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**DIR-SDD-2175, Appendix D, Supplemental Agreement  
for Managed Services for Information Technology**

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Supplement to Agreement for Managed Services for Information Technology

**TEXAS EDUCATION AGENCY**

Texas Education Agency  
1701 North Congress Ave.  
Austin, Texas 78701

Northrop Grumman Systems Corporation, acting through Northrop Grumman Information  
Systems Sector, Cyber Solutions Division ("Northrop Grumman") **Project Office Address:**


Northrop Grumman Systems Corporation  
7745 Chevy Chase Drive  
Building V, Suite 100  
Austin, Texas 78752

Term Commencement Date: September 1, 2013

The term of this TEA Supplemental Agreement (Supplement) will begin as of 12:01 a.m. on the Term Commencement Date and will end as of 12:00 midnight on August 31, 2014 unless earlier terminated or extended in accordance with this Supplement. The Parties agree that the Supplement includes the work as defined in Schedules B, J, and V attached hereto, and is subject to the terms and conditions of this supplement herein and the State of Texas Agreement for Managed Services for Information Technology Contract Number DIR-SDD-2175 signed March 13, 2013 including Appendix A Standard Terms and Conditions For Services Contracts.

Accepted and Agreed:

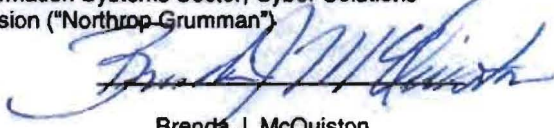
Texas Education Agency

BY:   
Shirley Beaulieu  
Printed Name

TITLE: CEO

DATE: 10-2-13

Northrop Grumman Systems Corporation,  
acting through Northrop Grumman  
Information Systems Sector, Cyber Solutions  
Division ("Northrop Grumman")

BY:   
Brenda J. McQuiston  
Printed Name

TITLE: Contract Administrator

DATE: August 26, 2013

**SCHEDULE B**

**SYSTEMS SOFTWARE**

**Not Applicable**

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**Schedule E – TEA Supplemental Agreement for Managed Services for  
Information Technology  
Support Services and Service Levels  
Texas Education Agency (TEA)**

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1     PURPOSE

This Supplement describes the duties and responsibilities of Northrop Grumman Systems Corporation, acting through Northrop Grumman Information Systems Sector, Cyber Solutions Division (Northrop Grumman) and Texas Education Agency (TEA) related to Northrop Grumman's delivery of managed services to TEA. Northrop Grumman will provide the services in accordance with the descriptions contained in this Supplemental Agreement (Supplement). TEA will support Northrop Grumman's provision of services in accordance with the descriptions contained in this Supplement. This Supplement shall be between TEA, a member of the New Generation System Consortium of States (NGS), and Northrop Grumman. Any services provided by Northrop Grumman directly to NGS shall be through the direction and control of TEA as this Supplement is between Northrop Grumman and TEA. This Supplement is incorporated herein and a part of the Master Contract for Managed Services for Information Technology administered by DIR, Contract Number 2175 and Appendix A to this Agreement.

2     SERVICES PROVIDED

Northrop Grumman will provide on a Firm Fixed Price (FFP) basis, project management, website maintenance, database management, and system maintenance services to the Texas Education Agency and NGS as follows:

2.A     Project Management

Northrop Grumman will provide a named point-of-contact at the time of contract award for the purposes and terms of the contract for Project Management. Project Management will provide the following services to TEA:

- 2.A.1     Oversee the NGS website maintenance, database management and system maintenance services provided by Northrop Grumman on the NGS Project provided to TEA facility New Generation Systems (NGS) offices located at 7703 N. Lamar Blvd, Suite 320, Austin, Texas 78752.
- 2.A.2     Conduct bi-monthly meetings with TEA migrant staff and NGS as needed.
- 2.A.3     Capture and document each new requested website modification also known as build items for each website update or build release documented in a spreadsheet managed by Northrop Grumman. New website modification requests are managed by changes clause in Section 14 herein.
- 2.A.4     Coordinate in advance with TEA and NGS to obtain prior approval before deploying each build release.

**2.B Website Maintenance**

Northrop Grumman will provide the services of two developers for the purposes and terms of the contract for website maintenance. The developers will provide the following services to TEA:

- 2.B.1 Participate in website design sessions with NGS twice a year at the NGS Consortium Advisory Meetings.
- 2.B.2 Create Statement Of Work (SOW) or Level of Effort (LOE) for new build items.
- 2.B.3 Maintain the State Assessment Data Import for all NGS Consortium States.
- 2.B.4 Maintain the Education Data Exchange Network (EDEN) Export.
- 2.B.5 Maintain the Health and Human Services Commission (HHSC) file exchanges.
- 2.B.6 Maintain the Migrant Student Information Exchange (MSIX) file transfers.
- 2.B.7 Maintain all Performance Reports.
- 2.B.8 Maintain the Electronic Data Interchange (EDI) Service.
- 2.B.9 Maintain the Report Processing Service.
- 2.B.10 Maintain Change Detection Software.
- 2.B.11 Maintain Automatic User Deactivation Process.
- 2.B.12 Maintain the NGS Database.
- 2.B.13 Maintain the NGS System Environments.
- 2.B.14 Produce Eligibility Sample Reports.
- 2.B.15 Maintain the NGS Help Screens.
- 2.B.16 Research Requested Enhancements.
- 2.B.17 Research errors and/or NGS build item change requests to determine the following:
  - 2.B.17.a Validity of error and/or NGS functional change request
  - 2.B.17.b Level of effort to correct error or implement NGS functional change request
  - 2.B.17.c Create or finalize NGS Change Request document in accordance with Section 14 Changes herein.
  - 2.B.17.d Submit NGS Change Request document to Project Management for approvals.



- 2.B.17.e Implement approved NGS Change Request
  - 2.B.17.f Update NGS Change Request documentation
- 2.B.18 Provide support for the NGS Help Desk to include the following:
  - 2.B.18.a Field requests from the NGS Help Desk staff for NGS issue resolution
  - 2.B.18.b Field requests from the NGS Help Desk staff for Custom Reports
- 2.C Database Management and System Administration Support Services for Production Environment

Break/Fix Support for the New Generation System (NGS) production environment (Production Web, Production Database, Training Web, Training Database, FTP, EDI, MSIX, HHSC, Email and Report Processing Services) as described below:

  - 2.C.1 Scheduling and monitoring of workloads:
    - 2.C.1.a Monitoring: drive space, CPU utilization, drive throughput, network throughput, memory utilization, system generated logs and Change Detection Application output.
    - 2.C.1.b Scheduling: SQL jobs, MSIX and HHSC file transfers, Change Detection Application.
  - 2.C.2 Perform daily system administration duties:
    - 2.C.2.a Check submitted reports
    - 2.C.2.b Check database replication
    - 2.C.2.c Check SQL scheduled tasks
    - 2.C.2.d Review the Event Logs
  - 2.C.3 Perform daily backups and oversee weekly tape rotation
  - 2.C.4 Check internet connectivity and availability on a daily basis
  - 2.C.5 Monitor the physical environment of the server room and schedule any needed air or mechanical equipment maintenance or service
  - 2.C.6 Monitor change detection output
  - 2.C.7 Perform monthly system administration duties:
    - 2.C.7.a Perform monthly backups
    - 2.C.7.b Verify all windows updates are current
    - 2.C.7.c Verify the virus scan data files are current

2.C.7.d Review the web error log

- 2.C.8 Post notification of service interruptions on the NGS homepage
- 2.C.9 Implement new hardware and/or third party software after testing
- 2.C.10 Provide second tier technical assistance for problem resolution
- 2.C.11 Deploy maintenance patches and updates to the production environment
- 2.C.12 Provide recommendations for hardware and software purchases
- 2.C.13 Test new hardware and third party software prior to implementation

2.D System Maintenance Services and Administration Support for Maintenance/Development Environment

Support the maintenance/development environment (Development Web, Development Database, Test Web, Test Database, Workstations and Report Processing Services) as follows:

- 2.D.1 Manage and maintain maintenance tools provided in the Microsoft MSDN software support package.
- 2.D.2 Plan and manage deployment of new build items to the production environment
- 2.D.3 Provide recommendations for hardware and software purchases
- 2.D.4 Test new hardware and third party software prior to implementation
- 2.D.5 Provide second tier technical assistance for problem resolution
- 2.D.6 Perform monthly system administration duties of the maintenance/development environment:
  - 2.D.6.a Perform monthly backups of the NGS maintenance/development environment
  - 2.D.6.b Verify all windows updates are current
  - 2.D.6.c Verify the virus scan dat files are current
  - 2.D.6.d Review the web error log as part of the monthly system administrative duties.

3. GENERAL TERMS AND CONDITIONS

- 3.A The initial term of this Supplement shall be for a period of three (3) years from the date of execution. At the end of the third term year of the Supplement, with 60 days written notice, TEA may exercise one of the following options.
  - 3.A.1 TEA may extend the Supplement for an additional two (2) optional one-year terms.

- 3.A.2 TEA may extend the Supplement on a year-to-year basis. Pricing shall be subject to mutual agreement between TEA and Northrop Grumman at the beginning of each optional year, up to a maximum of three one-year extensions.
- 3.A.3 TEA may extend this Supplement on a month-to-month basis up to a maximum of one year. Pricing shall be subject to mutual agreement between TEA and Northrop Grumman no later than at the beginning of each optional month. If no agreement is reached by the Parties by the 5<sup>th</sup> day of each optional month, the Northrop Grumman proposed pricing becomes the invoice pricing for the services performed for that optional month.
- 3.A.4 TEA may choose not to extend the Supplement and Northrop Grumman shall remove all equipment and components.

Any renewal after the first term year of the Agreement shall include negotiated prices, terms and conditions and subject to mutual agreement of both Parties.

#### **4. OTHER SERVICES AND CONDITIONS**

- 4.A The Northrop Grumman NGS Project Team, consisting of the Project Manager, System Administrator, and two Programmers, in coordination with TEA Migrant Education Management, the NGS Advisory Committee and the NGS Management Team will establish the specific deliverable items, the deliverable priorities and determine which deliverables will be presented as the next website release. Website releases will be coded and implemented twice per calendar year. Release 1 will be delivered sometime during Jan 1 and June 30<sup>th</sup> of the current contract year. Release 2 to be delivered anytime during July 1 through December 31<sup>st</sup> of the current contract year. Actual implementation dates will be negotiated and approved by all parties.

The following deliverable stipulations apply:

- 4.A.1 The deliverable priorities will be fully enunciated approximately one month after delivery of each release or two weeks after the NGS Management and NGS Advisory Committee meetings that establish the new build items and priority.
- 4.A.2 NGS Management can request a change of priorities and substitute build items with written approval from Northrop Grumman.
- 4.A.3 TEA Migrant Education Management and Northrop Grumman will sign off on the detailed list of new build items and priorities prior to development of the next release.
- 4.A.4 The delivery dates for each release are based upon the agreed upon specific items for each release. If any delays are projected due to changes in the specific items, then a new delivery date will be proposed and agreed upon by TEA Migrant Education and Northrop Grumman.
- 4.A.5 Northrop Grumman shall provide any and all new build items hereunder to the NGS testing group for system testing on the test server. The new build items will be made available to the NGS testing group as soon as they have been completed and tested by the Northrop Grumman development and testing staff.



- 4.A.6 As the NGS testing group tests the new build items they will notify the Northrop Grumman development and testing staff, in writing, of any suggestions, changes, or modifications to the new build items. Northrop Grumman will implement changes if approved by the Northrop Grumman development and testing staff, and do not increase the scope of work. If these changes require an increase in the scope of work, TEA Migrant Education Management will allow Northrop Grumman sufficient time to implement the change(s) or agree to have these changes implemented during a subsequent release.
- 4.A.7 TEA Migrant Education Management will notify Northrop Grumman, in writing, within 15 working days following the release of a new build item if an item is not acceptable for full-scale general usage. The notice will specify in reasonable detail the reasons the deliverable has been deemed unacceptable. If TEA Migrant Education Management does not notify Northrop Grumman within 15 working days following delivery, the deliverable has been deemed accepted by TEA.
- 4.B If TEA Migrant Education Management or NGS Management desires to increase the level of effort contained in this Supplemental (including Change Requests) in any period of contract performance by Northrop Grumman, Northrop Grumman will present a change request in an estimate for approval and sign off prior to starting development. An increase in the level of effort for functionality additions that are made without substituting for functionality previously on the new build item list can result in additional financial charges for the requested increase in level of effort.
- 4.C Office Space, Equipment and Security
  - 4.C.1 TEA and/or the NGS Consortium of States will provide for the physical security of the NGS office and equipment room.
  - 4.C.2 TEA and/or the NGS Consortium of States will supply office and equipment room monitoring service.
  - 4.C.3 TEA and/or the NGS Consortium are responsible for the site security licenses filed with the Austin Police Department.
  - 4.C.4 TEA and/or the NGS Consortium are responsible for all insurance requirements for the NGS Office, property, and equipment.
  - 4.C.5 It is the responsibility of Northrop Grumman to provide a point of contact to assist the site security monitoring company, building security/management and the Austin Police Department for issues that arise regarding the NGS office physical security.
  - 4.C.6 TEA and/or the NGS Consortium of States will provide reasonable and acceptable office space for up to four team members in addition to PC workstations, production servers (to include test, train and development), production software and printers.
  - 4.C.7 TEA and/or the NGS Consortium of States will be financially responsible for all equipment purchases, internet service and upgrades required to maintain the proper operational environments for NGS.

- 4.C.8 TEA and/or the NGS Consortium of States is financially responsible for all software licenses, server certificates, domain registration and the renewal of such for the proper legal operation of the NGS environments.
- 4.C.9 TEA and/or the NGS Consortium of States will provide for a production system environment to include adequate cooling, ventilation, fire prevention, and offsite backup storage in the event of an emergency. It is the responsibility of Northrop Grumman to ensure that the office space is reasonably neat in appearance and well maintained.
- 4.C.10 Northrop Grumman shall permit TEA access during normal business operating hours to all records, data and facilities used in performance of the contracted services provided TEA does not cause any delay or disruption in the day to day operations.

#### 4.D Scheduled Conferences

During the course of this Supplement, either Northrop Grumman or TEA may request a conference for the purpose of contract review, discussion of performance or other issues related to services being provided to TEA. These conferences shall be coordinated by TEA and scheduled in duration depending on planned agenda items. There will be no additional charges for these conferences.

#### 4.E Replacement of Northrop Grumman Staff

TEA shall have the right to request replacement, for reasonable cause, subject to State and Federal law, of any Northrop Grumman staff assigned to provide support services to TEA. This request shall be submitted in writing to Northrop Grumman management. Replacement by Northrop Grumman of staff in question shall occur as soon as reasonably possible, but in no case more than thirty days (30), upon receipt of the written request. TEA management may verbally request replacement with the written request to follow within the next business day.

### 5. PRE-WORK CONFERENCE

Within ten business days after acceptance of this Supplement and prior to the beginning of any work or ordering of any materials, a pre-work conference shall be held at a time and place designated by TEA to discuss contract documents, submittal procedures and overall project administration. Duly authorized representatives of TEA and Northrop Grumman shall attend.

### 6. DELAY AND EXTENSIONS OF TIME

Northrop Grumman may be granted extensions of time by TEA because of authorized change orders to the Supplement, or because of strikes, lockouts, fire, unusual delay in transportation, unavoidable casualties, inclement weather, inability to gain access to buildings at times agreed to by sign-off of the work plan, an act of God, war, civil disturbance, epidemic, or court order which constitute justifiable delays, provided Northrop Grumman has prudently and promptly acted to take any and all corrective steps that are within Northrop Grumman's control. Requests for extensions of time shall be made in writing to the TEA Project manager. All time extension requests shall be supported by sufficient written evidence in support of the requests. In the case of a continuing cause of delay, only one claim is necessary. Requests for extensions shall be stated with specific new delivery dates for the affected installation sites.



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**7. NORTHROP GRUMMAN AND SUBCONTRACTOR STAFF GENERAL PROVISIONS**

The following terms and conditions apply to all Northrop Grumman and sub-contractor personnel:

TEA reserves the right to accept or refuse any subcontractor proposed by Northrop Grumman

**8. CONFIDENTIALITY**

Northrop Grumman agrees that all employees, including sub-contractor employees, who visit any TEA site, shall sign a confidentiality statement, if required. Any employee who refuses to sign the confidentiality statement will not be approved to work on the project. The confidentiality statements will continue to be in force after the completion of the project and five (5) years after termination of this Supplement unless additional requirements are specified by the TEA and mutually agreed upon by TEA and Northrop Grumman.

**9. MATERIALS AND LABOR**

TEA or NGS shall furnish all supplies and/or equipment to successfully perform the requirements as specified under this Supplement. Northrop Grumman shall use proper materials in accordance with the manufacturer's maintenance directions and instructions. TEA or the NGS Consortium of States shall furnish all hardware upgrades as recommended and justified by Northrop Grumman and agreed upon by the NGS Management Team to maintain the development and production-operating environment. Northrop Grumman shall not be required to furnish any equipment or tools in order to perform this Supplement except the following:

- 9.A General office supplies such as paper, pens, pencils, markers, notepads, etc...
- 9.B Parking for Northrop Grumman staff
- 9.C Monthly telephone bill for two business phone lines and one fax line
- 9.D Water and other provisions for Northrop Grumman staff

Northrop Grumman is not responsible for the damages caused or expenses incurred due to hardware problems or third party software problems, fixing hardware problems or additional equipment needed to expand services. Northrop Grumman will assist with resolution of third party software problems as far as the vendor maintenance agreements allow. Northrop Grumman warrants that any Northrop Grumman custom developed or proprietary product licensed or provided to NGS (including all modifications and upgrades) will not infringe upon or violate any United States patent, copyright, trade secret or any other proprietary right of any third party or contain the confidential information of any third party without proper authorization from the third party.

**10. PROJECT MANAGERS**

Northrop Grumman and TEA shall each designate a Project Manager. The Project Manager of Northrop Grumman, working with the TEA Project Manager or TEA Project Manager Counterpart, shall be responsible for all work specified in this Supplement. Northrop Grumman shall supply a Project Manager for all requirements of this Supplement. The Project Managers will oversee all work that is being performed on this project for their respective area and will be the primary points-of-contact for matters relating to their area. TEA shall have the right to approve/disapprove the Northrop

Grumman Project Manager. Northrop Grumman shall not remove the Northrop Grumman Project Manager during the term of this Supplement without written notice to TEA 30 days in advance or as soon as commercially feasible; however, TEA reserves the right to request the removal of a Project Manager at any time during the project, as per specifications in Item 4.E of this schedule.

**11. PAYMENT SCHEDULE**

Payments for this contract shall be, in accordance with DIR-SDD-2175 including the Attachments and Exhibits, net thirty (30) days upon receipt of Northrop Grumman invoices. Payment schedule will be developed by TEA and Northrop Grumman.

11.A Northrop Grumman shall submit an invoice after delivery, which must contain the following information:

11.A.1 Purchase order number

11.A.2 Northrop Grumman's name and valid State of Texas Northrop Grumman Identification Number

11.A.3 Line item description and pricing for each item

11.B No payments will be made directly from TEA to any subcontractor involved in the project.

11.C The above should be sent to the following: *Electronic invoices are to be sent to [teaaccountspayable@tea.state.tx.us](mailto:teaaccountspayable@tea.state.tx.us) and a second copy should be sent to Susie Coultrass, TEA, Curriculum Division.*

11.D TEA may prepay contracted amounts without penalty

11.E Northrop Grumman hereby offers the firm fixed price for the extended NGS Website Maintenance Services at \$ 659,777.00 dollars for an additional 12 months of extended services.

11.F The period of performance will be from September 1, 2013 through August 31, 2014 with the first invoice to be issued October 1, 2013. Payment schedule is as follows:

	2013		2014
November	\$ 54,981.38	January	\$ 54,981.42
December	\$ 54,981.42	February	\$ 54,981.42
		March	\$ 54,981.42
		April	\$ 54,981.42
		May	\$ 54,981.42
		June	\$ 54,981.42
		July	\$ 54,981.42
		August	\$ 54,981.42
		September	\$ 54,981.42
		October	\$54,981.42

**12. TERMINATION**

This contract may be canceled as a result of the one of the following:

- 12.A Termination by Change in Law: If federal or state laws or other requirements are amended or judicially interpreted so that either Party cannot reasonably fulfill this Supplement, and if the Parties cannot agree to a Change Order that would enable substantial continuation of the services, the Parties shall be discharged from any further obligations under this Supplement.
- 12.B Mutual Termination: This Supplement may be terminated at any time by mutual consent.
- 12.C Termination for Convenience by TEA: TEA reserves the right to terminate part of or the entire Supplement, without penalty, for TEA's convenience, upon thirty (30) days written notice to the Northrop Grumman.
- 12.D Termination for Convenience by Northrop Grumman: In the event Northrop Grumman terminates this Supplement for any reason other than breach of contract by TEA, Northrop Grumman will provide formal written notice to TEA at least 30 days in advance.
- 12.E Non-Performance and Termination for Cause. If Northrop Grumman fails to provide services according to the provisions of this Supplement, TEA may, upon written notice of default to Northrop Grumman, terminate all or any part of the Supplement. Termination is not necessarily an exclusive remedy but will be in addition to any other rights and remedies provided by law or under this Supplement. TEA, based on information from monitoring or other verifiable sources, may terminate this Supplement for cause or take other actions, including:
  - 12.E.1 Providing Northrop Grumman written notice of a perceived breach. Northrop Grumman will respond in writing to the breach notice and provide a proposed cure within fourteen (14) calendar days. The cure period will be mutually agreed upon between the Parties.
  - 12.E.2 Recouping payments made to Northrop Grumman or imposing administrative error sanctions based on audit findings of violations of contract requirements, and
  - 12.E.3 Suspending, placing into abeyance or removing any contractual rights to including, but not limited to, withholding payment and removal of all contract rights.
- 12.F If Northrop Grumman fails to provide services according to the provisions of this Supplement, TEA may, upon written Contract Settlement at Termination (Northrop Grumman Termination for Convenience): Upon termination, TEA shall pay Northrop Grumman for valid and actually incurred charges, in accordance with the terms of this Supplement, to the date of termination. DIR will not agree to allow termination costs if NG terminated at its own convenience, or if TEA terminates a specific engagement for cause, or if DIR terminates the master contract for cause.



- 12.G Contract Settlement at Termination (TEA Termination for Convenience): In the event of such termination, Northrop Grumman shall submit a final termination settlement statement of work to TEA by a date agreed upon by the parties.

Northrop Grumman and TEA may agree upon the whole or any part of the amount to be paid because of the termination. If TEA and Northrop Grumman fail to agree on the whole amount to be paid because of the termination of work, TEA shall pay Northrop Grumman the amounts stated in Northrop Grumman's termination settlement statement of work as follows:

- 12.G.1 The contract price for completed supplies or services accepted by TEA not previously paid for, adjusted for any saving of freight and other charges.
- 12.G.2 The total of:
- (i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but excluding any costs attributable to supplies or services paid or to be paid under subparagraph (1) of this clause;
  - (ii) The cost of settling and paying termination settlement statement of works under terminated subcontracts that are properly chargeable to the terminated portion of the contract if not included in subdivision (2)(i) of this clause; and
- 12.G.3 The reasonable costs of settlement of the work terminated, including:
- (i) accounting, legal, clerical, and other expenses reasonably necessary for the preparation of termination settlement statement of works and supporting data;
  - (ii) The termination and settlement of subcontracts including hardware, software, and lease costs; and
  - (iii) reasonable proportion of reasonable direct severance costs for Northrop Grumman employees assigned 100% to this Supplement and terminated from Northrop Grumman as a result of TEA's termination of this Supplement; and
  - (iv) storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.
- 12.G.4 Northrop Grumman shall have the right of appeal, under the Dispute Resolution clause in Section XIII, from any determination made by TEA under this clause.
- (i) In arriving at the amount due to Northrop Grumman under this clause, there shall be deducted -
  - (ii) All unliquidated advance or other payments to Northrop Grumman under the terminated portion of this contract;

(iii) Any claim which TEA has against Northrop Grumman under this Supplement; and

(iv) The agreed price for, or the proceeds of sale of, materials, supplies, or other things acquired by the Northrop Grumman or sold under the provisions of this clause and not recovered by or credited to the TEA.

(v) If the termination is partial, Northrop Grumman may file a change notification with TEA for an equitable adjustment of the price(s) of the continued portion of the contract. TEA shall make any equitable adjustment agreed upon. Any change notification by Northrop Grumman for an equitable adjustment under this clause shall be requested within 30 days from the effective date of termination unless extended in writing by the TEA.

12.H Contract Settlement at Termination (Northrop Grumman Default): In the event of such termination, TEA shall pay Northrop Grumman the contract price for completed supplies delivered and accepted, and services performed and accepted.

12.I Limitation of Liability:

12.I.1 Limitation of Liability shall be in accordance with Section 8K of Appendix A, DIR Contract No. DIR-SDD-2175.

12.J Rights at Termination or Expiration of Supplement: In the event the Supplement expires or is terminated for any reason, the TEA shall retain ownership of all associated work products and documentation in whatever form they exist.

12.K Termination for Non-Appropriation: Termination for Non-Appropriation will be in accordance with DIR Contract No. DIR-SDD-2175, Appendix A, Section 8, Contract Enforcement, B. Termination, 1) Termination for Non-Appropriation.

13. RIGHTS UPON TERMINATION OR EXPIRATION OF CONTRACT

In the event that this Supplement is terminated for any reason, or upon its expiration, TEA shall retain ownership of all associated documentation created to support TEA in whatever form that they exist.

14. CHANGES

Northrop Grumman and TEA may, at any time, by a mutually executed written change order or amendment, make changes to this contract or any Statement of Work. Until and unless each Party executes such mutually agreeable change order or amendment, neither Party's obligations, duties, or responsibilities under this Contract or the applicable Statement of Work shall be modified or changed in any way.

The effort set forth in any Statement of Work will be performed under the direction of TEA. When, in Northrop Grumman's opinion, such direction constitutes a change to the contract, TEA shall be notified in writing of any such change and for authorization of such change by a mutually executed written change order or amendment to this contract. Until such change is mutually agreed, in writing, by Northrop Grumman shall perform in accordance with the applicable Statement of Work and this contract as written.

15. GENERAL



- 15.A PUBLIC INFORMATION - Northrop Grumman acknowledges that State contracts are subject to the Texas Public Information Act Tex. Gov't Code CH. 552. Unless specified in writing to the TEA Contract Manager, Northrop Grumman waives confidentiality of Northrop Grumman-issued e-mail addresses.
- 15.B CONTRACT ADMINISTRATION - Following acceptance by both parties of this Supplement, Northrop Grumman shall contact TEA designated employee for guidance or direction in matters of contract interpretation or problems regarding the terms, conditions or scope of the contract.
- 15.C PROPRIETARY INFORMATION - It is the responsibility of Northrop Grumman to clearly mark any part of their offer considered to be of PROPRIETARY OR CONFIDENTIAL NATURE. Northrop Grumman shall not mark sections of their statement of work as PROPRIETARY OR CONFIDENTIAL if they are to be part of the award of the contract and are of a "material" nature, i.e., price.
- 15.D INDEMNIFICATION - Indemnification shall be in accordance with Section 8 of Appendix A, DIR Contract No. DIR-SDD-2175.
- 15.E All amendments to this Supplement shall be in accordance with DIR Contract No. DIR-SDD-2175

**ATTACHMENT A**

**HARDWARE CONFIGURATION**

**NOT APPLICABLE**

**ATTACHMENT B**

**NOT APPLICABLE**

		Monday - Friday 8 a.m. - 5 p.m. appropriate Central time					Monday - Friday 5:01 p.m. - 7:59 a.m. appropriate Central time					Saturday, and Holiday					Sunday				
		Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost	Per Hour Cost
Item No.	Staff Classification	FY1 2	FY1 3	FY1 4	FY1 5	FY1 6															

**ATTACHMENT C**

**REPORTS**

**NOT APPLICABLE**

## RESPONSIBILITIES SUMMARY

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8/26/2013



**ATTACHMENT E**

**STIPULATED LOSS SCHEDULE**

**NOT APPLICABLE**

## **SCHEDULE J**

### **Northrop Grumman Charges, Measures of Utilization and Financial Responsibility Matrix**

The measures of utilization for providing the services to TEA are seat management units. The categories of resources for which Baseline are established in this schedule are those major categories that will be used by Northrop Grumman to perform the services established in this Supplemental Agreement; all other services will be provided at an additional charge to TEA.

Exhibit J - 1

Financial Responsibility Matrix Exhibit J – 1 – Does not apply.

Exhibit J - 2

As established in the DIR Contract No. DIR-SDD-2175, the Annual Charges are the Charges to TEA for Northrop Grumman's provision of the Services and includes the quantity of Resource Units set forth as the baseline in this Supplemental Agreement. Exhibit J - 2 establishes the Annual Service Charge for each fiscal year and also establishes the baseline Resource Units for seat management service units and options as listed on J-2.

#### **Financial / Pricing Assumptions**

- When necessary, any proration will be based upon twelve (12) thirty-day months.
- Unless specified otherwise, a Year will be TEA's Fiscal Year and a quarter will be a quarter within TEA's Fiscal Year. TEA's Fiscal Year covers the period of September 1st through August 31<sup>st</sup>.
- Unless specifically stated otherwise, all cost elements must be considered to be based upon annual rates and the annual period shall be TEA's Fiscal Year. TEA will not pay for any services until the beginning of the effective period. No invoices may be presented to TEA until the period of coverage has begun.

**ATTACHMENT F - FORM 1**

**TEA NGS MSIX Specialist**

## **1.0 Overview**

As a provider of managed services under contract DIR-SDD-2175 for Texas Education Agency (TEA), Northrop Grumman Systems Corporation, a Delaware corporation, acting through Northrop Grumman Information Systems sector, Civil Systems Division (formerly Northrop Grumman Information Technology, Inc.) (hereinafter, "Northrop Grumman") is pleased to add this statement of work for the TEA New Generation System (NGS) Migrant Student Information Exchange (MSIX) Specialist Services. This statement of work and assumptions defines the details of the equipment and services that will be provided to TEA by Northrop Grumman. The pricing detailed in this statement of work is based on the assumptions, TEA responsibilities and criteria identified in this document.

## **2.0 Northrop Grumman Responsibilities**

The scope of this project is to provide TEA NGS MSIX Specialist services under the TEA NGS Website Maintenance Supplemental Agreement in accordance with this statement of work. Northrop Grumman will provide the following limited Services as described in this Section 2.

### **2.1 Project Management**

Northrop Grumman will provide Project Management for planning, coordinating, executing and overseeing the equipment, personnel, and services for the TEA NGS MSIX Specialist Project as outlined below.

- 1) As part of the TEA NGS MSIX Specialist Project, Northrop Grumman will provide the following Project Management Services.
  - a. The Northrop Grumman Project Manager will coordinate the readiness of the NGS Office in support of the TEA NGS MSIX Specialist Services to include;
    - i. Access to the NGS Office for the TEA NGS MSIX Specialist;
    - ii. Cubicle work space made available to the TEA NGS MSIX Specialist;
    - iii. Access and availability of computer equipment, computer software and the internet that will be used in support of the TEA NGS MSIX Specialist project;
    - iv. Access and availability of the TEA NGS telephone system in support of the TEA NGS MSIX Specialist Project.
  - b. The Northrop Grumman Project Manager will be responsible for overseeing the entire TEA NGS MSIX Specialist Project:

- i. Coordinating invoicing to TEA related to payment schedule in Section 7.0 Payment Schedule of this statement of work; and
- ii. Coordinating and participating in problem resolution activities related to the close-out of Services related to this Statement of Work.

## **2.2 Equipment and Technical Support**

- 1) As part of the TEA NGS MSIX Specialist Project, Northrop Grumman will provide the following equipment and technical support.
  - a. Technical Support from September 1, 2013 through August 31, 2014 to include;
    - i. Northrop Grumman NGS Trainer to train the TEA MSIX Specialist on the use of Northrop Grumman's web conferencing and training software (Citrix's GoToMeeting);  
Northrop Grumman NGS Trainer to assist the TEA MSIX Specialist with MSIX webinar training sessions and recordings.
  - b. Equipment and Software to include;
    - i. The Northrop Grumman web conferencing and training software (Citrix's GoToMeeting).
    - ii. One (1) telephone line that is tied to the current NGS Help Desk toll-free number so that the NGS MSIX Specialist can use the additional line capacity to support the MSIX services outlined in this statement of work;
    - iii. The Northrop Grumman help desk call tracking software to record requests made to the TEA NGS MSIX Specialist;
    - iv. One (1) Dell XPS 420 computer that will be used by the NGS MSIX Help Desk Operator.
    - v. Microsoft Office Small Business Edition
    - vi. McAfee Antivirus Software
    - vii. Microsoft SQL Server Client that will provide the Help Desk operator direct access to the NGS database which will facilitate a much faster response to querying data, correcting problems, and running reports.

## **2.3 NGS MSIX Specialist Services**

- 1) As part of the TEA NGS MSIX Specialist Project, Northrop Grumman will provide the following from September 1, 2013 through August 31, 2014.
  - a. One TEA NGS MSIX Specialist with the following experience;



- i. A minimum of two years using and working with the MSIX Website application;
  - ii. A minimum of two years using and working with the NGS Website application;
  - iii. A minimum of two years providing application help desk support;
  - iv. A minimum of two years providing training to end users;
- b. MSIX Specialist Services;
  - i. Answering end user questions regarding the MSIX application; and
  - ii. Assist in resolving end user MSIX application issues where possible. In the event that a remedy for an end user's problem cannot be found then the Northrop Grumman MSIX Specialist will escalate the problem to the Federal MSIX Help Desk and/or the Federal MSIX programmers; and
  - iii. Monitor and record the results of the application issues and update TEA, NGS project management, and the NGS end user submitting the problem.
  - iv. Assist TEA and the NGS programmers with MSIX interface and application issues. The operator will have access to the NGS database to run queries and reports against in order to validate data on the MSIX system or with the NGS MSIX data transmissions.
  - v. Assist TEA with the MSIX Worklists: work to resolve data errors identified from the MSIX data uploads to the MSIX system. Contact state migrant staff regarding those errors in order to resolve; data match errors, duplicate student records, or other issues with NGS transferred data on the MSIX system.
  - vi. Contact Texas Regional Service Centers and NGS end users to assist with data validation.
  - vii. Assist TEA with the MSIX password cleanup process.

## **2.4 TEA NGS MSIX Specialist**

- 1) Assist the State MEP team with support activities as related to the Migrant Student Information Exchange (MSIX) and MSIX documents such as the State Strategic Plan;
- 2) Develop and provide MSIX trainings, via internet web training software (GoToMeeting), to Texas Education Service Center's (ESCs);
- 3) Review, edit and complete a New Generation System (NGS) User Manual. The step-by-step user manual will be used by NGS Data Specialists statewide. The manual will serve as a training and quality control tool to ensure consistent data entry across the state.

### **3.0 Assumptions**

The following assumptions are based upon known conditions at the time this scope of work was created and on which Northrop Grumman's obligations under this scope of work are predicated. Northrop Grumman assumes no liability for TEA mistakes, scope changes or failures to perform. Northrop Grumman's statement of work is based on the following list of assumptions. Northrop Grumman shall be entitled to an equitable adjustment in price and/or schedule if any change to these assumptions result in an increase to Northrop Grumman's cost or time to perform this scope.

- 1) Actual period of performance will begin with an executed TEA Amendment through August 31, 2014.
- 2) The TEA NGS MSIX Help Desk Specialist will be housed in the current NGS facility located at 7703 N. Lamar Blvd, Suite 320, Austin, Texas 78752.
- 3) All work will be performed in Austin, Texas
- 4) NGS Help Desk staff will not have direct access to the MSIX database or application to resolve MSIX application issues. NGS Help Desk staff will annotate NGS end user problems with the MSIX system and contact the appropriate MSIX staff to help resolve MSIX application issues.
- 5) No Service Level Agreements (SLA's) or Service Level Commitments (SLC's) are associated with this work scope or the services to be provided hereunder.
- 6) All MSIX Training will be provided via the web.
- 7) The payment terms for this statement of work are in accordance to the table in section 7.0 Payment Schedule herein and payable a net thirty (30) days upon receipt of the Northrop Grumman invoice;
- 8) Northrop Grumman Pricing includes the .50% DIR Fee;
- 9) \*ARRA funds will not be utilized to fund this effort; and
- 10) Principal Period of Service is 8:00am to 5:00pm (local site time) Monday through Friday (excluding National and State of Texas official holidays).

### **4.0 Estimated Period of Performance**

The estimated period of performance is from September 1, 2013 to August 31, 2014.

The actual period of performance begins upon receipt by Northrop Grumman of the fully executed amendment.

### **5.0 Completion Criteria**

Northrop Grumman will provide the services as defined herein from September 1, 2013 through August 31, 2014.

## **6.0 Statement of work Pricing**

All following costs/prices are based upon knowledge known at the time this statement of work was created and Northrop Grumman assumes no liability for mistakes of fact, incorrect cost estimates, or changes in project assumptions.

The DIR administrative fee of .50% is included in all prices. In the event that the DIR administrative fee is increased, then Northrop Grumman's prices will be adjusted accordingly.

Northrop Grumman agrees to provide the proposed services on a firm fixed price basis stipulated below:

<b>Year</b>	<b>Price</b>
2013 – 2014 (09/1/2013 –8/31/2014)	\$ 120,000.00

\*Per Federal Acquisition Regulations (FAR) part Subpart 4.15—American Recovery and Reinvestment Act (ARRA)—Reporting Requirements, any contract action funded in whole or in part by the Recovery Act, the contracting officer shall indicate that the contract action is being made under the Recovery Act, and indicate which products or services are funded under the Recovery Act. This requirement applies whenever Recovery Act funds are used, regardless of the contract instrument. The referenced RFP or request for Services did not include FAR clause 52.204-11, therefore Northrop Grumman has made the assumption that ARRA funds will not be utilized at this time to fund this effort upon award. Should after award the TEA utilize ARRA funds for this effort, Northrop Grumman requests that at least two months' notice, if possible, be given before ARRA funds are obligated on the contract. If such ARRA funds are used, such a change will be deemed a scope change and Northrop Grumman will be entitled to an equitable adjustment to the price for any additional reporting requirements. This advance notice is to allow Northrop Grumman enough time to comply with the reporting requirements stated in FAR 52.204-11 - American Recovery and Reinvestment Act—Reporting Requirements.

## **7.0 Invoice Payment Schedule**

The payment terms for this statement of work are net thirty (30) days upon receipt of the Northrop Grumman invoices. Northrop Grumman will begin invoicing monthly for the services beginning on September 1, 2013 until the full price of \$120,000.00 has been received by Northrop Grumman Example; (First invoice will be submitted to TEA on October 1, 2013 payment to be received by Northrop Grumman no later than 01 November 2013). The invoice payment schedule for this statement of work is in accordance with the statement of work pricing herein.

	2013		2014
November	\$ 10,000.00	January	\$ 10,000.00
December	\$ 10,000.00	February	\$ 10,000.00
		March	\$ 10,000.00
		April	\$ 10,000.00
		May	\$ 10,000.00
		June	\$ 10,000.00
		July	\$ 10,000.00
		August	\$ 10,000.00
		September	\$ 10,000.00
		October	\$ 10,000.00

## 8.0 Termination Liability

In the event this effort is terminated for convenience and/or non-appropriation of funds by the Agency, the amount of termination cost payable by TEA will be pursuant to the DIR Master Agreement DIR-SDD-2175 Appendix A, Section 13 Contract Enforcement Section B. Termination.



## **SCHEDULE V**

### **MODIFICATION TO THE BASE CONTRACT TERMS AND CONDITIONS**

The following terms and conditions apply to this Supplemental Agreement and to the terms and conditions of the State of Texas Agreement for Information Technology Services:

#### **Background and Objectives**

- a) This Supplemental Agreement consists of several interrelated documents: the DIR Contract No. DIR-SDD-2175 for Managed Services for Information Technology DIR-SDD-2175 (herein after referred to as the "Master Agreement") between the Department of Information Resources (DIR) and Northrop Grumman, Inc. (Northrop Grumman); the TEA Supplemental Agreement for Information Technology Services (herein after referred to as the "Supplement") between [TEA] and Northrop Grumman. The Supplement is a combination of Schedules specific to the Supplement between TEA and Northrop Grumman.
- b) In the event of a conflict between or among any of the provisions of these documents, such conflicts shall be resolved by referring to these documents in the following order of precedence; (1) the Master Services Agreement; (2) the Supplement and 3) Appendix A to the Master Services Agreement. In the event of a conflict between or among any provisions of the Supplement, such conflicts shall be resolved by referring to these documents in the following order of precedence: (1) Schedule V; (2) the remaining Schedules.



**DIR Managed Services for Information Technology****TEA NGS - PRICING SUMMARY****No. 1 - EXHIBIT J2**

	<b>FY 14</b>	<b>TOTAL</b>
Website Maintenance	\$ 659,777.00	\$ 659,777.00
MSIX Specialist	\$ 120,000.00	\$ 120,000.00

<b>TOTALS</b>	<b>\$779,777.00</b>	<b>\$779,777.00</b>
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**Special Provisions – B**  
**Debarment and Suspension Certification**

(Required for all federally-funded contracts)

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 34 CFR Part 85, §85.510, Participants' Responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19,160-19,211). The regulations may be viewed and downloaded from the website: <http://www.sba.gov/sites/default/files/files/SBA%201624.pdf>

**READ INSTRUCTIONS ON NEXT PAGE BEFORE COMPLETING CERTIFICATION**

**CERTIFYING STATEMENT**

- (1) The prospective lower tier participant certifies, by submission of this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Contract.

Northrop Grumman Systems Corporation, acting through Northrop Grumman  
Information Systems Sector, Cyber Solutions Division  
(“Northrop Grumman”)


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Organization Name

Melissa A. Corbin, Contracts Manager

---

Name and Title of Authorized Representative



---

Signature

September 23, 2013

---

Date

## Special Provisions – C

### Part A

#### Lobbying Certification

(Required for all federally-funded contracts greater than \$100,000)

Submission of this certification is required by the U.S. Department of Education and Section 1352, Title 31 of the United States Code. It is a prerequisite for making or entering into a contract, subcontract, or subgrant over \$100,000 with any organization. (See next page of this schedule for further instructions.)

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid ~~or will be paid~~ <sup>YMOE</sup> by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement.

<sup>YMOE</sup> (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, Special Provisions D Part B "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all subrecipients shall certify and disclose accordingly.

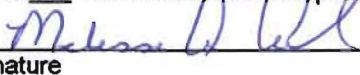
This certification is a material representation of fact on which the U.S. Department of Education and the Texas Education Agency relied when it made or entered into this grant or Contract. Any organization that fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

<sup>YMOE</sup> Northrop Grumman Systems Corporation, acting through Northrop Grumman Information Systems Sector, Cyber Solutions Division ("Northrop Grumman")

Organization Name

Melissa A. Corbin, Contracts Manager

Name and Title of Authorized Representative



Signature

September 23, 2013

Date

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

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

**1. No Quantity Guarantees**

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

**2. Definitions**

**A. Customer** - any Texas state agency, unit of local government, institution of higher education as defined in Section 2054.003, Texas Government Code, and those state agencies purchasing from a DIR contract through an Interagency Agreement, as authorized by Chapter 771, Texas Government Code, any local government as authorized through the Interlocal Cooperation Act, Chapter 791, Texas Government Code, the state agencies and political subdivisions of other states as authorized by Section 2054.0565, Texas Government Code, and, except for telecommunications services under Chapter 2170, Texas Government Code, assistance organizations as defined in Section 2175.001, Texas Government Code to mean:

- 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;
- 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.

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

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

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

**E. Day** - shall mean business days, Monday through Friday, except for State and Federal holidays. 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.

## **Appendix A**

### **Standard Terms and Conditions For Services Contracts**

- F. Purchase Order** - the Customer's fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).
- G. State** – refers to the State of Texas.

### **3. General Provisions**

#### **A. Entire Agreement**

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

#### **B. Modification of Contract Terms and/or Amendments**

- 1) The terms and conditions of the Contract shall govern all transactions by Customers under the Contract. The Contract may only be modified or amended upon mutual written agreement of DIR and Vendor.
- 2) Customers shall not have the authority to modify the terms of the Contract; however, additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Vendor may be added in a Purchase Order and given effect. No additional term or condition added in a Purchase Order issued by a Customer can weaken 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.

#### **C. Invalid Term or Condition**

- 1) To the extent any term or condition in the Contract conflicts with the applicable Texas and/or United States law or regulation, such Contract term or condition is void and unenforceable. By executing a contract which contains the conflicting term or condition, DIR makes no representations or warranties regarding the enforceability of such term or condition and DIR does not waive the applicable Texas and/or United States law or regulation which conflicts with the Contract term or condition.
- 2) If one or more term or condition in the Contract, or the application of any term or condition to any party or circumstance, is held invalid, unenforceable, or illegal in any respect by a final judgment or order of the State Office of Administrative Hearings or a court of competent jurisdiction, the remainder of the Contract and the application of the term or condition to other parties or circumstances shall remain valid and in full force and effect.

#### **D. Assignment**

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



## **Appendix A**

### **Standard Terms and Conditions For Services Contracts**

the assigning party. Any other assignment by a party shall require the written consent of the other party. Each party agrees to cooperate to amend the Contract as necessary to maintain an accurate record of the contracting parties.

#### **E. Survival**

All applicable service agreements that were entered into between Vendor and a Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Vendor shall survive expiration or termination of the Contract.

#### **F. Choice of Law**

The laws of the State of Texas shall govern the construction and interpretation of the Contract. 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 of Texas 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 of Texas or Texas Department of Information Resources.

### **4. Terms and Conditions Applicable to State Agency Purchases Only**

#### **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 of Texas 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 thirty (30) 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 of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act).

### **5. Contract Fulfillment and Promotion**

#### **A. Service, Sales and Support of the Contract**

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

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

**B. Internet Access to Contract and Pricing Information**

**1) Vendor Website**

Within thirty (30) days from 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, Contract pricing, contact information for Vendor, instructions for obtaining quotes and placing Purchase Orders. The Vendor's website shall list the DIR Contract number, reference the DIR Information and Communications Technology (ICT) Cooperative Contracts program, display the DIR logo in accordance with the requirements in paragraph D 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 verifiable documentation that pricing listed upon this website is uniform with the pricing as stated within Section 4 of 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 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 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.

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### **Standard Terms and Conditions For Services Contracts**

#### **C. Services Warranty and Return Policies**

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

#### **D. DIR Logo**

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

#### **E. Vendor Logo**

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

#### **F. Trade Show Participation**

At DIR's discretion, Vendor may be required to participate in one or more DIR sponsored trade shows each calendar year. Vendor understands and agrees that participation, at the Vendor's expense, includes providing a manned booth display or similar presence. DIR will provide four months advance notice of any required participation. Vendor must display the DIR logo at all trade shows that potential Customers will attend. DIR reserves the right to approve or disapprove of the location or the use of the DIR logo in or on the Vendor's booth.

#### **G. 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. DIR shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

#### **H. DIR Cost Avoidance**

As part of the performance measures reported to state leadership, DIR must provide the cost avoidance the State has achieved through the Contract. Upon request by DIR, Vendor shall provide DIR with a detailed report of a representative sample of service sold under the Contract. The report shall contain: service description, list price, price to Customer under the Contract, and pricing from three (3) alternative sources under which DIR customers can procure the services.



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**6. Purchase Orders, Invoices, and Payments**

**A. Purchase Orders**

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

**B. Invoices**

Invoices shall be submitted by the Vendor directly to the Customer and shall be issued in compliance with Chapter 2251, Texas Government Code. All payments for services purchased under the Contract and any provision of acceptance of such services shall be made by the Customer to the Vendor.

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

**C. Payments**

Customers shall comply with Chapter 2251, Texas Government Code, in making payments to Vendor. The statute states that payments for goods and services are due thirty (30) 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.

**7. Contract Administration**

**A. Contract Administrators**

DIR and the Vendor will each provide a Contract Administrator to support the Contract. Information regarding the Contract Administrators will be posted on the Internet website designated for the Contract.

**1) State Contract Administrator**

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

**2) Vendor Contract Administrator**

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

**B. Reporting and Administrative Fees**

**1) Reporting Responsibility**

a) Vendor shall be responsible for reporting all services purchased under the



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### **Standard Terms and Conditions For Services Contracts**

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 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. The monthly report shall include, per transaction: the detailed sales for the period, Customer name, invoice date, invoice number, description, quantity, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, and other information as required by DIR. Each report must contain all information listed above per transaction or the report will be rejected and returned to the Vendor for correction in accordance with this section.

#### **3) Historically Underutilized Businesses Subcontract Reports**

a) Vendor shall electronically provide each Customer with their 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 administrative fee shall be specified in the Contract. 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.

b) Vendor shall reference the DIR Contract number 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,

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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. Records and Audit**

- 1) Acceptance of funds under the Contract by Vendor acts as acceptance of the authority of the State Auditor's Office, or any successor agency, 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 in the conduct of the audit or investigation, including providing all records requested. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Vendor and the requirement to cooperate is included in any subcontract it awards pertaining to the Contract. Under the direction of the Legislative Audit Committee, a Vendor that is the subject of an audit or investigation by the State Auditor's Office must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit.
- 2) Vendor shall maintain adequate records to establish compliance with the Contract until the later of a period of four (4) years after termination of the Contract or until full, final and unappealable resolution of all Compliance Check or litigation issues that arise under the Contract. Such records shall include per transaction: Customer name, invoice date, invoice number, description, quantity, 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) days of receipt.
- 4) For procuring State Agencies whose payments are processed by the Texas Comptroller of Public Accounts, the volume of payments made to Vendor through the



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

**D. Contract Administration Notification**

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.

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 ICT Cooperative Contracts E-Mail Box information.

**8. Vendor Responsibilities**

**A. Indemnification**

**1) INDEPENDENT CONTRACTOR**

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

**2) Acts or Omissions**

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 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 REGARDLESS OF THE NEGLIGENCE OF THE CUSTOMER, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES. VENDOR SHALL PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS FEES. THE DEFENSE SHALL BE COORDINATED BY THE OFFICE OF THE ATTORNEY GENERAL FOR TEXAS STATE AGENCY CUSTOMERS AND BY CUSTOMER'S LEGAL COUNSEL FOR NON-STATE AGENCY CUSTOMERS.

**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

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service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY THE OFFICE OF THE ATTORNEY GENERAL FOR TEXAS STATE AGENCY CUSTOMERS AND BY CUSTOMER'S LEGAL COUNSEL FOR NON-STATE AGENCY CUSTOMERS.

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

**4) PROPERTY DAMAGE**

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

**B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE**

1) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND 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. VENDOR AGREES AND ACKNOWLEDGES THAT VENDOR ITS EMPLOYEES, REPRESENTATIVES, AGENTS OR SUBCONTRACTORS SHALL NOT BE ENTITLED TO ANY STATE BENEFIT OR BENEFIT OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER. 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



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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, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR EXPECTATIONS OF BENEFITS BY VENDOR, ITS EMPLOYEES, REPRESENTATIVES, AGENTS OR SUBCONTRACTORS IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY THE OFFICE OF THE ATTORNEY GENERAL FOR TEXAS STATE AGENCY CUSTOMERS AND BY CUSTOMER'S LEGAL COUNSEL FOR NON-STATE AGENCY CUSTOMERS.

**C. Vendor Certifications**

Vendor certifies that it: (i) has not given, offered to give, and does 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) is not currently delinquent in the payment of any franchise tax owed the State of Texas and is 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 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, (iv) has 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) are not suspended or debarred from doing business with the federal government as listed in the *Excluded Parties List System (EPLS)* maintained by the General Services Administration, and (viii) as of the effective date of the Contract, are not listed in the prohibited vendors list authorized by Executive Order #13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*", published by the United States Department of the Treasury, Office of Foreign Assets Control; (ix) Vendor 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 of Texas; (x) Vendor certifies that they are in compliance Section 669.003, Texas Government Code, relating to contracting with executive head of a state agency; (xi) Vendor certifies for



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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; (xii) 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, and, if these facts change during the course of the Contract, Vendor certifies it shall disclose for itself and on behalf of subcontractors the actual or potential conflict of interest and any circumstances which create the appearance of impropriety; (xiii) Vendor represents and warrants that the Customer's payment to Vendor and Vendor's receipt of appropriated or other funds under this Agreement are not prohibited by Sections 556.005 or Section 556.008, Texas Government Code; (xiv) under Section 2155.006, Government Code, Vendor certifies that the individual or business entity in this 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; and (xv) Vendor certifies that it has complied with the Section 556.0055, Texas Government Code, restriction on lobbying expenditures. In addition, Vendor acknowledges the applicability of §2155.444 and §2155.4441, Texas Government Code, in fulfilling the terms of the Contract.

During the term of the Contract, Vendor shall, for itself and on behalf of its subcontractors, 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.

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

Vendor shall be an entity 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

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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 Item 17 of Appendix A to the RFO and/or Section 7.C. (xi) and (xii), 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 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 shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance with the instruction of the Customer. Vendor shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors. If a Vendor 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



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of the Vendor'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 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 of Texas, 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 patent, trademark, or copyright infringement.

#### **L. 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 7.L.2 below, in accordance with contracts developed by DIR, unless the agency obtains an exemption from DIR.
- 2) Commodity items are commercially available software, hardware and technology services that are generally available to businesses or the public and for which DIR determines that a reasonable demand exists in two or more state agencies. Hardware is the physical technology used to process, manage, store, transmit, receive or deliver information. Software is the commercially available programs that operate hardware and includes all supporting documentation, media on which the software may be contained or stored, related materials, modifications, versions, upgrades, enhancements, updates or replacements. Technology services are the services, functions and activities that facilitate the design, implementation, creation, or use of software or hardware. Technology services include seat management, staffing augmentation, training, maintenance and subscription services. Technology services do not include telecommunications services. Seat management is services through which a state agency transfers its responsibilities to a vendor to manage its personal computing needs, including all necessary hardware, software and technology services.
- 3) Vendor agrees to coordinate all State agency commodity item sales through existing DIR contracts. Institutions of higher education are exempt from Subsection 7.L.

#### **M. 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, et seq., and which arise under the antitrust laws of the State of Texas, Tex. Bus. and Comm. Code Section 15.01, et seq.

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#### **N. 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.

#### **O. Required Insurance Coverage**

As a condition of this Contract with DIR, Vendor shall provide the listed insurance coverage within 5 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+ financially rated and duly licensed, admitted, and authorized to do business in the State of Texas. 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 \$500,000 per occurrence for coverage A, B, & C including products/completed operations, where appropriate, with a separate aggregate of \$500,000. 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 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 \$250,000 bodily injury per accident, \$500,000 bodily injury disease policy limit and \$250,000 per disease per employee.

##### **3) Business Automobile Liability Insurance**

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### **Standard Terms and Conditions For Services Contracts**

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.

#### **P. 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 of Texas 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 of Texas 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.

#### **Q. Immigration**

Vendor shall comply with all requirements related to federal immigration laws and regulations, to include but not be limited to, 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. Nothing herein is intended to exclude compliance by Vendor with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

#### **R. Public Disclosure**

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

#### **S. Product and/or Services Substitutions**

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

#### **T. Secure Erasure of Hard Disk Managed Services Products and/or Services**

Vendor agrees that all managed service 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 managed service products and/or services, either at the end of the managed service product and/or services' useful life or at the end of the Customer's managed service product and/or services' useful life or the end of the related



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

Customer Managed Services Agreement for such products and/or services, in accordance with 1 TAC 202.

**U. Deceptive Trade Practices; Unfair Business Practices**

- (a) 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.
- (b) 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.

**9. 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.

**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, 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 services, they are obligated to pay for the services or they may discontinue using services under any return provisions that Vendor offers. In the event of such termination, the Customer will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or

## **Appendix A**

### **Standard Terms and Conditions For Services Contracts**

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 *Excluded Parties List System (EPLS)* 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 9.A, Notices, of intent to terminate.

#### **3) Termination for Convenience**

DIR or Vendor 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 if it is determined by the Customer that Vendor will not be able to deliver services in a timely manner to meet the business needs of the Customer.

#### **4) Termination for Cause**

##### **a) Contract**

Either DIR or Vendor may issue a written notice of default to the other upon the occurrence of a material breach of any covenant, warranty or provision of the Contract, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Contract. Customers purchasing products or services under the Contract have no power to terminate the Contract for default.

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

**10. Notification**

**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

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

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

**11. 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.





# 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,**
- **32.7 percent for all special trade construction contracts,**
- **23.6 percent for professional services contracts,**
- **24.6 percent for all other services contracts, and**
- **21 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 contracts that have been in place for five years or less shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

For assistance in completing the HSP, contact the HUB Coordinator, Bernadette Davis at [bernadette.davis@dir.texas.gov](mailto:bernadette.davis@dir.texas.gov).

## SECTION 1 RESPONDENT AND REQUISITION INFORMATION

- a. Respondent (Company) Name: Northrop Grumman Systems Corporation State of Texas VID #: 1951055798600  
 Point of Contact: Angela Fletcher Phone #: 703-556-1342  
 E-mail Address: angela.fletcher@ngc.com Fax #: 703-793-1197
- b. Is your company a State of Texas certified HUB? ☐ - Yes ☒ - No
- c. Requisition #: DIR-SDD-2175

Enter your company's name here: Northrop Grumman Systems Corporation

Requisition #: DIR-SDD-2175

**SECTION 2 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 goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "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. (If **No**, continue to SECTION 3.)

- 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 have had contracts in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have had contracts in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs .
1	Installation and De-installation Services	TBD%	TBD%	TBD%
2	Computer Software Consulting	TBD%	TBD%	TBD%
3	Microcomputers, Desktop or Tower based	TBD%	TBD%	TBD%
4	Microcomputers, Handheld, Laptop, and Notebook	TBD%	TBD%	TBD%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
	Aggregate percentages of the contract expected to be subcontracted:	TBD%	TBD%	TBD%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>)

- 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 have had contracts in place with for five (5) years or less **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.)



**SECTION 3 SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.)**

Check the appropriate box (Yes or No) that indicates whether your response/proposal contains an explanation demonstrating how your company will fulfill the entire contract with its own resources.

- ☐ - Yes (If Yes, in the space provided below list the specific page(s)/section(s) of your proposal which explains how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)
- ☐ - No (If No, in the space provided below explain how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)

**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 <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.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

Angela Fletcher  
Printed Name

Subcontracts Manager  
Title

23 September 2013  
Date

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

# HSP Good Faith Effort - Method A (Attachment A)

Enter your company's name here: Northrop Grumman Systems Corporation

Requisition #: DIR-SDD-2175

**IMPORTANT:** If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-A.doc>

## SECTION A-1 SUBCONTRACTING OPPORTUNITY

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

Item #: 1 Description: Installation and De-installation Services

## SECTION A-2 SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # (Required if Texas Certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
Castillo & Associates	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1203156340100	\$TBD	TBD%
TechForce Technology, Inc	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1204008381300	\$TBD	TBD%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
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	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

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



# HSP Good Faith Effort - Method A (Attachment A)

Enter your company's name here: Northrop Grumman Systems Corporation

Requisition #: DIR-SDD-2175

**IMPORTANT:** If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-A.doc>

## SECTION A-1 SUBCONTRACTING OPPORTUNITY

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

Item #: 2 Description: Computer Software Consulting

## SECTION A-2 SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # (Required if Texas Certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
Castillo & Associates	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1203156340100	\$TBD	TBD%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
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	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

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

# HSP Good Faith Effort - Method A (Attachment A)

Enter your company's name here: Northrop Grumman Systems Corporation

Requisition #: DIR-SDD-2175

**IMPORTANT:** If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-A.doc>

## SECTION A-1 SUBCONTRACTING OPPORTUNITY

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

Item #: 3 Description: Microcomputers, Desktop or Tower based

## SECTION A-2 SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # (Required if Texas Certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
Strateon Technologies, Inc.	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1263044870700	\$TBD	TBD%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
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	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

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

# HSP Good Faith Effort - Method A (Attachment A)

Enter your company's name here: Northrop Grumman Systems Corporation

Requisition #: DIR-SDD-2175

**IMPORTANT:** If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-A.doc>

## SECTION A-1 SUBCONTRACTING OPPORTUNITY

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

Item #: 4 Description: Microcomputers, Handheld, Laptop, and Notebook

## SECTION A-2 SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # (Required if Texas Certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
Strateon Technologies, Inc.	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1263044870700	\$TBD	TBD%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

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