx.us/bid\\_show.cfm?bidid=131050](http://esbd.cpa.state.tx.us/bid_show.cfm?bidid=131050)).

**NOTICE OF REVISION TO RFO BID PACKAGE 4**

- 1) DIR replaced the RFO Bid Package 4, on the Electronic State Business Daily (ESBD) in its entirety.

**NOTICE OF REVISION TO RFO BID PACKAGE 1**

- 1) Revised Section 3.3.1 RFO Schedule to extend the deadline for submitting questions from February 27, 2017 2:30 pm CT to February 28, 2017 2:30 pm CT.
- 2) Revising Section 3.3.1 RFO Schedule to extend the deadline to publish answers to the vendor questions from March 8, 2017 at 5 pm CT to March 10, 2017 at 5 pm CT. The revised RFO Schedule is as follows:

<b>Date/Time</b>	<b>Activity</b>
February 15, 2017	Publish RFO on Electronic State Business Daily
February 23, 2017 2:30 pm CT	Optional Vendor Conference
March 6, 2017 2:30 pm CT	Deadline for submitting questions
March 21, 2017 4:00 pm (CT)	Deadline for DIR to receive Vendor references
March 10, 2017 5:00 pm (CT)	Deadline for posting answers to questions on the ESBD
<b>March 21, 2017 4:00 pm (CT)</b>	Deadline for submitting Responses to RFO
March 22, 2017-through completion	Evaluation of responses, oral presentations (if requested) negotiation and contract execution

**Department of Information Resources  
Managed Services for Telecommunications  
Request for Offer DIR-TSO-TMP-262  
Bid Package 2: Vendor Experience**

**1. Vendor Experience Response Instructions**

In the section provided below, Vendor shall provide detailed descriptions of Managed Services for Telecommunications engagements referenced as part of their proposal. Vendors are to provide three (3) managed services for telecommunications engagements initiated within the last three (3) years. If Vendor has less than three (3), leave the remaining engagements blank. All blank engagements will be scored as a zero (0). **The information must be provided for three (3) separate engagements which were initiated within the last three (3) years (i.e., when the engagement work commenced, not the contract execution date).**

Vendors should use engagements reflecting the customer base in which they generally work (for example: state agency, institutions of higher education, local governments and independent school districts).

Vendors must describe and/or demonstrate how their experience supports their qualifications. The Vendor's response may include applicable engagements that specifically address the experience requested in this Bid Package 2. Additional descriptive materials should be clear, concise, and specific to the engagement experience being described.

Vendors shall respond to each element in the corresponding description column. Vendors may use the comments column to indicate if a listed role was not part of the scope for the engagement.

Attachments are acceptable; attachments should be clearly marked and referenced.

DIR reserves the right to contact any provided engagement contact named for further information/clarification.

## Detailed Experience Spreadsheet

Project Experience		
<p>A. Management Services is the management of customer owned equipment or vendor provided equipment in support of the following technology services:</p> <ul style="list-style-type: none"> <li>a. Management of call processing architecture</li> <li>b. Call Center or Contact Center Services</li> <li>c. IVR/Auto-Attendant</li> <li>d. Phone Systems Management (PBX, key system, etc.) or Integration</li> <li>e. Management of Voice and/or Data Networks</li> <li>f. Network Optimization</li> </ul> <p>B. The following services can be included to provide a total managed service solution:</p> <ul style="list-style-type: none"> <li>1. Hosted Solutions are offered to customers on a subscription basis and includes the IT infrastructure (hardware and software) and support services necessary to deliver the solution. Hosted services include technology services listed here: <ul style="list-style-type: none"> <li>a. Management of call processing architecture</li> <li>b. Call Center or Contact Center Services</li> <li>c. IVR/Auto-Attendant</li> <li>d. Phone Systems Management (PBX, key system, etc.) or Integration</li> <li>e. Management of Voice and/or Data Networks</li> <li>f. Network Optimization</li> </ul> </li> </ul>	<p><b>Description :</b> Vendors must fully respond to the elements, as requested, for each engagement.</p>	<p><b>Comments:</b> Vendors may use this column to indicate that the listed role was not a part of the scope for the engagement submitted</p>

<ul style="list-style-type: none"><li>2. Requirements Development</li><li>3. Integration Services</li><li>4. SLA's and Performance Metrics</li><li>5. Reporting</li><li>6. Asset Management</li><li>7. Project management</li><li>8. Operations</li><li>9. Support Services<ul style="list-style-type: none"><li>a. Move, Add, Changes (MACs)</li><li>b. Solution Design</li><li>c. Solution Software and Licenses</li><li>d. Network Readiness Assessment and Optimization</li><li>e. Transition and Termination Services</li><li>f. Break/Fix and Maintenance</li><li>g. Help/Support Desk Services</li><li>h. Training</li></ul></li></ul>		
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1. Engagement 1 Experience (Describe in detail for each element):	DIR reserves the right to contact any provided engagement contact names for further information/clarification	
1.1. Project Information 1.1.1. Client Name 1.1.2. Contact Name 1.1.3. Contact Phone Number 1.1.4. Contact E-mail 1.1.5. Engagement Name and Scope (Should reference one of the services listed above) 1.1.6. Engagement Schedule (start date and end date- (mm/yyyy) ) 1.1.7. Engagement Budget (original and final - for this specific referenced engagement) Describe any variance, if applicable 1.1.8. Total number of vendor FTEs on this engagement on this project 1.1.9. Total number of subcontractor FTEs on this engagement on this project 1.1.10. Describe, in general terms, the goals and objectives of the engagement and your opinion of your performance 1.1.11. Describe your procedures for change management throughout the engagement. 1.1.12. Provide Communication Plan (what, who, and when)		
1.2. Lessons learned during engagement		
1.3. Performance measures/service levels contractually required for this engagement reported to the customer. Include your performance against those service levels and performance measures.		
1.4. Security and authentication responsibilities and activities, if applicable		
1.5. Disaster Recovery responsibilities and activities, if applicable		

<b>2. Project 2 Experience (Describe in detail for each element):</b>		
<ul style="list-style-type: none"> <li>2.1. Project Information <ul style="list-style-type: none"> <li>2.1.1. Client Name</li> <li>2.1.2. Contact Name</li> <li>2.1.3. Contact Phone Number</li> <li>2.1.4. Contact E-mail</li> <li>2.1.5. Engagement Name and Scope</li> <li>2.1.6. Engagement Schedule (start date and end date- (mm/yyyy) )</li> <li>2.1.7. Engagement Budget (original and final - for this specific referenced engagement) Describe any variance, if applicable</li> <li>2.1.8. Total number of vendor FTEs on this engagement on this project</li> <li>2.1.9. Total number of subcontractor FTEs on this engagement on this project</li> <li>2.1.10. Describe, in general terms, the goals and objectives of the engagement and your opinion of your performance</li> <li>2.1.11. Describe your procedures for change management throughout the engagement.</li> <li>2.1.12. Provide Communication Plan (what, who, and when)</li> </ul> </li> </ul>		
2.2. Lessons learned during engagement		
2.3. Performance measures/service levels contractually required for this engagement reported to the customer. Include your performance against those service levels and performance measures.		
2.4. Security and authentication responsibilities and activities, if applicable		
2.5. Disaster Recovery responsibilities and activities, if applicable		

<b>3. Project 3 Experience (Describe in detail for each element):</b>		
3.1. Project Information 3.1.1. Client Name 3.1.2. Contact Name 3.1.3. Contact Phone Number 3.1.4. Contact E-mail 3.1.5. Engagement Name and Scope 3.1.6. Engagement Schedule (start date and end date- (mm/yyyy) ) 3.1.7. Engagement Budget (original and final - for this specific referenced engagement) Describe any variance, if applicable 3.1.8. Total number of vendor FTEs on this engagement on this project 3.1.9. Total number of subcontractor FTEs on this engagement on this project 3.1.10. Describe, in general terms, the goals and objectives of the engagement and your opinion of your performance 3.1.11. Describe your procedures for change management throughout the engagement. 3.1.12. Provide Communication Plan (what, who, and when)		
3.2. Lessons learned during engagement		
3.3. Performance measures/service levels contractually required for this engagement reported to the customer. Include your performance against those service levels and performance measures.		
3.4. Security and authentication responsibilities and activities, if applicable		
3.5. Disaster Recovery responsibilities and activities, if applicable		

STATE OF TEXAS  
DEPARTMENT OF INFORMATION RESOURCES

CONTRACT FOR SERVICES

*VENDOR LEGAL ENTITY NAME*

**1. Introduction**

**A. Parties**

This Contract for 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 15<sup>th</sup> Street, Suite 1300, Austin, Texas 78701, and *VENDOR LEGAL ENTITY NAME* (hereinafter “Vendor”), with its principal place of business at *VENDOR ADDRESS*.

**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-TSO-TMP-262, on *POSTING DATE*, for Managed Services for Telecommunications. *DIR subsequently issued a BAFO opportunity on BAFO DATE*. Upon execution of this Contract, a notice of award for RFO DIR-TSO-TMP-262 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, Service Agreement; *Exhibit 1, Vendor’s Response to BAFO, including all addenda; Exhibit 2, the BAFO, including all addenda; Exhibit [3] 2, Vendor’s Response to RFO DIR-TSO-TMP-262, including all addenda; and Exhibit [4] 3, RFO DIR-TSO-TMP-262, 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, then Exhibit 2, then Exhibit 3, and finally Exhibit 4.* 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, DIR and Vendor may extend this Contract, upon mutual agreement, for up to two (2) optional one-year terms. Additionally, the parties by mutual agreement may extend the term for up to ninety (90) additional calendar days.

### 3. Service Offerings

Services available under this Contract are limited to the designated telecommunications managed services as specified below. Vendor may incorporate changes to their services offerings; however, any changes must be within the scope of services awarded based on the posting described in Section 1.B above. The designated services are offered only as components of comprehensive suites of telecommunications managed services. One or more of the designated service offerings (i) may require contracting for service components of a comprehensive suite of telecommunications managed services or (ii) may be unavailable as service components, at the discretion of the Vendor.

***Management of telecommunications services as set forth below:***

A. Management Services is the management of customer owned equipment or vendor provided equipment in support of the following technology services:

- a. Management of call processing architecture
- b. Call Center or Contact Center Services
- c. IVR/Auto-Attendant
- d. Phone Systems Management (PBX, key system, etc.) or Integration
- e. Management of Voice and/or Data Networks
- f. Network Optimization

B. The following services can be included to provide a total managed service solution:

1. Hosted Solutions are offered to customers on a subscription basis and includes the IT infrastructure (hardware and software) and support services necessary to deliver the solution. Hosted services include technology services listed here:
  - a. Management of call processing architecture
  - b. Call Center or Contact Center Services
  - c. IVR/Auto-Attendant
  - d. Phone Systems Management (PBX, key system, etc.) or Integration
  - e. Management of Voice and/or Data Networks
  - f. Network Optimization
2. Requirements Development
3. Integration Services
4. SLA's and Performance Metrics
5. Reporting
6. Asset Management
7. Project management
8. Operations
9. Support Services
  - a. Move, Add, Changes (MACs)
  - b. Solution Design
  - c. Solution Software and Licenses
  - d. Network Readiness Assessment and Optimization

- e. Transition and Termination Services
- f. Break/Fix and Maintenance
- g. Help/Support Desk Services
- h. Training

C. Excluded Telecommunications Service Offerings

**Any service awarded under the TEX-AN Next Generation Procurement, RFO number DIR-TEX-AN-NG-001. The following services were awarded under the TEX-AN Next Generation Procurement:**

- 1. Long Distance Services
- 2. Internet Services (including SOHO)
- 3. Voice over Internet Protocol (VoIP)
- 4. Local Voice Service
- 5. Fixed Satellite
- 6. Access and Transport

**4. Pricing**

**A. Customer Price**

Customers purchasing services under this Contract shall negotiate pricing directly with the Vendor in accordance with the Customer’s Statement of Work.

**B. DIR Cost Recovery Fee**

The cost recovery fee specified in Section 5 below shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

**5. DIR Cost Recovery Fee**

**A.** The Cost Recovery Fee (CRF) to be paid by the Vendor to DIR for telecommunications Products and Services based on the dollar value of all sales to Customers pursuant to this Contract is zero-point seventy-five percent (0.75%). Payment will be calculated for all telecommunications sales, net of returns and credits. For example, the CRF fee for sales totaling \$100,000 shall be \$750.

**B.** All prices quoted to Customers shall include the applicable CRF fee. DIR reserves the right to change this fees upwards or downwards during the term of this Contract, upon written notice to Vendor. Changes in the CRF fees shall be incorporated into the price to the Customers on the date designated by DIR.

**6. Notification**

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

If sent to the State:  
Dana L. Collins, CTPM, CTCM

Director, Enterprise Contract Management  
Department of Information Resources  
300 W. 15<sup>th</sup> St., Suite 1300  
Austin, Texas 78701  
Phone: (512) 475-4000  
Facsimile: (512) 475-4759  
Email: [dana.collins@dir.texas.gov](mailto:dana.collins@dir.texas.gov)

If sent to the Vendor:

*Vendor Representative*

*Company Name*

*Address*

*City, State Zip*

Phone: ( ) -

Facsimile: ( ) -

Email:

## 7. Managed Services Requirements

1. The centralized telecommunications system for the state of Texas is known as TEX-AN. The current technological platform of TEX-AN is known as TEX-AN NG. The TEX-AN NG architecture provides a solid statewide communications infrastructure that is adaptable to changing requirements and can incorporate new and emerging technologies. The TEX-AN NG platform provides unified, scalable, redundant, flexible, and extremely cost-effective networking solutions. TEX-AN NG provides voice and data services and features:

Voice Services:

- Toll-Free Service
- Long Distance Service
- Directory Assistance
- Dedicated circuit access

Data Services:

- Frame Relay/Asynchronous Transfer Mode (ATM)
- MPLS (Multiprotocol Label Switching)
- Access Services
- Internet Access
- Point-to-Point circuits
- DSL
- SOHO
- Fixed Satellite

Vendors must utilize the TEX-AN Network for any transport services included in their managed service solution. These services and associated fees should be included by the

vendor in a managed service solution proposal as required for a Customer. Any transport services required for the managed service solution will be ordered by the customer from DIR. The Customer is required, as the eligible purchasing entity, to utilize the current TEX-AN or Co-op Contracts and procedures to directly purchase the services from DIR.

In addition to its primary services, DIR offers Co-op and Telecom contracts for communications services. These contracts are awarded on behalf of the state according to state competitive bidding requirements, and are designed to satisfy user requirements for easy-to-use communications services contracts. The comprehensive suite of products and services offered by these contracts includes:

- Interpreter Services
- Local Telephone Services
- Wireless/Cellular Services
- Pagers and Paging Services
- Technology Based Conferencing

These services and associated fees should be included by the vendor in a managed service solution proposal as required for a customer. The customer is required, as the eligible purchasing entity, to utilizing the current TEX-AN NG, Co-op Contracts and Telecom procedures to directly purchase the services from DIR.

2. Vendor shall prepare and provide each customer with a managed service solution proposal. The proposal shall include all services proposed by Vendor which are included in this contract, as well as all Excluded Service Offerings and associated fees as required for a Customer to contract for a complete solution.
3. Vendor shall make every effort to provide value to DIR Customers through well-defined requirements and project scheduling that meet the stated objectives and business goals for managed service customers. Vendors must create Statements of Work (SOW) under this Contract to document customer expectations; requirements; milestones for deliverables and activities; and payment schedules.
4. Vendor shall provide a copy of Customers proposed SOW and solution design documents to a designated contact at DIR no less than fifteen (15) days prior to presenting the final managed services solution proposal to the customer. The plan for the TEX-AN NG network connectivity in the solution design must be approved by DIR. The approval shall occur as soon as practicable based on the date of submission.
5. Vendor will work with DIR to facilitate the communication and management of the contract provisions outlined in this document for reviews, reporting, purchasing and approvals.

6. Vendor shall employ performance-based managed services for highly reliable customer solutions that meet or exceed customer expectations and performance metrics. Performance metrics and SLA's will meet, as a baseline, or exceed industry standards.
7. Vendor shall adhere to the DIR Security Policies included in 1 TAC Chapter 202, Information Security Standards and be consistent with the best practices as outlined in the State Enterprise Security Plan. Vendor must convey the established security standards to the customer, as well as any additional vendor provided security services. The State Enterprise Security Plan and other guiding security policies are located on the DIR web site.
8. Vendor will execute a direct contract with the customer that accurately reflects the resources required for the total project and contains the resources and prices for services the customer is required to purchase directly from DIR for the successful implementation of the proposed solution ("Supplemental Agreements"). DIR will bill the customer directly for the services purchased from TEX-AN NG. Vendor is responsible for preparing and properly billing the customer for its services according to milestones or other scheduled triggering events.

8. **Statement of Work**

Services provided under this Contract shall be based on the Sample Statement of Work as set forth in Appendix C of this Contract. 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 with this Contract.

9. **Authorized Exceptions to Appendix A, Standard Terms and Conditions for Services Contracts.**

No exceptions have been agreed to by DIR and Vendor.

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

***VENDOR NAME***

**Authorized By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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

**Authorized By:** \_\_\_\_\_

**Name:** Wayne Egeler

**Title:** CTS Director

**Date:** \_\_\_\_\_

**Office of General Counsel:** \_\_\_\_\_

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

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**Standard Terms and Conditions for Services Contracts**

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

The following terms and conditions shall govern the conduct of DIR and Vendor during the term of the Contract.

**1. Contract Scope**

The Vendor shall provide the products and related services specified in Section 3 of the Contract for purchase by Customers. In addition, DIR and Vendor may agree to provisions that allow Vendor and/or Order Fulfiller to lease the products offered under the Contract. Terms used in this document shall have the meanings set forth below in Section 3.

**2. No Quantity Guarantees**

The Contract is not exclusive to the Vendor. Customers may obtain products and related 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 products and related services will be procured through the Contract.

**3. Definitions**

**A. Customer** - includes any Texas state agency, as defined by Section 2151.002, Texas Government Code to mean:

- 1) a department, commission, board, office, or other agency in the executive branch of state government created by the state constitution or a state statute;
- 2) the supreme court, the court of criminal appeals, a court of appeals, or the Texas Judicial Council; or
- 3) a university system or an institution of higher education as defined by Section 61.003, Education Code, except a public junior college and entities other than state agencies, as defined by Section 2170.004, Texas Government Code to mean:
  - 1) each house of the legislature;
  - 2) a legislative agency;
  - 3) an agency that is not a state agency as defined by Section 2151.002;
  - 4) a political subdivision, including a county, municipality, or district;
  - 5) a private institution of higher education accredited by a recognized accrediting agency, as defined by Section 61.003, Education Code, that:
    - (A) engages in distance learning, as defined by Section 57.021, Utilities Code; and
    - (B) receives federal funds for distance learning initiatives; and
- 6) an assistance organization, as defined by Section 2175.001, Texas Government Code to mean:
  - i. A non-profit organization that provides educational, health or human services or assistance to homeless individuals;
  - ii. A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;

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

- iii. 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;
- iv. 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;
- v. A local workforce development board created under Section 2308.253;
- vi. A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters;
- vii. 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;
- viii. A nonprofit computer bank that solicits, stores, refurbishes and redistributes used computer equipment to public school students and their families; and
- ix. A nonprofit organization that provides affordable housing.

**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.

**Contract** – the document executed between DIR and Vendor into which this Appendix A is incorporated.

**CPA** – refers to the Texas Comptroller of Public Accounts.

**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.

**Order Fulfiller** – the party, either Vendor or a party that may be designated by Vendor, who is fulfilling a Purchase Order pursuant to the Contract.

**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).

**State** – refers to the State of Texas.

#### **4. 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.

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

**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 Order Fulfiller 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 Vendors.

**C. Invalid Term or Condition**

- 1) To the extent any term or condition in the Contract conflicts with the applicable State 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.
- 2) If one or more terms or conditions 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.

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**E. Survival**

All applicable software license agreements, warranties or 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 or Order Fulfiller shall survive expiration or termination of the Contract. Rights and obligations under this Contract which by their nature should survive, including, but not limited to 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.

**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.

**5. 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,

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(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.

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.

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**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 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.

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**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 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.**

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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 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

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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.

**6. Product Terms and Conditions**

**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 6.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 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.

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3) Vendor agrees to coordinate all State agency commodity item sales through existing DIR contracts. Institutions of higher education are exempt from this Subsection 6.B.

**7. 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 products and 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 products and services available under the Contract shall be processed through the Contract.

**B. Use of Order Fulfillers**

DIR agrees to permit Vendor to utilize designated Order Fulfillers to provide service, sales and support resources to Customers. Such participation is subject to the following conditions:

**1) Designation of Order Fulfillers**

a) Vendor may designate Order Fulfillers to act as the distributors for products and services available under the Contract. In designating Order Fulfillers, Vendor must be in compliance with the State's Policy on Utilization of Historically Underutilized Businesses. In addition to the required Subcontracting Plan, Vendor shall provide DIR with the following Order Filler information: Order Filler name, Order Filler business address, Order Filler CPA Identification Number, Order Filler contact person email address and phone number.

b) DIR reserves the right to require the Vendor to rescind any such Order Filler participation or request that Vendor name additional Order Fulfillers should DIR determine it is in the best interest of the State.

c) Vendor shall be fully liable for its Order Fulfillers' performance under and compliance with the terms and conditions of the Contract. Vendor shall enter into contracts with Order Fulfillers and use terms and conditions that are consistent with the terms and conditions of the Contract.

d) Vendor shall have the right to qualify Order Fulfillers and their participation under the Contract provided that: i) any criteria is uniformly applied to all potential Order Fulfillers based upon Vendor's established, neutrally applied criteria, ii) the criteria is not based on a particular procurement, and iii) all Customers are supported under the different criteria.

e) Vendor shall not prohibit Order Filler from participating in other procurement opportunities offered through DIR.

**2) Changes in Order Filler List**

Vendor may add or delete Order Fulfillers throughout the term of the Contract upon written authorization by DIR. Prior to adding or deleting Order Fulfillers, Vendor must

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make a good faith effort in the revision of its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses. Vendor shall provide DIR with its updated Subcontracting Plan and the Order Fulfiller information listed in Section 7.B.1.a above.

**3) Order Fulfiller Pricing to Customer**

Order Fulfiller pricing to the Customer shall comply with the Customer price as stated within Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee. This pricing shall only be offered by Order Fulfillers to Customers for sales that pass through the Contract.

**C. Product Warranty and Return Policies**

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

**D. Customer Site Preparation**

Customers shall prepare and maintain its site in accordance with written instructions furnished by Order Fulfiller prior to the scheduled delivery date of any service and shall bear the costs associated with the site preparation.

**E. Internet Access to Contract Information**

**1) Vendor Website**

Within thirty (30) calendar days of the effective date of the Contract, Vendor will establish and maintain a website specific to the service offerings under the Contract which is clearly distinguishable from other, non-DIR Contract offerings at Vendor's website. The website must include the services offered, service specifications, designated Order Fulfillers, contact information for Vendor and designated Order Fulfillers, and instructions for the SOW process inclusive of DIR's review and approval. The Vendor's website shall list the DIR Contract number, reference the DIR Information and Communications Technology Cooperative Contracts program, display the DIR logo in accordance with the requirements in paragraph F of this Section, and contain a link to the DIR website for the Contract.

**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) Website Compliance Checks**

Periodic compliance checks of the information posted for the Contract on Vendor's website will be conducted by DIR. Upon request by DIR, Vendor shall provide

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verifiable documentation that pricing listed upon this website is compliant with the pricing as stated in the Contract.

#### **4) Website Changes**

Vendor hereby consents to a link from the DIR website to Vendor's website 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 listed content if, in the opinion of DIR, it does not adequately represent the Contract.

### **F. 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.

### **G. Vendor and Order Fulfiller Logo**

DIR may use the Vendor's and Order Fulfiller's name and logo in the promotion of the Contract to communicate the availability of products and 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 and Order Fulfiller'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 or Order Fulfiller's trademarks or the goodwill associated therewith, except for the limited usage rights expressly provided by Vendor and Order Fulfiller.

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**H. Trade Show Participation**

At DIR's discretion, Vendor and Order Fulfillers may be required to participate in one or more DIR sponsored trade shows each calendar year. Vendor understands and agrees that participation, at the Vendor's and Order Fulfiller's expense, includes providing a manned booth display or similar presence. DIR will provide four months' advance notice of any required participation. Vendor and Order Fulfillers 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 or Order Fulfiller's booth.

**I. 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. 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.

**J. Performance Review Meetings**

DIR will require the Vendor to attend periodic meetings to review the Vendor's performance under the Contract. The meetings will be held within 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 for attendance at the meeting.

**8. Pricing, Purchase Orders, Invoices, and Payments**

**A. Telecommunication Fees and Surcharges and Taxes**

Any FCC, PUC or other authorized telecommunications taxes, fees and surcharges applicable to any Service may only be imposed if the Vendor listed them in Bid Package 2 upon submission of Offer. Vendor acknowledges that certain Customers that are political subdivisions of the State, are exempt from the imposition and collection of certain State telecommunications fees, including the Texas Universal Service Fund Charge and the Texas Infrastructure Fund assessment. In addition, State agency Customers have additional exemptions from State telecommunications fees, including the 9-1-1 emergency service fee, 9-1-1 equalization surcharge, poison control surcharge, and late charges imposed under Section 55.010, Texas Utilities Code. Vendor agrees to not bill for any items which are not mandated by the FCC, PUC or other proper authority and which are otherwise not applicable to the Services and for which Vendor has requested and received valid exemption certificates from Customers. Vendor agrees to promptly correct any incorrect billings of telecommunications fees and surcharges that occur. Vendor acknowledges that DIR makes no representations about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code.

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Vendor must request and receive any exemption certificates that may apply from each such organization directly.

(b) During the Term, all changes in the law or fee structures, which creates or authorizes Vendor to impose an unlisted telecommunications fee and surcharge on the Services, which Vendor desires to impose and for which DIR Customers do not have an exemption, shall require an amendment in order to be effective against the State, DIR and Customers. In the event of a change in the law or telecommunications fees and surcharges structures, which results in an exemption from payment in favor of the State, DIR and/or Customers, Vendor shall give effect to the exemption without the necessity of an amendment hereto.

(c) Vendor acknowledges that certain Government Entity Customers are exempt from state sales, use and excise taxes, Section 151.309, Texas Tax Code, and Federal Excise Tax, 26 USC Sections 4253 (i) and (j). Vendor further acknowledges that State agency Customers are exempt from the assessment and collection of sales taxes imposed by political subdivisions of the State. See Sections 321.208 (municipalities) and 323.207 (counties), Texas Tax Code. The Government Entity Customers shall issue a tax exemption certificate upon request to Vendor. Vendor acknowledges that DIR makes no representation about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

**B. Other Fees**

Vendor acknowledges all activation fees and termination fees, including early termination fees, are waived for all Customers.

**C. DIR Cost Recovery Fee**

The DIR Cost Recovery Fee (CRF) is authorized by Chapter 2170, Texas Government Code, and DIR has the discretion to set the rate of the CRF to recover its costs in accordance with the statute. The initial rate for the CRF is set forth in Section 5 Contract. The DIR CRF specified in Section 5 of the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

**D. Shipping and Handling Fees**

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.

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#### **E. Tax-Exempt**

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).

#### **F. Travel Expense Reimbursement**

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.

#### **G. Purchase Orders**

All Customer Purchase Orders will be placed directly with the Order Fulfiller. Accurate Purchase Orders shall be effective and binding upon Order Fulfiller when accepted by Order Fulfiller.

#### **H. Invoices**

- 1) Invoices shall be submitted by the Order Fulfiller directly to the Customer and shall be issued in compliance with Chapter 2251, Texas Government Code. All payments for products and/or services purchased under the Contract and any provision of acceptance of such products and/or services shall be made by the Customer to the Order Fulfiller.
- 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 products, prices and quantities. Invoices must include the Customer's Purchase Order number or other pertinent information for verification of receipt of the product or services by the Customer.
- 3) The administrative fee as set forth in the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

#### **I. Payments**

Customers shall comply with Chapter 2251, Texas Government Code, in making payments to Order Fulfiller. 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.

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**9. Contract Administration**

**A. Contract Managers**

DIR and the Vendor will each provide a Contract Manager to support the Contract. Information regarding the Contract Manager 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 compliance with the terms and conditions of the Contract, ii) periodic verification of product pricing, and iii) verification of monthly reports submitted by Vendor.

**2) Vendor Contract Manager**

Vendor shall provide a dedicated 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 a Order Fulfiller and a Customer, and iii) advising DIR of Order Fulfillers 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 products and services purchased through Order Fulfillers 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 books at DIR's expense.

**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 shall be submitted to the DIR ICT Cooperative Contracts E-Mail Box at [ict.sales@dir.texas.gov](mailto:ict.sales@dir.texas.gov). Reports are due on the fifteenth (15<sup>th</sup>) calendar day after the close of the previous month period. If the 15<sup>th</sup> 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 administrative fee due for the reporting period, 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

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this section.

**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) An administrative fee shall be paid by Vendor 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. Payment of the administrative fee shall be due on the fifteenth (15<sup>th</sup>) calendar day after the close of the previous month period. 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.

b) 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 DIR's expense.

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.

**C. Records and Audit**

1) Acceptance of funds under the Contract by Vendor and/or Order Fulfiller 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

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**Standard Terms and Conditions for Services Contracts**

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 or directly by Order Fulfillers and the requirement to cooperate is included in any subcontract or Order Fulfiller contract 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 and Order Fulfillers 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: the Order Fulfiller's company name if applicable, Customer name, invoice date, invoice number, description, part number, manufacturer, 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 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 Order Fulfillers through the 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.

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**D. Contract Administration Notification**

- 1) Upon 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 specified herein.
- 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.

**10. Vendor Responsibilities**

**A. Indemnification**

**1) INDEPENDENT CONTRACTOR**

VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, IT IS FURNISHING PRODUCTS AND 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-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

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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.

**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 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

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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**

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;
- (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;

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- (ix) to the extent applicable to this scope of this Contract, Vendor hereby certifies that it is in compliance with Subchapter Y, Chapter 361, Health and Safety Code related to the Computer Equipment Recycling Program and its rules, 30 TAC Chapter 328;
- (x) 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;
- (xi) are in compliance Section 669.003, Texas Government Code, relating to contracting with executive head of a state agency;
- (xii) have identified all current or former, within the last five years, employees of the State assigned to work on the DIR Contract 20% or more of their time and have disclosed them to DIR and have disclosed or do not employ any relative of a current or former state employee within two degrees of consanguinity, and, if these facts change during the course of the Contract, certify they shall disclose the name and other pertinent information about the employment of current and former employees and their relatives within two degrees of consanguinity;
- (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, Government Code, are not ineligible to receive the specified contract and acknowledge that this contract may be terminated and payment withheld if this certification is inaccurate;
- (xv) have complied with the Section 556.0055, Texas Government Code, restriction on lobbying expenditures. In addition, they acknowledge 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.

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 Vendor may be required to comply with additional terms and conditions or certifications that an individual customer may require

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due to state and federal law (e.g., privacy and security requirements).

**D. Ability to Conduct Business in Texas**

Vendor and its Order Fulfiller 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.

**E. Equal Opportunity Compliance**

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.

**F. Use of Subcontractors**

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. A revised Subcontracting Plan shall be required before Vendor can engage additional subcontractors in the performance of this Contract. Vendor shall remain solely responsible for the performance of its obligations under the Contract.

**G. Responsibility for Actions**

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 Certification Statement of Appendix A to the RFO and/or Section 10.C. (xii) and (xiii), 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 employment of current or former State employees and their relatives and/or the status of conflicts of interest.

**H. Confidentiality**

1) Vendor acknowledges that DIR and Customers that are state agencies are government agencies 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

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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 the Customer. Vendor and/or Order Fulfiller 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 and/or Order Fulfiller 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 and/or Order Fulfiller 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 and/or Order Fulfiller's employees and subcontractors who will be providing services to the Customer under the Contract may be performed by certain Customers having legislative authority to require such investigations. Should any employee or subcontractor of the Vendor and/or Order Fulfiller 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**

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,

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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**

Vendor represents and warrants that, to the best of its knowledge as of the date of this certification, neither Vendor nor any Order Fulfiller, subcontractor, firm, corporation, partnership, or institution represented by Vendor, nor anyone acting for such Order Fulfiller, 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) 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 are A rated by A.M. Best, 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 a combined single limit of \$1,000,000 per occurrence for coverage A, B, & C including products/completed operations, where appropriate, with a separate aggregate limit of \$2,000,000. 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;
- d) 30-day Notice of Termination in favor of DIR and/or Customer; and
- e) Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

**2) Workers' Compensation Insurance**

**WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY**

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**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 BODILY INJURY PER ACCIDENT, \$1,000,000 BODILY INJURY DISEASE POLICY LIMIT AND \$1,000,000 PER DISEASE PER EMPLOYEE.**

**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. Alternative acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:

- a) Waiver of Subrogation;
- b) 30-day Notice of Termination; and
- c) Additional Insured.

**O. Use of State Property**

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**

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.

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.

Pursuant to Executive Order No. RP-80, issued by the Governor of Texas on December 3,

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2014, the Contractor 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 employed during the term of this Contract to perform duties within Texas; and
- all persons (including subcontractors) assigned by the Contractor to perform work pursuant to this Contract.

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

**Q. Public Disclosure**

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

**R. Product and/or Services Substitutions**

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

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

Vendor agrees that all products and/or services equipped with hard disk drives (i.e. computers, telephones, printers, fax machines, scanners, multifunction devices, etc.) shall have the capability to securely erase data written to the hard drive prior to final disposition of such products and/or services, either at the end of the Customer's Managed Services product's useful life or the end of the related Customer Managed Services Agreement for such products and/ 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 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department

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of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and Vendor shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

**V. Accessibility of Public Information**

1) Pursuant to S.B. 1368 of the 83<sup>rd</sup> 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 specific format by which the Vendor is required to make the information accessible by the public.

**W. Vendor Reporting Requirements**

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

**11. Contract Enforcement**

**A. Enforcement of Contract and Dispute Resolution**

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 §20.108(b)) to report vendor performance through the Vendor Performance Tracking System (VPTS) on every purchase over \$25,000.

**B. Termination**

**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,

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

Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller 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 product or services, they are obligated to pay for the product or services or they may return the product and 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 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 and/or Order Fulfiller 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**

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 12.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 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

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

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 products or services under the Contract have no power to terminate the Contract for default.

**b) Purchase Order**

Customer or Order Fulfiller may terminate a Purchase Order upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order in accordance with Section 4.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.

**5) 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.

**6) Vendor or Order Fulfiller Rights Under Termination**

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.

**C. Force Majeure**

DIR, Customer, or Order Fulfiller 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 Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

**12. Notification**

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

**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. 15<sup>th</sup> Street, Suite 1300  
Austin, Texas 78701  
(512) 475-4759, facsimile

**13. Captions**

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.



## **Bid Package 5**

**Department of Information Resources**

**Managed Services for Telecommunications**

**Request for Offer DIR-TSO-TMP-262**

**Vendor References**

**Bid Package 5  
VENDOR REFERENCES  
Managed Services for Telecommunications  
Request for Offer DIR-TSO-TMP-262**

**REFERENCE DEADLINE TO DIR: No later than March 21, 2017 – 4:00 pm CT**

Texas Department of Information Resources (DIR) requests your assistance in providing a Vendor reference for this Request for Offer (RFO) that has been issued. The Vendor that is responding to this RFO is providing this document for you to fill out and return directly to DIR at the following email address: [managedservicestelecom@dir.texas.gov](mailto:managedservicestelecom@dir.texas.gov) At least one of the engagement customers listed in Bid Package 2, Vendor Experience, must be one of the references in the Vendor Reference Questionnaire, Bid Package 5.

**This portion to be completed by the Vendor requesting reference information**

Vendor Name \_\_\_\_\_  
Type of Services Category \_\_\_\_\_  
Prime Contractor \_\_\_\_\_  
Subcontractor(s) \_\_\_\_\_  
Dates of Performance: Starting Date \_\_\_\_\_ Ending Date \_\_\_\_\_  
Total Est. Contract Dollar Amount \_\_\_\_\_

**This portion to be completed by the Customer providing reference and returned to DIR at**

Rating: (0) Unsatisfactory; (1) Marginally Satisfactory; (2) Satisfactory; (3) Excellent; N/A. Not Applicable  
Definitions for each rating category are contained on the following page.

Please provide your opinion by rating the following:

**Quality of Services**

- |  |                                     |
|--|-------------------------------------|
| 1. Have you purchased any Services from this Vendor in the past 2 years?         | Yes ___ No ___                      |
| 2. Vendor's ability to provide the products or services in a timely manner?      | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |
| 3. Vendor's knowledge of and ability to answer questions regarding the products? | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |
| 4. Vendor's ability to resolve problems?   | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |

**Cost**

- |  |                                     |
|--|-------------------------------------|
| 5. Timely, current, accurate & complete invoices | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |
|--|-------------------------------------|

**Timeliness of Performance**

- |   |                                     |
|---|-------------------------------------|
| 6. Adherence to delivery schedule (major tasks, milestones) | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |
|---|-------------------------------------|

**Business Relations & Customer Satisfaction**

- |  |                                     |
|--|-------------------------------------|
| 7. Effectively communicated with customer management & staff | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |
| 8. Vendor personnel (professional, cooperative & flexible)   | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |
| 9. Vendor's attitude toward customer service                 | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |
| 10. Overall Satisfaction with Vendor                         | 0. ___ 1. ___ 2. ___ 3. ___ N/A ___ |

**Comments: (Please use additional page if necessary)**

\_\_\_\_\_

\_\_\_\_\_

In your opinion, should this Vendor be used again for Services?

Yes \_\_\_ No \_\_\_

In your opinion, should this Vendor be recommended to others? Yes \_\_\_ No \_\_\_

Rater's Name: \_\_\_\_\_ Date: \_\_\_\_\_

Organization: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_ Email address: \_\_\_\_\_

## Vendor Reference Evaluation Scoring

<b>Excellent (3)</b>			
There are no quality problems.	There are no cost issues.	There are no delays.	Responses to inquiries, technical, service, and administrative issues are effective and responsive.
<b>Satisfactory (2)</b>			
Nonconformances do not impact achievement of contract requirements.	Cost issues do not impact achievement of contract requirements.	Delays do not impact achievement of contract requirements.	Response to inquiries, technical, service, and administrative issues is usually effective and responsive.
<b>Marginally Satisfactory (1)</b>			
Nonconformances require minor Agency resources to ensure achievement of contract requirements.	Cost issues require minor Agency resources to ensure achievement of contract requirements.	Delays require minor Agency resources to ensure achievement of contract requirements.	Response to inquiries, technical, service, and administrative issues is somewhat effective and responsive.
<b>Unsatisfactory (0)</b>			
Nonconformances are compromising the achievement of contract requirements.	Cost issues are compromising performance of contract requirements.	Delays are compromising the achievement of contract requirements.	Response to inquiries, technical, service, and administrative issues is not effective and responsive.



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Managed Services for Telecommunications  
Request for Offer DIR-SDD-TMP-262**



**Bid Package 6  
Department of Information Resources**

**Managed Services for Telecommunications**

**Frequently Asked Questions**



Department of Information Resources  
Managed Services for Telecommunications  
Request for Offer DIR-SDD-TMP-262

This document contains frequently asked questions to the Managed Services for Telecommunications asked in previous Managed Services RFO's. Vendors should review the answers to the questions and if the Vendor's question is not addressed below, then the Vendor may submit questions to DIR in accordance with Section 3.3 of the RFO.

Deadline for submitting additional questions: February 27, 2017 at 2:30 p.m. CT  
Deadline for answering questions: March 8, 2017 at 5:00 p.m. CT

<b>General Questions</b>
--------------------------

1. Define the word 'manage' and the phrase 'managed services'. **"Manage" is to handle, direct, govern, or control in action or use. "Managed Services" are provided by a vendor who manages and assumes responsibility for providing a defined set of services to their clients and bill an ongoing flat or near-fixed monthly fee.**
2. Are there any restrictions on offshore locations (i.e., location, percentages)? **There are no restrictions for any DIR Contract. However, specific customers may have their own requirements.**
3. Once an organization has been selected for a service offering, do they then need to compete for opportunities with each agency? **DIR customers are able to use DIR contracts without going out for bid for each procurement opportunity. However, customers may decide to provide a statement of work to existing vendors to obtain the most competitive pricing. Vendors are required to market their Contracts.**
4. Are the current incumbents eligible to submit a proposal for this project? **Yes, all vendors currently holding managed services contracts are eligible to submit a proposal in response to this RFO.**
5. Are point to point managed data circuits included in this RFO? Can they be proposed as an option or will that be in a separate RFO? **No, management of point to point data circuits is out of scope for this RFO. Point to point data circuits were included in RFO# DIR-TEX-AN-NG-001 which was released in August, 2010.**
6. Does a Vendor have to be an established business in the State of Texas? If not, is there a requirement and/or timeframe in which the Vendor must establish a presence within the state after contract award? Are there any certifications for Vendors outside of the state that must be completed either prior to or immediately after bid submission and/or contract award? **There are no requirements for Vendors to establish a presence within the State of Texas for contract award; however, Vendors must be registered with the Comptroller of Public Accounts (CPA) as up to date on franchise tax payments in order to be awarded a contract. Vendors may contact CPA at 1-800-252-1386 or by email at tax.help@cpa.state.tx.us. Please note that specific customers or projects may have in-state requirements.**



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7. Are managed WIFI services to agencies included in this RFO. **You may submit a response to this RFO, DIR-SDD-TMP-195, which will be evaluated and considered for possible contract award, or you may attempt to subcontract with a vendor who is awarded a prime contract through the procurement process. Managed WIFI services that are part of TEX-AN-NG will not be considered.**
8. Is there going to be a site list made available so potential vendors can better know where services are expected? **The intent of this solicitation is to award master contracts for use by DIR eligible customers. DIR does not maintain a list of DIR customer requirements.**
9. Is this the RFO to renew the DIR approved vendor list for Managed Services or a specific set of projects? **The intent of this solicitation is to award master contracts for use by DIR eligible customers. DIR does not maintain a list of DIR customer requirements.**
10. What is the approximate total number of end users statewide? **Please see response to question #9.**
11. Is there historical data for the trouble tickets available? What is the amount of trouble tickets in any given year? Is this data available? And if so, can we obtain a copy of this information? **Please see response to question #9.**
12. Is there a max number of customers one vendor can obtain? **No, there is not a maximum number of customers one vendor can obtain.**
13. Is there a successor on these contracts? If so, how will the takeover be handled if the contract is awarded to a different vendor? **There are existing managed telecommunications services contracts. Engagements procured through awarded contracts are for a specific time period. Any new engagements would be procured through a new contract and would not be transitioned to a newly awarded vendor.**
14. If there is a current vendor performing these services, will we be able to obtain a copy of the current contract? **All current contracts are listed on the DIR Web site at: <http://www.dir.texas.gov/ict/contracts/Pages/ProductsServices.aspx>. In the box "Search by Keyword," type Managed Services. The contracts will display in the search results.**
15. If our original offer only includes specific territories, once awarded can we expand the geographic area? **If Vendors provide a proposal for a specific geographic area only, they will not be able to add additional areas after contract award.**
16. If our original offer only includes specific services, once awarded can we add additional services? **Vendors may not add additional services not included in the original proposal.**



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17. In regards to page 3, Section 2, B. Support Services d. Help/Support Desk/Services: What is the currently average monthly interaction (calls, voicemail, emails, web submit, etc.) volumes? Also, what is the current average handle time per interaction? **Please see response to Question #9.**
18. In regards to page 3, Section 2, B. Support Services d. Help/Support Desk/Services: Would DIR provide the Incident Management (ticketing) system and Knowledgebase system or would the vendor need to provide this functionality? **Any Contracts resulting from this RFO are for DIR eligible customers. Please see response to Question #9.**
19. What are the sizing and locations for the services? **Please see response to question #9.**
20. What are the configuration guidelines for this service? **Please see response to question #9.**
21. What are the legacy systems involved? Do current maintenance contracts exist? **Please see response to question #9.**
22. How does this request differ from the request in the TEX-AN contract? **Any service awarded under TEX-AN NG is out of scope for this RFO.**



**Department of Information Resources  
Managed Services for Telecommunications  
Request for Offer DIR-TSO-TMP-262 Addendum #2**

This Addendum to Request for Offer DIR-TSO-TMP-262 contains:

1. Written Questions and Official Answers
  2. Vendor Pre-Bid Conference presentation slides
  3. Vendor Pre-Bid Conference / webinar sign-in sheet
- 

Respondents may download the documents for this Addendum from the Electronic State Business Daily ([http://esbd.cpa.state.tx.us/bid\\_show.cfm?bidid=131050](http://esbd.cpa.state.tx.us/bid_show.cfm?bidid=131050)).

**A. WRITTEN QUESTIONS AND OFFICIAL ANSWERS:**

- 1) What Telecommunication Platforms are in use?

**Answer:** This RFO is not for a specific statement of work (SOW). This RFO will result in a master contract for Managed Telecommunications Services. Customers will then develop their own specific SOW with their requirements.

- 2) Will DIR provide a list of preferred Telecommunications Platforms?

**Answer:** See question #1 above.

- 3) What methodology will be used for notifying the Managed Services provider of the requirement to bid on an expiring contract?

**Answer:** Customers looking to procure Managed Telecommunications Services from the resulting contracts of this RFO will submit a SOW directly to the awarded vendor(s) for a proposal.

- 4) Is there a central site for remote access to current Telecommunications Platforms?

**Answer:** No.

- 5) Are current licenses perpetual or recurring?
  - a. If mixed, what is the quantity of each?

**Answer:** See question #1 above.

- 6) Are there crash kits which need to be maintained?

**Answer:** See question #1 above.

- 7) What are the TEX-AN or Co-op Contracts and procedures to directly purchase the services from DIR?

**Answer:** The procedures to directly purchase from the TEX-AN or Co-op contracts can be reviewed on the DIR website.



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- 8) What is the timeline for Vendor to “prepare and provide each customer with a managed service solution proposal”?

**Answer:** See question #1 above. Each customer will state the timeline for a response in their SOW.

- 9) Requesting clarification on the Sample Statement of Work, 7. Service Level Agreement, E. Meantime to Resolution. Does this refer to internal resolution of system or IT issues that arise, or resolution of incoming customer’s phone calls?

**Answer:** The Statement of Work contained in the RFO is a sample. Some items contained in the sample SOW may not apply to every engagement. Each SOW will be modified to fit the scope of work being procured by the customer.

- 10) The following excerpt suggests that “Voice over Internet Protocol (VoIP) offerings are associated with the TEX-AN contract DIR-TEX-AN-NG-001;
- a. “Any service awarded under the TEX-AN Next Generation Procurement, RFO number DIR-TEX-AN-NG-001. The following services were awarded under the TEX-AN Next Generation Procurement
- 1. LONG DISTANCE SERVICES
  - 2. INTERNET SERVICES (INCLUDING SOHO)
  - 3. VOICE OVER INTERNET PROTOCOL (VOIP)
  - 4. LOCAL VOICE SERVICE
  - 5. FIXED SATELLITE
  - 6. ACCESS AND TRANSPORT

**Answer:** VoIP is associated with TEX-AN NG contracts that have been awarded.

- 11) It appears by the language in the request that management of on premise traditional and on premise VoIP systems is ok. Are fully hosted VoIP solutions eligible for this contract?

**Answer:** Yes, management of on premise traditional and on premise VoIP systems is acceptable. Hosted VoIP solution are NOT included in this RFO.

- 12) RFO Bid Package 1, Section 3.5.1 Will there be a contract/managed service provider recruitment period prior at any time during the contract term? If so, please provide details of when it will take place along with pertinent qualification rules?

**Answer:** No, there will not be a recruitment period.

- 13) As agencies throughout Texas could benefit from maximizing their telecom resource investment, does DIR encourage TEM vendors to respond or perhaps, does DIR plan to issue an RFO related to Telecom Expense Management Services?

**Answer:** DIR is not planning to issue a bid for Telecom Expense Management Services at this time.



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14) Can this contract be used by any other state as a “piggyback” and if so how is this accomplished?

**Answer:** No, this contract will be limited to eligible customers within the state of Texas.

15) In Bid Package One, there is a Sample Statement of Work provided...does this need to be filled out/completed as a part of this bid package, or is it informational, to give bidding vendors an idea of what a typical Statement of Work contains?

**Answer:** No, the Sample Statement of Work does not need to be filled out as part of the bid response. This is informational only.

16) In Section 2.2 Subsection B, Item 1 the list of Subscription based platforms would include IT infrastructure (Hardware and Software) that have both Signaling and Media, data paths. The Media stream in most cases will traverse a data circuit. Since these platforms are Voice Centric, the packetizing of the voice payload is necessary in order to deliver it across a data WAN from point A, Hosted Solution (Subscribed Infrastructure and Software) to point B, (client location). Does 2.2 C then eliminate 2.2 B and take this section out of the RFP entirely?

**Answer:** No, Section 2.2 B is not eliminated from this RFO. In the scenario described, the data circuit would need to be ordered by the customer off of the TEX-AN contracts.

17) Would TEXAN NG eliminate 2.2 hosted?

**Answer:** No, 2.2 B is not eliminated.

18) DIR has clarified that the number of exceptions to the Terms & Conditions will be considered when evaluating the responses. Are there any Terms & Conditions for which vendors may be disqualified if they take exception to them?

**Answer:** The new Appendix A in Addendum 1 states which terms and conditions are not open to exceptions. These terms and conditions will disqualify a vendor if it takes exception to them.

19) Is Managed Service for VoIP Included in this RFP? Or are Managed Services only for PBX Solutions?

**Answer:** Managed Services for on premise VoIP and PBX equipment are included in this RFO. Hosted VoIP or Hosted PBX solutions are NOT included in this RFO.

20) How do they define VoIP or what can I find definition?



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**Answer:** VoIP is defined as follows: Internet Protocol Telephone Service provides voice communications Service and telephony Features to the Customer premise using Voice over Internet Protocol to connect to the Vendor's IP network and subsequently to the PSTN. Hosted VoIP solutions are excluded from this RFO.

21) Is this IP Tel environment Cisco/Avaya/NEC/Mitel?

**Answer:** See answer to question #1 above.

22) You mentioned hosted voice solutions are eligible in one slide yet VoIP is ineligible in another slide. This was a little confusing the RFO as well. We provide Cisco Hosted Voice services. Can we provide hosted VoIP services under this contract?

**Answer:** No, Hosted VoIP services are excluded from this RFO.

23) I looked at the list for hosted solutions. VoIP is not there but hosted PBX is. Does that mean we can provide a hosted voice solution based on PBX technologies?

**Answer:** No, Hosted PBX services are excluded from this RFO, as are Hosted VoIP services.

24) 1.2.2 Cost Recovery Can you explain more about the Cost Recovery Fees, and what this is? Also, how is that to be reflected in the price (itemized or included)?

**Answer:** The cost recovery fee is 0.75% and it is included in the price. The cost recovery fee is designed to fulfill its program needs as authorized in Chapter 2170, Texas Government Code.

25) 1.2.3 Current Contracts Is the earliest date for any potential SOWs for successful bidders the beginning of your fiscal year (September 1, 2017)?

**Answer:** The earliest date for any potential SOWs is when a contract is awarded.



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26) 2.2 A.f. Representative Examples Managed Service Can you define Network Optimization managed services more specifically?

**Answer:** Network Optimization includes, but is not limited to, providing services to document a customer's current network state, future state and providing a gap analysis. It also could include providing technical services to improve a customer's network performance.

27) Is there an estimated breakdown of manufacturer hardware across the customers that would benefit from this RFO? i.e. Avaya/Nortel/Norstar/NEC, etc.

**Answer:** No. DIR does not know the type of equipment each potential customer may have.

28) Could you define what you mean by VoIP as an out of scope service? Is this only referring to SIP trunks/dial tone delivery, not support of VoIP networks?

**Answer:** Providing VoIP as a service is out of scope. Managing a customer's VoIP network is in scope.

29) DUNS Pass/Fail Our company recently received their DUNS number so there isn't any information yet. Is that an automatic disqualification or is there a provision to account for DUNS age?

**Answer:** For companies who just recently receives a DUNS number, normally D&B will contact the vendor to get the financial information and calculate the ratings accordingly.

30) RFO Bid Package 1 Section 3.7.2 How many thumb drives are required? There is conflicting information in the checklist. Is it 4 of the complete response or just one?

**Answer:** Bid Package 1 Section 3.7.2 is correct but the Exhibit A checklist will be corrected. Each Vendor must submit the complete response as follows:

- a. One (1) signed original (clearly marked) of the complete response, including one (1) signed original of the HUB Subcontracting Plan;
- b. One (1) signed original of the HUB Subcontracting Plan in a separate envelope;
1. Two (2) USB flash drives (**clearly marked with Vendor name**) containing the following;
- c. One (1) USB drive containing an electronic folder labeled "Complete Vendor Response" that shall contain the entire Vendor's response.
- d. One (1) USB drive containing a labeled electronic folder with any and all response materials, which Vendor asserts are confidential or proprietary\*; and a labeled electronic folder containing all non-proprietary/confidential and non-copyrighted materials in the Vendor's response\* (redacted copy for public release).



**Department of Information Resources  
 Managed Services for Telecommunications  
 Request for Offer DIR-TSO-TMP-262 Addendum #3**

This Addendum to Request for Offer DIR-TSO-TMP-262 contains:

1. Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to change the deadline for posting answers to questions to March 14, 2017.
2. Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to extend the deadline for submitting responses to the RFO to March 28, 2017 at 2:00 p.m. (CT).
3. Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to extend the deadline for DIR to receive Vendor references to March 28, 2017 at 2:00 p.m. (CT).
4. Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to extend the date of the evaluation of responses to March 29, 2017 through completion.
5. Notice of revision to RFO Bid Package 1 Section 2.2.B language
6. Notice of revision to RFO Bid Package 1 Exhibit A Question 19, Checklist for the RFO.
7. Notice of addition of Vendor Pre-Bid Conference webinar attendees sign-in sheets.

Respondents may download the documents for this Addendum from the Electronic State Business Daily ([http://esbd.cpa.state.tx.us/bid\\_show.cfm?bidid=131050](http://esbd.cpa.state.tx.us/bid_show.cfm?bidid=131050)).

**NOTICE OF REVISION TO RFO BID PACKAGE 1**

- 1) Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to change the deadline for posting answers to questions to March 14, 2017.
- 2) Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to extend the deadline for submitting responses to the RFO to March 28, 2017 at 2:00 p.m. (CT).
- 3) Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to extend the deadline for DIR to receive Vendor references to March 28, 2017 at 2:00 p.m. (CT).
- 4) Notice of revision to RFO Bid Package 1 Schedule 3.3.1 RFO Schedule to extend the date of the evaluation of responses to March 29, 2017 through completion.

<b>Date/Time</b>	<b>Activity</b>
February 15, 2017	Publish RFO on Electronic State Business Daily
February 23, 2017 2:30 pm CT	Optional Vendor Conference
March 6, 2017 2:30 pm CT	Deadline for submitting questions
March 28, 2017 2:00 pm (CT)	Deadline for DIR to receive Vendor references



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March 14, 2017 5:00 pm (CT)	Deadline for posting answers to questions on the ESBD
<b>March 28, 2017 2:00 pm (CT)</b>	Deadline for submitting Responses to RFO
March 29, 2017-through completion	Evaluation of responses, oral presentations (if requested) negotiation and contract execution

5) Notice of revision to RFO Bid Package 1 Section 2.2.B language to the following;

B. The following services can be included to provide a total managed service solution:

1. Hosted Solutions are offered to customers on a subscription basis and includes the IT infrastructure (hardware and software) and support services necessary to deliver the solution. Hosted services include technology services listed here:
  - a. Call Center or Contact Center Services
  - b. IVR/Auto-Attendant
2. Requirements Development
3. Integration Services
4. SLA's and Performance Metrics
5. Reporting
6. Asset Management
7. Project management
8. Operations
9. Support Services
  - a. Move, Add, Changes (MACs)
  - b. Solution Design
  - c. Solution Software and Licenses
  - d. Network Readiness Assessment and Optimization
  - e. Transition and Termination Services
  - f. Break/Fix and Maintenance



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g. Help/Support Desk Services

h. Training

6) Notice of revision to RFO Bid Package 1 Exhibit A Question 19, Checklist for the RFO to specify details of the mandatory response of two USB drive copies.

Item	Check
Response addressed to:  Department of Information Resources  300 W. 15th Street, Suite 1300  Austin, Texas 78701  Attn: Carrie Cooper	
External packaging references "RFO DIR-TSO-TMP-262"	
Package contains one (1) signed original (clearly marked) of the complete response with one (1) signed original HUB Subcontracting Plan	
Package contains one (1) additional signed original HUB Subcontracting Plan in a separate envelope	
Package contains two (2) clearly marked additional USB drive copies of the complete response containing the following;  One (1) USB drive containing an electronic folder labeled "Complete Vendor Response" that shall contain the entire Vendor's response and One (1) USB drive containing a labeled electronic folder with any and all response materials, which Vendor asserts are confidential or proprietary*; and a labeled electronic folder containing all non-proprietary/confidential and non-copyrighted materials in the Vendor's response* (redacted copy for public release).  *If required	
Paper responses are bound and the cover of the binders' reference "DIR-TSO-TMP-262" and include the name and address of the responding Vendor	



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<b>Mandatory Response Contents</b>	
Vendor Information - Exhibit A	
Contract Support Plan – Exhibit B	
HUB Subcontracting Plan Forms – Exhibit C – one signed copy in a separate envelope	
List of Vendor’s Cancelled Contracts – Bid Package 1, Attachment 1	
Release of Liability Form for References – Bid Package 1, Attachment 2	
Vendor Experience Form – Bid Package 2	

**VENDOR PRE-BID CONFERENCE WEBINAR ATTENDEES SIGN-IN SHEETS**

Please see included Word document.



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There should be two (2) USB drives in total.

- 31) RFO Bid Package 1 Section 19 looks like 5 or more thumb drives. Can we combine items on USB as described in section 3.7.2 or separate them out?

**Answer:** Please see the answer for #30.

- 32) Will there be a method for verifying if references have submitted their responses?

**Answer:** Vendors can request a debriefing meeting after the procurement is finished to see if their references submitted a response.

- 33) Bid Package 2-Should the column heading on Page 6 reference "Engagement 2" instead of "Project 2", so that its consistent with the "engagement 1" referenced on page 5.

**Answer:** Yes, it should be Engagement 2.

- 34) Bid Package 2-Should the column heading on Page 7 reference "Engagement 3" instead of "Project 3", so that its consistent with the "engagement 1" referenced on page 5.

**Answer:** Yes, it should be Engagement 3.

- 35) Please confirm that pricing is not to be included within the response.

**Answer:** Pricing is not to be included in the response.

- 36) Bid Package 1 / Exhibit A The checklist (page 21 within Exhibit A) provides details on the contents and QTY of USB drives that are to be submitted. The information is not consistent with section 3.7.2. Please provide specifics as to the contents and QTY required.

**Answer:** Please see the answer to #30.

- 37) Bid Package 1: Vendor Reference Section 3.7.4 indicates that the questionnaire must be sent to three (3) companies or government agencies. It states that "If DIR does not receive a vendor reference, Vendor will receive a score of "0" for that reference." Section 4.2.2 indicated that 15% is the weight for vendor references. There appears to be no requirement that indicated that all 3 reference questionnaires must be received by DIR, it only states that the vendor must send to 3. Therefore, what is the total maximum score that can be obtained for each reference questionnaire that is received by DIR?

**Answer:** Each reference's maximum score would be worth 5 points.

**B. VENDOR PRE-BID CONFERENCE PRESENTATION SLIDES**

Please see attached Power Point document.



**Department of Information Resources  
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**C. VENDOR PRE-BID CONFERENCE/WEBINAR SIGN-IN SHEET**

Please see included Word document.



**Department of Information Resources  
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This Addendum to Request for Offer DIR-TSO-TMP-262 contains:

1. Notice of revision to RFO Bid Package 2 Vendor Experience language.
2. Notice of revision to RFO Bid Package 3 Services Contract language.
3. Notice of revision to Vendor Pre-Bid Conference Webinar attendee sign in sheet.

Respondents may download the documents for this Addendum from the Electronic State Business Daily ([http://esbd.cpa.state.tx.us/bid\\_show.cfm?bidid=131050](http://esbd.cpa.state.tx.us/bid_show.cfm?bidid=131050)).

**NOTICE OF REVISION TO RFO BID PACKAGE 2**

- 1) Notice of revision to RFO Bid Package 2 Vendor Experience language to the following;

**Project Experience**

The following services can be included to provide a total managed service solution:

1. Hosted Solutions are offered to customers on a subscription basis and includes the IT infrastructure (hardware and software) and support services necessary to deliver the solution. Hosted services include technology services listed here:
  - a. Call Center or Contact Center Services
  - b. IVR/Auto-Attendant
2. Requirements Development
3. Integration Services
4. SLA's and Performance Metrics
5. Reporting
6. Asset Management
7. Project management
8. Operations
9. Support Services
  - a. Move, Add, Changes (MACs)
  - b. Solution Design
  - c. Solution Software and Licenses
  - d. Network Readiness Assessment and Optimization
  - e. Transition and Termination Services



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- f. Break/Fix and Maintenance
- g. Help/Support Desk Services
- h. Training

Please see attached Excel Spreadsheet.

**NOTICE OF REVISION TO RFO BID PACKAGE 3**

2) Notice of revision to Bid Package 3 Services Contract Section 3. Service Offerings B. language to the following;

B. The following services can be included to provide a total managed service solution:

1. Hosted Solutions are offered to customers on a subscription basis and includes the IT infrastructure (hardware and software) and support services necessary to deliver the solution. Hosted services include technology services listed here:
  - a. Call Center or Contact Center Services
  - b. IVR/Auto-Attendant
2. Requirements Development
3. Integration Services
4. SLA's and Performance Metrics
5. Reporting
6. Asset Management
7. Project management
8. Operations
9. Support Services
  - a. Move, Add, Changes (MACs)
  - b. Solution Design
  - c. Solution Software and Licenses
  - d. Network Readiness Assessment and Optimization
  - e. Transition and Termination Services
  - f. Break/Fix and Maintenance
  - g. Help/Support Desk Services



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h. Training

**NOTICE OF REVISION TO PRE-BID CONFERENCE WEBINAR ATTENDEE SIGN-IN SHEETS**

- 3) Notice of revision to pre-bid conference webinar attendee sign-in sheets for Karin Williams email to [karin.williams@riotel.co](mailto:karin.williams@riotel.co)